

The Welsh Government's Sustainable Farming Scheme Update: NFFN Cymru Summary Paper - December 2024

On 25th November 2024 at the Royal Welsh Winter Fair, Huw Irranca Davies, the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs, announced an [updated outline plan](#) for the Sustainable Farming Scheme - the Welsh Government's (WG) proposed new long-term programme to support the agricultural industry in Wales.

On the following day a discussion was held at the Senedd. You can read the transcript [here](#).

This paper provides a summary of these updates. **It does not set out NFFN Cymru's views on the proposals.** It should be noted that the detail outlined in these proposals will not necessarily be the final scheme design and might be subject to change prior to the proposed SFS launch in 2026.

For more information about the previous SFS iteration (based on the [Keep Farmers Farming consultation](#) from December 2023) see [NFFN Cymru's Summary Paper on the SFS \(January 2024\)](#).

Key Points

- WG will retain the three-layer structure of Universal / Optional / Collaborative actions
- The number of Universal Actions has been reduced from 17 to 12

The following have been removed as individual Universal Actions: however, there will be opportunities to support these practices through the Optional Layer:

- UA4: Multispecies cover crop
- UA6: Managing heavily modified peatland
- UA10: Ponds and scrapes
- UA16: Good animal welfare (merged with Universal Action 15)
- UA17: Good farm biosecurity (merged with Universal Action 15)

The Animal Health, Welfare and Biosecurity actions (UA15/16/17) have been merged into a single simplified Universal Action.

- Farmers will no longer be asked to have a minimum of 10% tree cover on their land. This has been replaced by a new Universal Action that requires farmers to create a tree planting and hedgerow creation plan (supported by advice and guidance)

Farmers who apply for the Scheme will be able to receive funding to support them to plant trees and hedgerows through the Optional Layer of the Scheme

There will now be a scheme-wide tree cover target, which will be agreed after discussions with the Ministerial Roundtable

- Changes to hedgerow management requirements to achieve bigger and denser hedges through incremental cutting every two years or more.
- WG we will make payments in the Universal Layer on Sites of Special Scientific Interest
- A proportional part of the Universal Baseline Payment can be made on Common Land

SFS Framework

WG is proposing to retain the three-layer structure of:

- **Universal Actions:** Mandatory actions for everyone joining the scheme in order to receive a Universal Baseline Payment.
- **Optional Actions:** Farmers will be able to choose which actions to undertake in this layer and receive payment for delivery (in addition to the Universal Baseline Payment).
- **Collaborative Actions:** These will provide the opportunity for farmers to deliver action at a local, landscape, catchment, or national scale.

The Optional and Collaborative Actions will be introduced in phases throughout the Transition Period (2026 – 2029). WG will work with the Roundtable to agree which priority Optional and Collaborative Actions will be made available at the start of the Scheme in 2026.

Universal Actions

- Below is a summary of the proposed changes to the SFS Universal (mandatory) Actions and Scheme Rules.

The number of Universal Actions has been reduced from 17 to 12 with changes made to 10 of the 12 that remain.

1. Benchmarking
2. Continuous Personal Development
3. Soil Health Planning
4. Integrated Pest Management
5. Habitat Maintenance
6. Create Temporary Habitat on Improved Land
7. Designated Sites Management Plan
8. Hedgerow Management
9. Woodland Maintenance
10. Tree Planting and Hedgerow Creation Opportunity Plan
11. Historic Environment
12. Animal Health and Welfare
Scheme Rule: 10% of each farm should be actively managed as habitat for the benefit of wildlife alongside the production of food.

UA1: Benchmarking

Complete an annual measuring and monitoring assessment to optimise business and environmental performance.

What has changed?

- WG has amended this Universal Action so you do not need to complete *specific* mandatory Key Performance Indicators (KPIs). Instead, you will now be able to choose performance indicators suitable for your farm from an industry-agreed list.
- This list is still being developed, but examples could include lamb losses, milk from forage, plant protection product usage per year or fertilizer use.
- If you are already benchmarking using an industry-recognised benchmarking tool, WG will accept this as sufficient / equivalent to meet this Universal Action.

What will you need to do?

