

SFI OPPORTUNITIES AND OTHER 'WINS' FOR FARMERS

MGA CONFERENCE 2024

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AN INTRODUCTION:

SMART BUSINESS SOLUTIONS

Ceres Rural offers you a full scope of experience-led farming consultancy, technical support and business management. You are provided with independent advice and services from qualified professionals, tailoring unique solutions in line with your specific requirements and means.



MEET THE TEAM

QUALIFIED PROFESSIONALS, TAILORING UNIQUE SOLUTIONS.

- 33 specialist farming consultants
- Farm management, agronomy & environmental advice
- Offices in Saffron Walden, Oxford, Norwich, Chelmsford & Shrewsbury
- Combining practical advice with professional qualifications
- 22 BASIS & FACTS qualified agronomist





OUR SERVICES



FARM MANAGEMENT



GRANT ADVICE



HEALTH & SAFETY GUIDANCE



CROP MANAGEMENT



BUSINESS SOLUTIONS



ENVIRONMENTAL MANAGEMENT



STRATEGIC CONSULTING



BUSINESS REVIEWS



RECRUITMENT SERVICES



BIODIVERSITY OFFSETTING



BENCHMARKING SERVICES



REGENERATIVE AGRICULTURE
CONSULTANCY



CARBON ACCOUNTING



RENEWABLES DIVERSIFICATION



LAND CLASSIFICATION REPORTING



FREE BUSINESS ADVICE



NOW IS THE TIME FOR SFI ACTIONS



Home > Environment > Food and farming > Food and farming industry



Department for Environment Food & Rural Affairs

Policy paper

Technical annex: The combined environmental land management offer

Updated 5 January 2024

Contents

Arable land, grassland and permanent crops

Species recovery and management

Moorland and upland peat

Lowland peat

The combined Sustainable Farming Incentives offer will represent the largest change in the offer delivering on the ambition we set out in our [update](#) in January 2023.

The changes we are making include:

- expanding and improving the range of

DEFRA Technical Annex of Options: The Combined Environmental Land Management Offer
January 2024



Code	CS or SFI	Action	Duration	Action's Aim	Old payment rate	New payment rate
ACTIONS FOR SOILS						
SAM1	SFI	Assess soil, test soil organic matter and produce a soil management plan	3 years	You understand the condition of your soil and effectively plan how to increase its long-term health, productivity and resilience	£5.80	£6.00 per ha plus £97 per agreement
New		No-till farming	3 years	No-till farming techniques are used to establish crops, so soil disturbance is reduced		£73 per ha
SW5	CS	Enhanced management of maize crops	3 to 5 years	Maize crops are harvested by early autumn and there is a well-established cover crop during the autumn and winter months	£172	£203 per ha
New		Multi-species spring, summer or autumn cover	3 years	There is a well-established multi-species cover crop during the spring, summer or autumn months		£153 to £163 per ha
SAM2 (SW6)	SFI	Multi-species winter cover crops	3 years	There is a well-established multi-species cover crop over the winter months	£129	£129 per ha
SAM3 (GS4)	SFI	Herbal leys	3 years	To provide varied root structures	£382	£382 per ha
INTEGRATED PEST MANAGEMENT						
IPM1	SFI	Assess IPM and produce a plan	3 years	You understand the benefits, costs, impacts and risks of current approach to crop pest, weed and disease management and effectively plan how to adopt a range of appropriate IPM methods	£989	£1,129 per agreement
IPM2 (AB8)	SFI	Flower-rich grass margins, blocks, or in-field strips (on arable land or permanent crops)	3 years	There are grass margins, blocks or in-field strips containing flowering plants during the summer months into early autumn	£673	£798 per ha
IPM3	SFI	Companion crop on arable and horticultural land	3 years	A companion crop is established, so it is growing with the main arable or horticultural crop	£55	£55 per ha
IPM4	SFI	No use of insecticide on arable crops and permanent crops	3 years	Plant protection products containing insecticide are not used	£45	£45 per ha
NUTRIENT MANAGEMENT						
NUM1	SFI	Assess nutrient management and produce a review report	3 years	You assess your current approach to nutrient usage, and effectively plan how to manage nutrient usage more efficiently and effectively, and plan how to optimise use of organic sources of crop nutrition	£589	£652 per agreement
NUM2	SFI	Legumes on improved grassland	3 years	There are legumes growing from spring until early autumn	£102	£102 per ha
NUM3 (AB15)	SFI	Legume fallow	3 years	There is a legume fallow that produces areas of flowering plants from late spring and during the summer months	£593	£593 per ha



SUSTAINABLE FARMING INCENTIVE

THE BASICS?

