



Better Business for All

*A local partnership between Businesses and
Regulatory Services to promote growth*

UK Transition | Farming Policy

**Summary of the transition
to a new farming policy
for England**

Key

	Existing schemes
	New schemes

Scheme	2021	2022	2023	2024	End Date
DIRECT PAYMENTS (BASIC PAYMENT SCHEME) There will be progressive reductions in direct payments from 2021 to 2027. All payments will be reduced, but there will be bigger reductions on the higher payment bands.	Begin to reduce payments Greening rules removed Admin simplified	Reduce total spend on direct payments by 15%	Reduce total spend on direct payments by 15%	Total spend on direct payments will have reduced by 50% by the end of 2024	Direct payments phased out altogether by 2027
DE-LINKED PAYMENTS These will replace Direct Payments: it will be unnecessary to farm the land to receive de-linked payments. They will be progressively reduced until they end in 2027.	Consultation			Applications open	2027
LUMP-SUM EXIT SCHEME For farmers who wish to retire: they will be offered the chance to take a lump sum in place of any further Direct or De-linked payments	Consultation	Applications open			TBC
COUNTRYSIDE STEWARDSHIP Higher-tier and mid-tier agreements to deliver environmental benefits, wildlife management “offers” and capital grants for hedgerows and boundaries	<ul style="list-style-type: none"> Existing agreements can continue Still available to new applicants Simpler processes, some penalties removed Transfer to new ELM scheme at agreed exit points 			Scheme end	2024

Scheme	2021	2022	2023	2024	End Date
ENVIRONMENTAL LAND MANAGEMENT SCHEME New scheme for actions to improve the environment, biodiversity and tackle climate change. Three components:	Key Aims: <ul style="list-style-type: none"> To make a significant contribution to environmental goals, incl. greenhouse gas emissions To increase participation rates from the current 30% in CS schemes to more than 70% of farmers by the end of the transition 				
1. Sustainable Farming Incentive For environmentally sustainable land management actions. SFI will be a simple scheme, open to all farmers.	SFI Pilot June 2021 – details of SFI 2022 published.	SFI 2022: for all farmers in receipt of the Basic Payments Scheme	New options and features added	New scheme fully available	Ongoing
2. Local Nature Recovery To support local nature recovery and deliver local environmental priorities. This includes management of habitats and species, recreation infrastructure and heritage asset management.	Pilot	Pilot		Local Nature Recovery Agreements available	Ongoing
3. Landscape Recovery Bespoke agreements to support long-term land-use change projects. This includes large-scale woodland creation and improvement; ecosystem restoration; peatland restoration; and the creation and restoration of coastal habitats.	Testing and improving the scheme. Invitations for ambitious pilot schemes.	Pilot	Pilot	Full scheme available	Ongoing

Scheme	2021	2022	2023	2024	End Date
FORESTRY COMMISSION INCENTIVES	Ongoing woodland creation schemes				TBC
CATCHMENT SENSITIVE FARMING Training, advice and grants for farmers and land managers to reduce water and air pollution from agriculture in high-priority areas	Ongoing				TBC
FARMING IN PROTECTED LANDSCAPES For farmers and other land managers to make improvements to the natural environment, cultural heritage and public access on their land	Starts April 2021			Scheme ends (Time-limited scheme to ease the transition to ELM)	2024
TREE HEALTH SCHEME Support for felling and the treatment of diseased trees in certain situations and restocking following felling	Tree Health Pilot			New THS to launch	Ongoing
ANIMAL HEALTH & WELFARE PATHWAY Support farmers to produce healthier animals to the very highest standards of welfare by providing financial assistance, strengthening the regulatory baseline and improving consumer transparency	Co-designing the pathway with farmers	New capital grants and financial support for vet visits for health & welfare mgt planning and diagnostic testing	Further support for endemic disease control and for piloting payments-by-results		TBC

Scheme	2021	2022	2023	2024	End Date
LIVESTOCK INFORMATION PROGRAMME Livestock traceability services including simpler, paperless processes and better data sharing	Development of new system	New Livestock Information Service to replace legacy systems			
FARM RESILIENCE SCHEME (PHASE 2) Business advice and support to help farmers most affected by the removal of direct payments	Spring 2021 – scheme starts			Scheme ends	2024
FARMING INVESTMENT FUND Funding for equipment, technology, and infrastructure that improves farm productivity and benefits the environment	Autumn 2021 – guidance on two grant schemes – lower-value and higher-value investments				2026
INNOVATION, RESEARCH & DEVELOPMENT SCHEME To support innovation and help farmers and growers increase productivity and reduce the environmental impact of agriculture	Pre-launch events to bring farmers and researchers together to form project teams	Scheme starts			2028
SLURRY INVESTMENT SCHEME To help farmers to invest in new slurry stores that will comply with future regulatory requirements	Testing ideas with farmers and industry experts	Autumn 2022 – applications open			2025
NEW ENTRANT SUPPORT SCHEME Defra to work with councils that have 'county farms', other landowners and stakeholders to co-design a scheme that will create more lasting opportunities for new entrants	Consultative co-design process	Applications open		Scheme ends	2024



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heart of the south west
Growth Hub