- Complete an assessment each scheme year, with KPIs from an industry-approved list. It must include two performance indicators for each farm enterprise you run (for example beef, sheep, dairy) or three key performance indicators if you run a single enterprise.
- Record data on the Farming Connect Key Performance Indicator tool to gain advice and evidence the Universal Action has been completed.
- If you are using an industry-recognised benchmarking tool, declare on the Single Application Form (SAF) which tool you are using.

UA2: Continuous Personal Development

Build on your existing skills and knowledge with ongoing learning on a range of subjects.

What has changed?

- WG has amended this Universal Action so that any member or partner within the farming business will need to complete six *hours* of learning of your choice, plus a mandatory Health and Safety learning - instead of six *modules*.
- You choose what learning you want to undertake, as long as it meets the Sustainable Land Management objectives (you have a choice of learning providers).
- You can choose how you learn, for example in person as part of a discussion group, more formal training or online.

What will you need to do?

- complete six hours of learning of your choice, plus Health & Safety learning each scheme year.
- record the learning on Farming Connect Storfa Sgiliau to evidence the Universal Action has been completed. Farming Connect will inform RPW when the action has been completed, but will not share your data to review your personal learning.

UA3: Soil Health Planning

Building healthy soils through testing and soil health planning.

What has changed?

- WG has amended this Universal Action so that it will include soil testing undertaken prior to entering the Scheme, within the requirement to test all of the appropriate land within five years.
- Removed the link to the Control of Agricultural Pollution Regulations record keeping. However, WG still requires you to maintain appropriate information on farm on the testing results and any consequential actions.
- You can prioritise testing on land where nutrient management is most important to you, while ensuring all relevant land is tested within the five-year period.

What will you need to do?

- Carry out soil testing for Potassium (K), Phosphorous (P), Magnesium (M), pH and Soil Organic Matter (SOM) on at least 20% of your land which has previously received or may receive inputs (natural and artificial) or lime each year, so that all of this land is tested in a five-year cycle.
- If you choose to test more than 20% per year this is acceptable.
- Record soil testing results via RPW Online and any consequential actions in your farm records, and retain farm records on farm.

UA4: ~~Multi-species cover crop~~

Protect soils from erosion and degradation through the establishment of a multispecies cover crop on all land which is uncropped over winter.

This option has been removed as an individual Universal Action. However, there will be opportunities to support this practice through the Optional Layer.

UA5: Integrated Pest Management (IPM)

Complete an annual assessment of plant protection products used, and alternative methods employed to reduce chemical usage.

What has changed? This Universal Action has not changed.

What will you need to do?

- Complete an annual IPM assessment, to include consideration of, for example:
 - appropriate cultivation techniques
 - diverse crop rotations and companion crops
 - pest-resistant crop varieties
 - tailored and efficient use of inputs (pesticides and fertiliser)
 - wildlife habitats in and around fields to encourage predators and other insects that feed on crop pests

- If you use PPPs, collect and record data on which products you have used on your farm. Each time a product is used you must record the:
 - name of the PPP
 - amount used
 - date and time applied
 - location and size of area treated (in hectares)
 - crop type treated
 - reason for treatment, and
 - weather conditions at time of application.

- Retain farm records / plans on farm and confirm the Universal Action has been completed through RPW Online.

UA6: Managing heavily modified peatland

Active management of modified peatlands to protect soil carbon stocks.

This option has been removed as an individual Universal Action. However, there will be opportunities to support this practice through the Optional Layer.

UA7: Habitat Maintenance

Maintain semi-natural habitats on your farm to benefit grazing livestock and wildlife.

What has changed?

- You will no longer need to meet Universal Action 10 (Ponds and Scrapes) as a standalone Action. However, maintenance of existing ponds is now included as a habitat type within this Action, while the creation of additional ponds and scrapes has been moved to an Optional Action.
- You can now include 'newly created habitat areas on improved land' as a habitat type, acknowledging the valuable new habitats farmers are creating, such as streamside corridors that will develop into woodland or wetland over time.

What will you need to do?