When can I apply?

- Application window **NOW OPEN** via Rural Payments Agency Online
 - All those who are eligible for BPS will be able to apply for the Sustainable Farming Incentive (SFI should be opening up to new farmers from summer 24 onwards)
 - Rolling application window
 - Multiple Agreements per SBI possible, or options can be added on the anniversary date

Scheme details

- Three-year agreements
- Payments quarterly
- Tenant friendly

What if I have a Countryside Stewardship Scheme?

- Some interplay with options possible
- Options that aren't eligible for SFI automatically removed from the application process

SFI 2023

SFI 2023 ACTIONS

Soils

Hedgerows

Integrated pest management

Nutrient management

Farmland wildlife on arable & horticultural land

Farmland wildlife on improved grassland

Buffer strips

Low input grassland

Additional payments

Moorland



ACTIONS FOR SOILS

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
SAM1	Assess soil, test soil organic matter and produce a soil management plan	£5.80/ha and an additional payment of £95 per agreement	£6.00/ha and an additional payment of £97 per agreement	New
SAM2	Multi-species winter cover crops	£129/ha	Same	SW6
SAM3	Herbal leys	£382/ha	Same	GS4

SAM1

- Existing soil tests valid if carried out within the last 5 years (must include organic matter)
- No payment for organic matter additions
- Winter cover requirements removed
- Multi species requirements removed



ACTIONS FOR SOILS

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
SAM1	Assess soil, test soil organic matter and produce a soil management plan	£5.80/ha and an additional payment of £95 per agreement	£6.00/ha and an additional payment of £97 per agreement	New
SAM2	Multi-species winter cover crops	£129/ha	Same	SW6
SAM3	Herbal leys	£382/ha	Same	GS4

SAM2

- Equivalent to SW6 in CSS
- Can be grazed
- Must contain two species – Brassica, cereal, legume or herb



ACTIONS FOR SOILS

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
SAM1	Assess soil, test soil organic matter and produce a soil management plan	£5.80/ha and an additional payment of £95 per agreement	£6.00/ha and an additional payment of £97 per agreement	New
SAM2	Multi-species winter cover crops	£129/ha	Same	SW6
SAM3	Herbal leys	£382/ha	Same	GS4

SAM3

- Equivalent to GS4 in CSS
- Should include at least 5 species of grass, 3 species of legumes and 5 species of herb





NUTRIENT MANAGEMENT



CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
NUM1	Assess nutrient management and produce a review report (agreement level SFI action)	£589/yr	£652/yr	New
NUM2	Legumes on improved grassland	£102/ha	Same	New
NUM3	Legume fallow	£593/ha	Same	AB15

- **NUM3**
 - Equivalent to AB15 in CSS.
 - Can be a 1, 2 or a 3 year mix/option.
 - Cut to prevent blackgrass heading
 - Cuttings can be removed

