

The Welsh Government's Sustainable Farming Scheme: NFFN Cymru Summary Paper

On 15th July 2025 the Welsh Government (WG) finalised the details of the Sustainable Farming Scheme (SFS), the new long-term programme to support the agricultural industry in Wales.

This paper provides a summary of the SFS. **It does not set out NFFN Cymru's views on the scheme.** For the full scheme outline please read the WG's [SFS description](#).

Key Points

- The SFS **launches on 1 January 2026** and **active farmers** can apply for the Universal Layer via RPW Online from March 1 to May 15 annually.
- Farmers will receive an annual **Universal Baseline Payment** for undertaking a set of **12 Universal Actions**.
- Every farm must also actively manage at least **10% of its land as habitat** and conduct a **carbon baseline assessment**.
- Farmers are not required to have 10% tree cover but rather create a **tree and hedgerow planting opportunity plan** and plant at least 0.1 ha (250 trees) by the end of 2028.
- The SFS ambition is to plant at least **17,000ha of new trees across Wales by 2030**.
- Payment rates under the Universal Layer include
 - **Whole Farm Payment:** £70/ha for first 70 ha, then £2/ha for remaining land.
 - **Social Value Payment:** £107/ha for all eligible land
 - **Habitat Maintenance Payment:** £69/ha for all habitat maintained
 - **Woodland Maintenance Payment:** £62/ha for all woodland maintained
- Higher value SFS payments will be subject to **capping**.
- Additional support to those who want to do more will be available through more ambitious **Optional and Collaborative Actions**.
- From 2026 farmers can either enter the SFS or remain in the BPS. Once in the SFS you will no longer have the option to revert to the **BPS, which will be phased out by 2029**.
- The 2026 budget allocates **£238m (70%)** to Universal Payments and BPS, and **£102m (30%)** to ongoing schemes, Optional, and Collaborative Actions.
- The SFS will evolve over time to reflect new priorities, evidence, and operational issues, introducing additional Optional or Collaborative Actions.

Sustainable Land Management Objectives

The Scheme will pay farmers for actions that align with Sustainable Land Management Objectives:

1. Produce food and other goods in a sustainable manner
2. Mitigate and adapt to climate change
3. Maintain and enhance the resilience of ecosystems and the benefits they provide, and
4. Conserve and enhance the countryside and cultural resources, and promote public access to and engagement with them, and to sustain the Welsh language and promote and facilitate its use

SFS Eligibility

The SFS will begin on 1 January 2026 with applications for the Universal Layer available on the Single Application Form (SAF) via Rural Payments Wales (RPW) Online from March until 15 May.

To be eligible for the Universal Payment, farmers must

- undertake agricultural or ancillary¹ activities on agricultural land - as defined by the [Agriculture \(Wales\) Act 2023](#)
- have at least 3ha of eligible agricultural land in Wales or be able to demonstrate more than 550 standard labour hours
- have exclusive occupation and management control of the land for at least 10 months of the calendar year

Individuals or organisations who own land which is not used for agriculture or ancillary activities may not be eligible for funding under the Universal and Optional Actions. They may be eligible for Collaborative Action support, which will be considered on a case-by-case basis.

SFS Framework

The SFS will be a whole farm scheme and will include a three-layered structure as well as the SFS Regulatory Baseline and Universal Code.²

1. **Universal Actions:** Mandatory actions for everyone joining the scheme in order to receive a Universal Baseline Payment.
2. **Optional Actions:** Steps farmers can take beyond the Universal Actions to earn additional payments for specific efforts.
3. **Collaborative Actions:** Provides the opportunity for farmers to deliver action at a local, landscape, catchment, or national scale.

SFS Regulatory Baseline: A set of regulations (already set out in law) similar to [Cross Compliance](#).

Universal Code: Includes a series of requirements designed to protect soils, biodiversity and habitats, trees and landscape features.

¹ Ancillary activities refer to actions such as processing products derived from agriculture, or taking action on land used for agriculture in relation to nature conservation or to mitigate and adapt to climate change

² See Annex 1 & 2 in the [SFS Description](#) for a full breakdown of the SFS Regulatory Baseline and a Universal Code.

Budget, Payment Rate, Capping & BPS Tapering

The 2026 budget allocates **£238m** (70%) to the Universal Payment and BPS, and **£102m** (30%) to ongoing schemes, Optional, and Collaborative Actions.

The **Universal Baseline Payment** will represent the costs of undertaking the Universal Actions and the social benefits which comes from the sustainable production of food.