- To complete this Universal Action, you must manage all areas of habitat on your farm included on the following list in line with the management requirements:
 1. coastal saltmarsh
 2. coastal sand dune and shingle beach
 3. lowland and coastal heath
 4. enclosed wetland and marshy grassland
 5. enclosed semi-natural dry grassland (grazed and hay meadow management options)
 6. upland open habitats
 7. traditional orchards (woody habitat)
 8. dense bracken
 9. scrub (woody habitat)
 10. wood pasture (woody habitat)
 11. permanent wildlife ponds
 12. newly created habitat areas on Improved land

- For each habitat type on your farm, WG will provide a short description and a series of measurable outcomes such as ground conditions or sward height which would characterise good condition. These are the specific outcomes you will need to achieve.
- The precise details of the management requirements and recommendations are being developed therefore they are not included in this document. However, see example below for enclosed semi-natural dry grassland (taken from the [Keep Farmers Farming consultation](#)).

<p>Enclosed Semi-Natural Dry Grassland - Grazed Pasture (including Acid, Neutral, Calcareous and Calaminarian Grasslands)</p> <p>Aims</p> <p>Maintain the grassland by grazing to achieve a varied sward height where a variety of native plant species (including herbs) are frequent and able to flower and produce seed, and where native animals (including invertebrates) and grassland fungi can thrive. Agricultural species such as rye-grass and white clover are absent or at low cover.</p> <p>Measurable outcomes:</p> <ul style="list-style-type: none"> • Graze to maintain a varied sward height where at least 75% of the grassland is between 5 cm and 20 cm between 15 May and 31 August. • Maintain a sward height where 75% of the grassland is between 2 cm and 10 cm from 1 September until 31 October. • Remove livestock if conditions become too wet, to prevent poaching and compaction. • Dead material does not form extensive patches and is less than 10% cover overall. • Bare soil makes up no more than 5% of the ground area, scattered around the field. • Coarse/tall grasses do not dominate, apart from in patches covering no more than 5% of the grassland. 	<p>Management Recommendations:</p> <ul style="list-style-type: none"> • Neutral grassland is ideally grazed with cattle or horses rather than sheep. • Recommended stocking densities: <ul style="list-style-type: none"> - Acid grassland – 0.2-0.4 LU/ha/yr - Calcareous grassland – 0.25-0.4 LU/ha/yr - Neutral grassland – 0.5-0.7 LU/ha/yr - Coastal grassland – 0.3-0.6 LU/ha/yr • Apply lime if necessary to maintain a soil pH of between 5.5 and 6.5 on neutral grasslands. <p>Restrictions:</p> <ul style="list-style-type: none"> • Comply with the Universal Code for Habitat (see later in the chapter). • Do not plant trees. • Do not allow the field to be poached (localised poaching around gateways, feeding and watering areas is acceptable provided that poached and bare areas make up less than 5% cover overall). • Do not apply lime on acid, calcareous or calaminarian grassland. • Do not cut or top more than 30% of rush or weed species in any one year. • Do not permit scrub to spread. <p>Potential Derogations</p> <p>There could be a temporary derogation on sward height requirements due to prolonged periods of adverse weather conditions, or events such as prolonged flood, drought, frozen ground and snow cover, wildfire, or disease.</p>
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Scheme requirement: at least 10% of each farm is managed as habitat

- Maintain the requirement that at least 10% of each farm should be actively managed as habitat for the benefit of wildlife alongside the production of food.
- When determining if you have sufficient semi-natural habitat to meet the 10% requirement, WG will include all habitats such as species-rich grasslands, ponds and established broadleaf woodland. Newly created habitat such as hedgerows, woodland planting or habitat creation on improved land will also be included.
- Other features such as dry-stone walls, traditional farm buildings and coniferous woodlands are not intended to be included.
- If you do not have sufficient existing habitats to meet this 10% requirement you will be able to create new temporary habitats to meet the threshold (*see Universal Action 8 Create temporary habitat on improved land*).
- Support for the creation of permanent habitat will be through the Optional Layer of the Scheme.

UA8: Create temporary habitat on improved land

To increase the benefits for nature through connected and diverse habitats.

What has changed?

- This Universal Action has not changed, other than an additional habitat creation type has been added since the last consultation (unsprayed spring sown cereal and protein crop mix with stubbles retained).
- WG will continue to consider other appropriate temporary habitat types to give you greater choice.