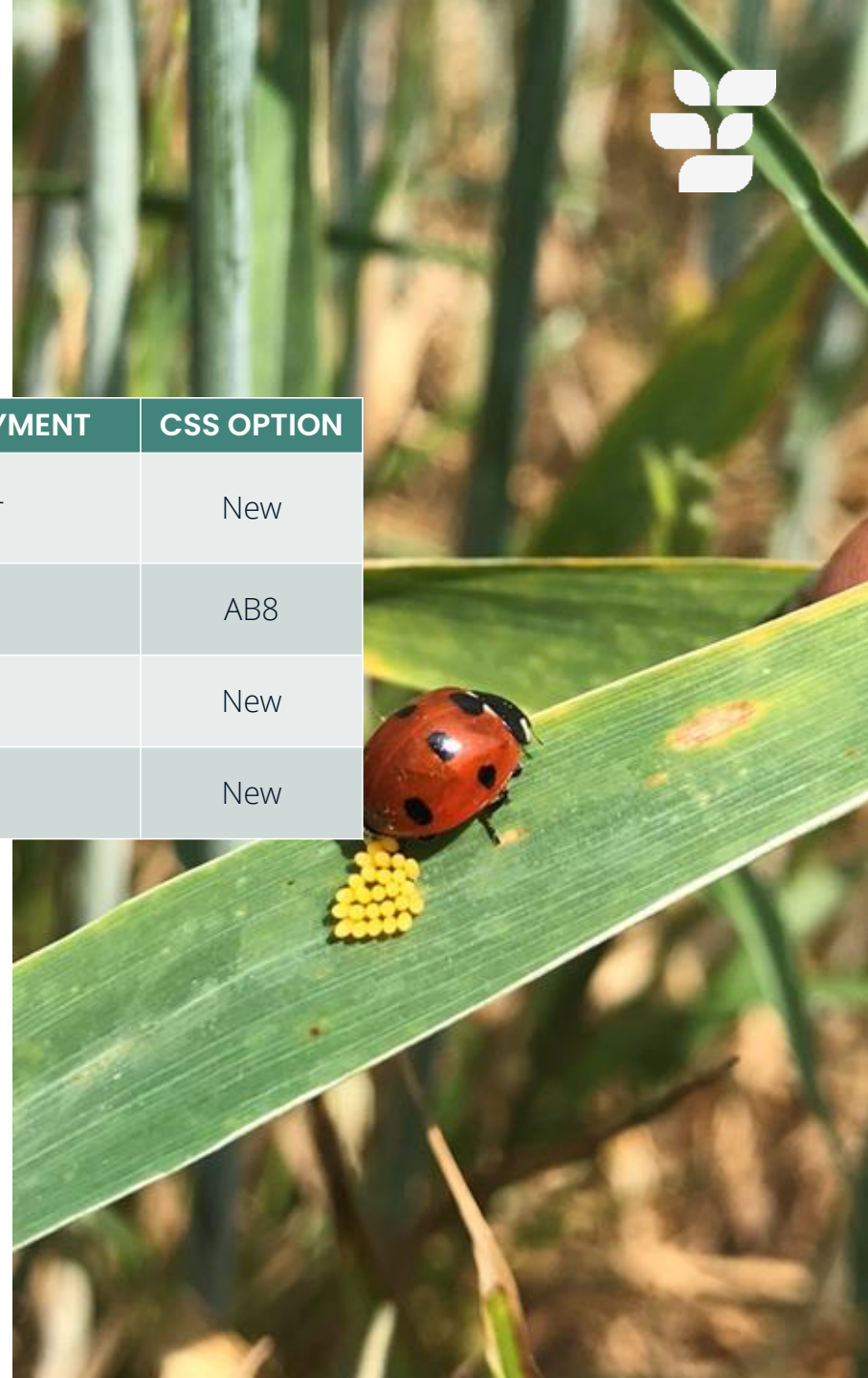




INTEGRATED PEST MANAGEMENT

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
IPM1	Assess integrated pest management and produce a plan	£989/yr	£1,129/yr	New
IPM2	Flower-rich grass margins, blocks, or in-field strips	£673/ha	£798/ha	AB8
IPM3	Companion crop on arable and horticultural land	£55/ha	Same	New
IPM4	No use of insecticide on arable crops and permanent crops	£45/ha	Same	New

- **IPM2**
 - Equivalent to AB8 in CSS.
 - Technically rotational now, although not practical to do so
- **IPM3**
 - Companion crop does not need to be present for the entire crop cycle





FARMLAND WILDLIFE , BUFFER STRIPS & GRASSLAND

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
AHL1	Pollen and nectar flower mix	£614/ha	£764/ha	AB1
AHL2	Winter bird food on arable and horticultural land	£732/ha	£853/ha	AB9
AHL3	Grassy field corners and blocks	£590/ha	Same	New