Universal Baseline Payment		
Social Value Payment	£107/ha	All eligible land
Whole Farm Payment	£70/ha (first 70ha) £2/ha (remaining land)	All eligible land
Habitat Maintenance Payment	£69/ha	Habitat land
Woodland Maintenance Payment	£62/ha	Existing woodland

Farms who join the Scheme in 2026 (<100ha) will receive **£1000 as a one-off stability payment**.

Higher value universal payments will be subject to capping as follows:

SFS Payment Value	Capping Rate
up to £25,00	0%
£25,000 to £50,000	5%
£50,000 to £150,000	10%
£150,000 to £200,000	15%
£200,000 to £250,000	30%
£250,000 to £300,000	55%
over £300,000	100%

From 2026 farmers can enter the SFS or remain in the BPS, which will be tapered and removed by 2029.

Year	BPS Tapering
2025	100%
2026	60%
2027	40%
2028	20%
2029	Complete withdrawal

SFS Universal Layer

The Universal Layer, operating annually, includes 12 mandatory Universal Actions that farmers must meet to receive the Universal Baseline Payment. **However, some actions may not apply to all farm types or situations.**

Below is a table of the Universal Actions and Scheme Requirements, followed by a brief description for each Universal Action and Scheme requirement.

1. Soil Health
2. Integrated Pest Management (IPM)
3. Benchmarking
4. Continuous Professional Development (CPD)
5. Habitat Maintenance
6. Temporary Habitat Creation on Improved Land
7. Designated Site Management Plan
8. Hedgerow Management
9. Woodland Maintenance
10. Tree and Hedgerow Planting Opportunity Plan
11. Historic Environment
12. Animal Health and Welfare
Scheme Requirement: 10% of each farm should be actively managed as habitat for the benefit of wildlife alongside the production of food.³
Scheme Requirement: Farmers must complete a farm level carbon baseline in the second year of the Scheme based on the SAF information provided in the previous year.

UA1: Soil Health

Testing soil on improved land to inform soil health planning for your farm

- This action involves soil testing your agriculturally improved land which has previously received or may receive inputs (natural and artificial) or lime.
- To complete this action you must undertake soil testing on at least 20% of this improved land per year, which means all relevant land is tested in a five-year cycle. It is acceptable to test more than 20% per year if you prefer.
- The minimum range of testing required includes Potassium (K), Phosphorous (P), Magnesium (Mg), pH, and Soil Organic Matter.

³Habitats include hay meadows, semi-natural grasslands, herbal leys, wood pasture, saltmarsh, ffridd and upland open habitats, hedgerows and woodland (among others). Many of these habitats require active management, particularly by grazing animals.

UA2: Integrated Pest Management (IPM)

Complete an annual assessment of Plant Protection Products (PPP) used, and alternative methods employed to reduce chemical usage

- Assess your current approach to crop pest, weed and disease management, and opportunities for using additional IPM approaches
- Record your assessment in an annual IPM Plan and keep a record of each time a PPP is used on your farm including
 - Name of the PPP
 - Amount used
 - Date and time applied
 - Field / location
 - Size of area treated (ha)
 - Crop type treated and reason for treatment
 - Weather conditions at time of application

UA3: Benchmarking

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

- Farmers must record data and report on Key Performance Indicators (KPIs)
- Single sector farms (e.g. dairy) will complete a minimum of two sector specific KPIs (2 for dairy) as well as one Whole Farm KPI (so 3 in total)
- Farms with multiple sectors (e.g. beef and sheep) will complete a minimum of two sector specific KPIs *per sector* (2 for beef & 2 for sheep) as well as one Whole Farm KPI (so 5 in total)
- If you undertake benchmarking annually on a whole farm or enterprise basis using an industry benchmarking tool you may already meet this action. You may declare on RPW Online the industry recognised benchmarking tool you are using.

UA4: Continuous Personal Development

Build on your existing skills and knowledge through learning on a range of subjects

- Farmers must do at least six hours of learning (& mandatory health and safety training) annually.
- You can choose which learning to undertake as long as it relates to one or more of the four following Sustainable Land Management objectives:
 - producing food in a sustainable manner
 - mitigating and adapting to climate change
 - maintaining and enhancing the resilience of ecosystems and the benefits they provide
 - conserving and enhancing the countryside and cultural resources; promoting public access to and engagement with them; and sustaining the Welsh language and promoting and facilitating its use
- You can choose from a wide range of learning styles which suit you such as discussion groups, masterclasses, accredited training, e-learning and mentoring

UA5: Habitat Maintenance

Maintain the semi-natural, or newly created habitats on your farm to benefit grazing livestock and wildlife

- This action applies to you if you have any land identified on your holding which fits in with the list of 12 habitat types listed below.