What will you need to do?

- You will need to create sufficient temporary habitat from the list below (or any additional habitat types WG develops) to meet the scheme requirement.
 - fallow crop margins
 - unfertilised, unsprayed and unharvested cereal and linseed headlands
 - fixed rough grass margins on arable land
 - rotational rough grass margins on arable land
 - unsprayed spring sown cereal and protein crop mix with stubbles retained
 - establishment of mixed leys on improved land (also referred to as multi-species or herbal leys)
 - establish a wildlife cover crop on improved land

WG does not expect those temporary habitats involving cultivation to be created on permanent grassland with existing habitat benefits.

UA9: Designated Sites Management Plan

Support enhancement of designated sites, including Sites of Special Scientific Interest by working with Natural Resources Wales to have a Management Plan with an agreed Schedule of Works in place.

What has changed?

- You will need to work with Natural Resources Wales (NRW) to develop and have a Management Plan in place that includes an agreed and consented Schedule of Works, designed to provide easier access to support for enhancing the condition of Sites of Special Scientific Interest (SSSI).
- Separate to this change, WG intends to include areas of habitat and woodland SSSIs within the habitat and woodland maintenance payments as part of the Universal Baseline Payment.

What will you need to do?

- Working in partnership with NRW you will need to have a Management Plan in place for SSSI areas on your farm by the end of 2030. If you have multiple SSSI on your farm which are managed separately, you may need more than one Management Plan.
- The Schedule of Works included in the Management Plan will provide opportunities to apply for additional funding within the Optional or Collaborative Layer (or external funding sources) for targeted support to improve the management and condition of the site.
- The introduction of a Management Plan would replace the need to manage these areas in accordance with Universal Action 7 or Universal Action 12.

UA10: Ponds and scrapes

Manage existing ponds and scrapes or create new scrapes to boost wildlife associated with water features on your farm.

This option has been removed as an individual Universal Action. However, *maintenance of existing ponds* is now included as a habitat type within UA7, and there will be opportunities to support this practice through the Optional Layer.

UA11: Hedgerow Management

Increase the size and density of regularly trimmed hedgerows to benefit livestock, carbon storage, biodiversity and landscape.

What has changed?

- You must achieve bigger and denser hedges through incremental cutting every two years or more. Annual cutting will not be permitted other than for recognised exemptions such as managing roadsides or around utilities.
- no longer have the requirement for all managed hedgerows to be in 'good condition' by 2030.

What will you need to do?

- Manage your hedgerows by not trimming or cutting every year (you can cut every second year or less frequently).
- Cut incrementally to increase the height, width and density to a higher and wider point each time up to an optimal size to deliver their full benefits. WG will provide advice on what good size and density looks like to support this.
- Support hedgerow trees, on average every 50 metres, by retaining existing trees and identifying specimens to grow if needed.
- Maintain a one-metre buffer zone from the base of the hedge with no cultivation, fertiliser, pesticides or application of any other inputs.
- Continue to adhere to cutting dates to protect nesting birds (no cutting 1 March to 31 August).

UA12: Woodland Maintenance

Maintain existing woodlands to increase the benefits for livestock, nature and business diversification.

What has changed?

- You no longer need to retain all trees, but WG is expecting to set conditions on the timing and risks associated with felling. Other statutory requirements have not changed, so if you want to fell more than 5m³ you will need a felling license, and larger-scale forestry operations will need a UK Forestry Standard compliant Management Plan.
- No longer need to retain all deadwood. WG is working with stakeholders to determine what proportion should be retained.
- Must maintain native ground flora and prevent damage to tree roots.
- Can feed game birds within woodland at sustainable levels.

What will you need to do?

- Actively manage all your existing woodland on your farm in line with the management requirement.
- For any existing woodland on your farm, WG will provide management requirements including a short description and a series of measurable outcomes which would characterise good condition. These are the specific outcomes you will need to achieve.
- We are currently working with stakeholders in the Officials Group, on the detail of the measurable outcomes and management requirements, therefore they are not included within this document.
- For woodland within an SSSI, a SSSI Management Plan would take precedence over the requirements of this Universal Action.
- You must declare the area and type of woodland on your SAF and that you are meeting this Action on an ongoing basis. WG will provide the information we hold to help you to do this.