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
IGL1	Take improved grassland field corners or blocks out of management	£333/ha	Same	GS1
IGL2	Winter bird food on improved grassland	£474/ha	£515/ha	GS3

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
AHL4	4m to 12m grass buffer strip on arable and horticultural land	£451/ha	£515/ha	SW1
IGL3	4m to 12m grass buffer strip on improved grassland	£235/ha	Same	SW2



CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
LIG1	Manage grassland with very low nutrient inputs (outside SDAs)	£151/ha	Same	GS2
LIG2	Manage grassland with very low nutrient inputs (SDAs)	£151/ha	Same	GS2

ACTIONS FOR HEDGEROWS

CODE	SFI ACTION	ANNUAL PAYMENT	NEW 2024 PAYMENT	CSS OPTION
HRW1	Assess and record hedgerow condition	£3/100m – one side	£5/100m – one side	New
HRW2	Manage hedgerows	£10/100m – one side	£13/100m – one side	BE3
HRW3	Maintain or establish hedgerow trees	£10/100m – both sides	£10 per 100m – both sides	New





UPDATED RATES

- Payment rate increases by on average 10% (to be applied to existing CS & SFI agreements also with effect from 1st Jan 2024)
- Recognition of payments for maintenance rather than just creation

OPTION	OLD PAYMENT RATE	NEW PAYMENT RATE
SW5 (Enhanced management of maize crops)	£172/ha	£203/ha
AB10 (Unharvested Cereal Headland)	£822/ha	£1,072/ha
AB12 (Supplementary Feeding)	£669/t	£732/t
AB6 (Enhanced over-winter stubble)	£522/ha	£589/ha
GS6 (Species rich grassland)	£182/ha	£646/ha



NEW ACTIONS

- New options coming summer 2024
- Can be added as a separate scheme or on the anniversary date

OPTION	DURATION	PAYMENT RATE
Variable rate application of nutrients	3 years	£27/ha
No till farming	3 years	£73/ha
Maintain high density in-field agroforestry	10 years	£849/ha
Maintain low density in-field agroforestry	3/10 years	£385/ha
Manage features on arable land for flood and drought resilience & water quality	5 years	£1241/ha
Connect river and floodplain habitats	10 years	£1242/ha
6m to 24m 3D waterbody buffer strip	5 years	£1182/ha



MAIZE ROTATIONAL OPTIONS

IGL2/GS3: Winter Bird Food on Improved grassland £515/ha

- This action's aim is that improved grassland entered into this action is maintained so it's left to go to seed during the autumn and winter months.
- The purpose of this is to provide winter food for farmland birds.

AHL2/AB9: Winter Bird Food on Arable Land £853/ha

- This action's aim is that improved grassland entered into this action is maintained so it's left to go to seed during the autumn and winter months.
- The purpose of this is to provide winter food for farmland birds.

SW5: Enhanced management of maize crops £203/ha

- In the autumn, harvest the maize crop by 1 October.
- Establish a quick growing cover crop as soon as possible and by 15 October to provide a dense over crop during the autumn and winter. Alternatively, under-sow the maize earlier in the year to establish a dense cover crop that will remain after maize harvest and during the winter months.





MAIZE ROTATIONAL OPTIONS

AUG 24
SAM2
£129/ha

- Drilled after harvest of cereal
- Mix you can graze or wholecrop to feed e.g. Westwold Ryegrass/Red Clover