Scheme requirement: at least 10% of each farm under tree cover as woodland or individual trees

- WG previously proposed a Scheme Rule for at least 10% of each farm as tree cover or individual trees, which caused concern within the industry and other stakeholders. **As a result, WG has removed the proposed Scheme Rule for minimum tree cover as part of the Universal Layer of the Scheme.**

UA13: Tree Planting and Hedgerow Creation Opportunity Plan

Develop a plan which identifies the opportunities for planting additional trees and creating new hedgerows across your farm to deliver multiple benefits.

What has changed?

- This Universal Action was previously designed to support you in the planting of additional trees and woodland to meet a mandatory Scheme Rule for a minimum 10% tree cover on each farm. As the Scheme Rule has changed to scheme-level targets for tree planting and hedgerow creation, following the Carbon Panel's recommendations, this Universal Action has changed to reflect that.
- It is still WG's ambition to support you in planting additional trees and hedgerows on your farm in a way that provides flexibility to suit your land and business. This Universal Action is now designed to support you to create a **Tree Planting and Hedgerow Creation Opportunity Plan** setting out the areas of your farm which you think would benefit from new trees or hedges based on your knowledge and farming system. You will be able to use this plan to access funding in the Optional Layer.
- WG expects you to be able to demonstrate that you have made some progress in delivering some or all of the planting you have identified in the plan by the end of 2030. WG are considering the possible inclusion of recent planting which you may have undertaken in preparation of entering the SFS.

What will you need to do?

- Develop a plan which identifies the opportunities for planting trees and creating hedgerows across your farm.

- WG proposes the plan will be developed on RPW Online, and we will provide existing mapping data to support you to complete this Action. It should be a straightforward process so you will not need to pay for professional forestry guidance, however WG will provide access to advice and guidance on how to identify the best places for new trees and hedges on your farm to support both your farm business and the environmental benefits we need to achieve. There is no mandatory farm-level planting requirement so you can choose where to identify in your plan to create hedgerows or plant trees to best support your business.
- WG will expect you to make some progress in delivering your plan by the end of 2030. This could be some or all of it and you may wish to apply to one of the Welsh Government grant schemes for tree planting and hedgerow creation to help. These are very flexible and provide support for a wide variety of actions including planting woodland areas, shelterbelts, silvopasture (otherwise known as agroforestry), orchards, individual trees and new hedgerows. You can apply for as little as 0.1ha of planting, and this can be in several smaller blocks. You may also complete planting without government support.

UA14: Historic Environment

Conserve and enhance the countryside and cultural resources.

What has changed? There is no change to this Action.

What will you need to do?

- Monitor, maintain and protect features and record deterioration and report it where necessary.
- Comply with the approach of 'do no damage' which will be set out in Technical Guidance.
- Submit evidence (such as geo-tagged photos) on request or where there is a change in condition.
- Undertake specific proactive management - which will depend on the nature of the historic assets on your farm - this could include:
 - carrying out basic erosion repair and invasive vegetation removal,
 - maintaining traditional farm buildings in a stable condition that prevents deterioration, for example replacing slipped slates,
 - carrying out routine maintenance of historic buildings and structures. For example leaf and debris clearance from rainwater goods and water features.
- Identify historic features on your SAF. We will provide the information we hold to help you to do this.

UA15: Animal Health and Welfare

Support practical, farm-specific improvements in livestock health and welfare to improve productivity.

What has changed?

- The Animal Health Improvement Cycle, Good Animal Welfare and Good Farm Biosecurity actions (UA15/16/17) have been merged into a single simplified Universal Action.
- WG has removed the requirement to install wash stations to improve biosecurity and are still considering support to install wash stations as an Optional Action.
- WG has removed the requirement to record antibiotic use and animal lameness prevalence as part of the Animal Health Improvement Cycle (it was part of Universal Action 1 Benchmarking).
- Records to be maintained on farm for use between you and your vet.
- WG is working with Farm Assurance schemes and learning providers to recognise existing work and record keeping requirements. This will hopefully streamline declaration processes, reduce administrative burden and duplication of effort.