MAY 25 – OCT 25
MAIZE

- Sown May 25
- + IPM4 No insecticide £45/ha

OCT 25
WHEAT

- + IPM3 Companion Crop £55/ha



MAIZE ROTATIONAL OPTIONS

SEP 24 – JUNE 25
HYBRID RYE

- Whole cropped in June

JUNE 25 –
MARCH 26
AHL2 £853/ha

- AHL2/AB9 drilled end of June delivering seed bearing plants through till March

MAY 26
MAIZE

- + IPM4 No insecticide £45/ha



MAIZE ROTATIONAL OPTIONS

MAY 24- SEP 24

MAIZE

- Maize drilled into undersown grass + IPM4 No insecticide £45/ha

SUMMER 24

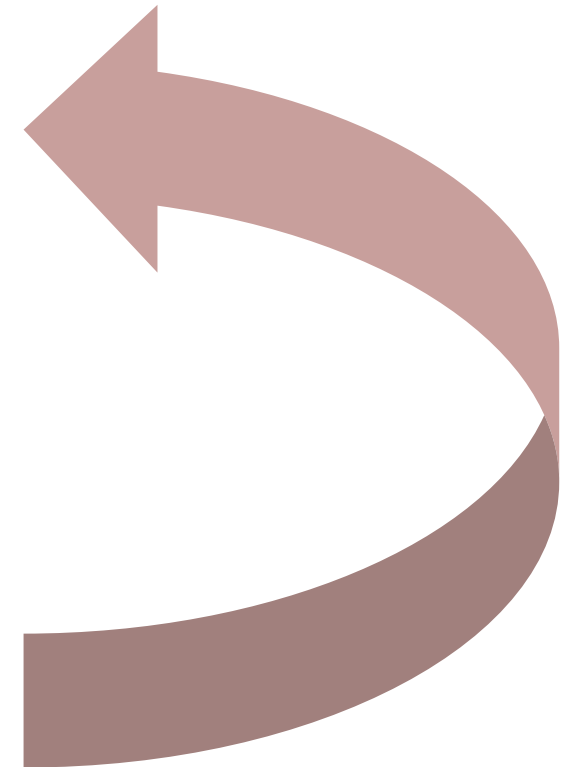
SW5
£203/ha

- Undersown in summer of 2024

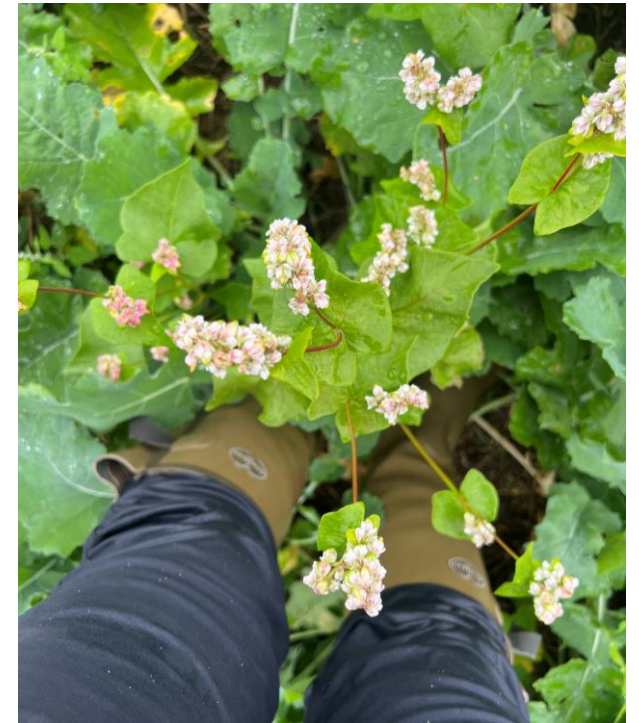
AUTUMN 25

RYEGRASS
IGL2 £515/ha

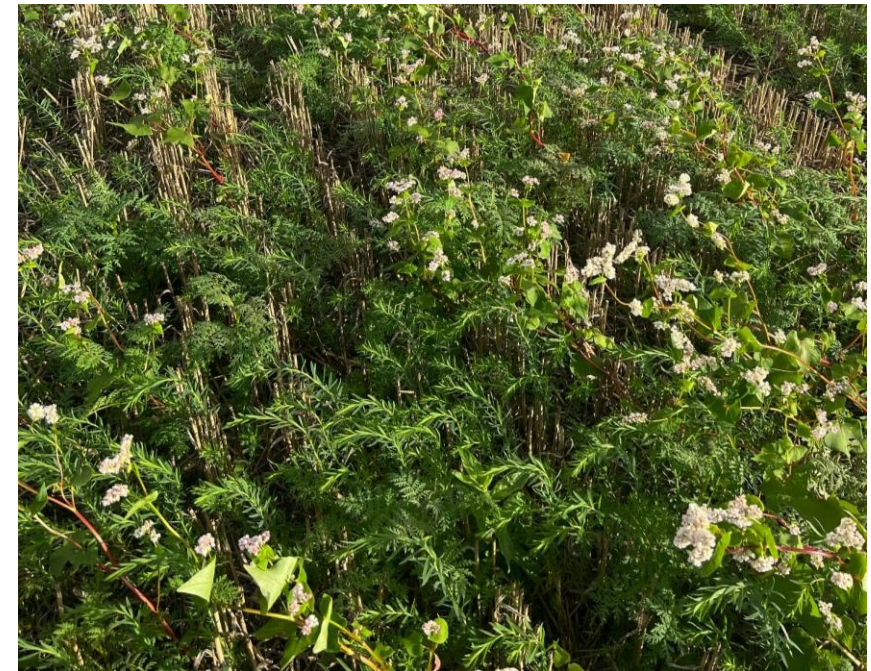
- Cut spring 25
- Left as seed from July 25-March 26
- Potential to return to Maize May 26



COMPANION CROP



COVER CROPS





NET MARGINS

- Calculate the Gross Margin or Net Margin return to allow comparison to existing land uses
- Complementary not compromising of food production

Countryside Stewardship Options	AB15 2 Year Legume Fallow	AB6 Enhanced Over Winter Stubble + Clover	AB1 Nectar flower mix	AB8 Flower rich margins and plots	AB9 Winter Bird Food (2 years)	GS4 Legume and herb rich sward	GS3 Ryegrass seed-set as winter food for birds
SFI	NUM3 (2 year)		AHL1	IPM2	AHL2	SAM3	IGL2
CSS Rate £/ha	£593	£589	£739	£798	£853	£382	£515
Yield (t/ha)							
Price (£/t)							
Output (£/ha)	593	589	739	798	853	382	515
Seed (£/ha)	60	30	80	75	125	100	60
N Fertiliser (£/ha)					60		80
Sprays (£/ha)	10	15	10	10	10	10	10
Variable Costs (£/ha)	70	45	90	85	195	110	150
Gross Margin (£/ha)	523	544	649	713	658	272	365
Labour & Machinery £/ha							
Contract Cultivation £/ha	35		35	15	70	35	35
Contract Drilling £/ha	35	35	35	15	35	35	35
Contract Cutting £/ha	70		60	60		35	35
Contract Spraying £/ha	15	30	15	3	15	15	15
Storage @ £9/t							
Fixed Cost (£/ha)	155	65	145	93	120	120	120
Net Margin (£/ha)	368	479	504	620	538	152	245



PLAN Your Rotation

- Rotational options commitment of at least 50% of the year 1 area
- Don't knee-jerk to 2024 weather conditions
- Coordinate with your agronomist / Nutritionist as to how options can fit in to your current system
- Scheme year vs Cropping year – timing consideration for IPM4 etc

Field name	Cropped Area ha	2025	2026	2027	2028
Launton Brook	4	Wheat	2nd Wheat	Herbal Ley	Herbal Ley
Launton Long	9.41	Wheat	2nd Wheat	Herbal Ley	Herbal Ley
Studley fm.	11.03	Oats	Wheat	2nd Wheat	Legume Fallow
Mill fd	7.05	Legume Fallow	Wheat	2nd Wheat	Legume Fallow
Seed fd	7.24	Herbal Ley	Herbal Ley	Wheat	2nd Wheat
Waterleys	19.1	Legume Fallow	Wheat	2nd Wheat	Legume Fallow
Cuckoo Pen	13.2	Legume Fallow	Wheat	2nd Wheat	Legume Fallow
Steeles gd	5.13	Herbal Ley	Herbal Ley	Wheat	2nd Wheat
L.O.Furland	4.85	Legume Fallow	Wheat	2nd Wheat	Oats
B.O.Furland	8.29	Legume Fallow	Wheat	2nd Wheat	Oats
	235.86				
	Wheat	81.27	63.52	79.72	62.08
	2nd Wheat	56.09	81.27	63.52	79.72
	Oats	11.03	13.6	5.42	13.14
	Rye Grass	12.16	12.16	12.16	0
	Herbal Ley	27.47	27.47	35.19	35.19
	Legume Fallow	52.49	42.49	44.5	50.38
		240.51	240.51	240.51	240.51