What will you need to do?

- Work through the steps of the Animal Health Improvement Cycle with your vet.
- Complete an annual 'Incoming Animal Biosecurity Assessment' with your vet.
- Complete Mobility and Body Condition Scoring and training for your herd or flock.
- Retain completed AHIC and biosecurity templates, record animal welfare training on Farming Connect Storfa Sgiliau, and confirm the Universal Action has been completed.

i) *Animal Health Improvement Cycle:*

- **Measure** - With your vet, agree and measure or estimate two to four 'health metrics' that are appropriate to assess your livestock performance for health and productivity/
- **Plan** - With your vet, work out your goals and expectations for some of the chosen metric(s), set out targets and agree a plan of action for improvement.
- **Act** - Carry out a manageable number (usually one to four) of the agreed actions and keep a record that these actions have been completed.
- **Review** – With your vet, review the impacts of the actions you have taken and whether these have met the desired goals. The AHIC is an ongoing process and you will be able to amend the metrics used - or the goals and actions -over time, depending on progress.

You must carry out the following tasks to support the AHIC process:

ii) *Biosecurity: Incoming Animal Biosecurity Assessment:*

- complete a yearly 'Incoming Animal Biosecurity Assessment' - with advice from your vet if you either purchase animals or bring animals back to your farm from grazing. Record completed actions that mitigate biosecurity risks from sourcing and introducing incoming animals.
- all of your enclosed farm boundaries, for which you have responsibility, must be made stock proof appropriate for the species you keep.

iii) *Animal Welfare: Mobility and Body Condition Proficiency and Scoring:*

- Complete annual Mobility and Body Condition Scoring for your herd or flock. Proficiency training must be completed at least every five years and can be done by a member of staff (other than a business member or partner) with responsibility for livestock management if appropriate.

UA16: Good Animal Welfare

Complete competency training and carry out lameness and body condition scoring to improve livestock welfare standards.

The Animal Health Improvement Cycle, Good Animal Welfare and Good Farm Biosecurity actions (UA15/16/17) have been merged into a single simplified Universal Action.

UA17: Good Farm Biosecurity

Establish biosecurity protocols to reduce the risks of disease entering or leaving your farm.

The Animal Health Improvement Cycle, Good Animal Welfare and Good Farm Biosecurity actions (UA15/16/17) have been merged into a single simplified Universal Action.

Common Land

- The WG initially proposed supporting commons through a collaborative model due to the nature of common land rights and the actions an individual grazier has the legal ability to undertake.
- Based on those Universal Actions which can be adapted for common land, WG proposes a proportional part of the Universal Baseline Payment (excluding the habitat management category which will be supported through Collaborative Actions) can be made to Scheme participants with livestock and who hold common land grazing rights.
- Payment would be based on an allocation basis similar to the Basic Payment Scheme (BPS) and you will need to demonstrate compliance with a common land code (part of the Universal Code – see [Scheme administration and verification processes](#)).
- Through the Collaborative Layer of the Scheme, WG still intends to pay more where graziers are part of a Grazing Association and can demonstrate compliance with a set of coordinated grazing actions. Additional funding would be available for those Grazing Associations who choose to go further, are able to work in partnership with the common land owner, and agree on more targeted common land enhancement works such as peatland restoration.

Next Steps

This Scheme Outline is not the final Scheme, and further work is needed before final decisions are made. These steps are outlined in the list below.

- The scheme outlined in this document will be used to undertake an updated economic analysis and impact assessment over the winter and next spring to determine impacts on a range of agricultural, environmental and social aspects.
- Ministerial Roundtable and Officials Working Group will continue to review additional detail of the Actions, scheme requirements and administrative processes needed to refine the high-level position included in this document.
- Welsh Ministers will make final scheme decisions by summer 2025 based on evidence including the economic analysis and impact assessment once it has been considered by the Roundtable.
- Final scheme details, including payment rates, will be published once Welsh Ministers have made final decisions.
- WG will introduce secondary legislation in 2025 to ensure agricultural support is established and delivered in accordance with the Agriculture (Wales) Act 2023.
- The Optional and Collaborative Actions will be introduced in phases throughout the Transition Period (2026 – 2029).