MAPPING

- Yield Maps
- Google Earth Pro
- The Land App
- Measuring to tramline widths





RECORD KEEPING

- No to be underestimated – particularly for management plans (Soil / IPM/ Nutrient)
 - Unlike BPS, this is payment for action
- Geotagged photos
- Whatsapp groups
- Apps



“25kg seed broadcast 17/1/2024”

WORKING WITH NEIGHBOURS



- Opportunity for arable and livestock farmers to collaborate
- Opportunity to appraise labour / machinery / buildings / enterprises on the farm
- Join a farmer cluster



CAPITAL ITEMS REQUIRING CATCHMENT SENSITIVE FARMING (CSF APPROVAL):



Including but not limited to:

- RP4 – Livestock and machinery hardcore tracks
- RP5 – Cross Drains
- RP15 – Concrete Yard Renewal
- RP17 – Storage Tanks Underground
- RP18 – Storage Tanks Above Ground
- RP19 - Rainwater diverters and downpipe filters
- RP26 – Biofilters
- RP27 – Sprayer/Applicator load & washdown area
- RP28 – Roofing
- AQ1 – Automatic slurry scraper
- AQ2 – Low emission flooring for livestock buildings



BOUNDARY RESTORATION OPTIONS



BN11 – Planting new hedges = £22.97 per metre



Source: National Library of Scotland



FETF 2024

Farming Equipment and Technology Fund

It will soon be possible to apply for FETF 2024 – grants of between £1,000 and £50,000 for productivity/slurry/animal health & welfare items.

What's new this year?

- The maximum grant for productivity and slurry related grants has been **increased to £50,000** (from £25,000).
- This year there will be **multiple application windows**.
- **24 new items of productivity equipment** are now included such as a combine mounted weed seed reduction system and a mobile tractor powered livestock total feed ration mixer.
- The specification for **slurry separators** now includes screw press, screen press and mobile separators.
- For animal health & welfare items, you can now increase your application score by 20% if you can show evidence that you've discussed your application with a vet.



FETF 2024

Farming Equipment and Technology Fund

- FETF205- Direct Drill 6m
 - Expected average cost of item (£): 55,800
Percentage paid towards item: 50%
Grant amount (based on a quantity of 1) (£): 27,900
- FETF206- Direct Drill with fertiliser placement 3m
 - Expected average cost of item (£): 68,000
Percentage paid towards item: 60%
Grant amount (based on a quantity of 1) (£): 40,800
- FETF410- Combine mounted weed seed reduction system
 - Expected average cost of item (£): 59,248
Percentage paid towards item: 60%
Grant amount (based on a quantity of 1) (£): 35,548.80
- FETF55- Grain Stirrers
 - Expected average cost of item (£): 21,685
Percentage paid towards item: 50%
Grant amount (based on a quantity of 1) (£): 10,842.50
- FETF7- Inter row hoe 6m
 - Expected average cost of item (£): 50,786
Percentage paid towards item: 60%
Grant amount (based on a quantity of 1) (£): 30,471.60



FREE ADVICE

FUTURE FARMING RESILIENCE FUND

17 providers to support up to 32,000 farmers & land managers

Provide free tailored support to farm businesses from local advisers to help farmers identify the changes necessary to adapt to changes

Running now until March 2025, Ceres Rural are providing 1,500 farmers with free business advice including **farm resilience reports, benchmarking, business plans & carbon audits**





SUMMARY

1. Now is the time to act – ELMS can be complementary not compromising of production
2. Work with the wider farm team, neighbours, and use the opportunity to re-evaluate enterprises and labour/machinery/buildings
3. Take the time to make a considered and detailed application – utilising available technology to ensure the aims of the options can be achieved and evidenced
4. There is flexibility, use this to your advantage to make a scheme fit your systems of production

INTERESTED IN CERES RURAL?
HAVE A QUESTION?
START YOUR JOURNEY.

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