1. Coastal saltmarsh	7. Traditional orchards
2. Coastal sand dune and shingle beach	8. Dense bracken
3. Lowland and coastal heath	9. Scrub
4. Enclosed wetland and marshy grassland	10. Wood pasture
5. Upland open habitat	11. Wildlife ponds
6. Enclosed semi-natural dry grassland (grazed pasture and hay meadow)	12. New habitat areas on improved land

- To complete this action farmers must maintain all habitats in line with a specific set of requirements (see Annex 5 of the [SFS Description](#)) for the habitat types found on their farm

UA6: Create temporary habitat on improved land

Create additional temporary habitat on improved land to meet the Scheme Requirement for a minimum habitat area

- This action applies to farms with less than 10% habitat on their farm, who must create temporary habitat from the following list in order to meet this 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
 - retain cereal winter stubbles
 - wildlife cover crop on improved land
 - unsprayed, unfertilized and uncultivated buffer adjacent to existing habitat. (including open water) on improved grassland
 - mixed leys on improved land (also referred to as multi-species or herbal leys)
 - late cut improved grasslands
 - improved grassland allowed to set seed
- The management requirements that farmers should adhere to for each habitat type are included in Annex 6 of the [SFS Description](#)

UA7: Designated Sites Management Plan

Improve the management of designated sites, including Sites of Special Scientific Interest, by working with Welsh Government and Natural Resources Wales to develop a management plan and agree a Schedule of Works

- This action is applicable to farms which include part, or all of a designated site such as a SSSI, where they have management control, or agreement of the landowner.
- To complete this action farmers must work with NRW to develop a Designated Site Management Plan and agree a Schedule of Works. A 'buffer' around the designated site may also be considered for management on a case-by-case basis due to any potential impact on the site.
- The deadline for meeting this action is the end of 2030.

UA8: Hedgerow Management

Encourage bigger and denser hedgerows to benefit your livestock, crops and wildlife

- Where a hedgerow is managed by cutting or trimming, farmers must
 - Allow the hedges that you cut to grow thicker and taller by trimming them to a slightly higher and wider point each time (at least 5cm of additional growth).
 - Once the hedge has reached a width and height of 3m by 2m (or 2m by 3m) you have the choice to retain it at this size or let it grow further.
 - Maintain or establish at least one hedgerow tree on average per parcel every 50m.
- Where a hedgerow is managed by cutting or trimming, farmers must **NOT**
 - Trim or cut the same hedgerow in successive years i.e. two years in a row
 - Cut hedgerows back other than where the hedge has already reached a width and height of 3m x 2m (or 2m x 3m), or as part of coppicing or laying to rejuvenate a mature hedge.
 - Cut hedges or trees (in the hedge) between 1 March and 31 August.

UA9: Woodland Maintenance

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

- This action applies to all existing farm woodlands (broadleaf, conifer or mixed) of at least 0.1ha and a canopy cover of at least 20%.
- To complete this action farmers must maintain woodland in line with a specific set of requirements (see Annex 7 of the [SFS Description](#)). These include
 - Limiting felling to between 1 September and 28 February,
 - Limiting felling to no more than 5m³ per quarter
 - Retaining a certain amount of deadwood and supporting appropriate natural regeneration.
 - Protect native ground flora, trees and their roots from direct or indirect damage
 - Monitor grazing and keep livestock impact levels low.
 - Supplementary feeding of livestock should be avoided if possible.

UA10: Tree Planting and Hedgerow Creation Opportunity Plan

Complete an opportunity plan for planting additional trees as well as creating and restoring hedgerows across your farm

- Farmers must create a tree and hedgerow planting opportunity map on RPW Online.
- You will be able to include hedgerows, and trees planted individually, in small or large groups.
- The plan is designed to be simple, requiring no specialist support.
- As a minimum, WG are asking you to plant 0.1 ha of additional planting (or at least 250 trees) by the end of 2028, making use of the Optional and Collaborative Layers

UA11: Historic Environment

Protect and enhance our important heritage features to conserve our distinctive cultural character

- To complete this action farmers must maintain their historic assets in line with a specific set of requirements (see Annex 8 of the [SFS Description](#)). These include Scheduled monuments/ Historic Environment Features/ Registered parks and gardens/ Traditional farm buildings

UA12: Animal Health and Welfare

Work with your vet to monitor and support continuous improvement in your livestock health and welfare

This action will apply to all livestock farms who must undertake three elements:

1. *Animal Health Improvement Cycle (AHIC)*
 - Work with your vet to carry out the four steps of the AHIC in a 12-month period, centred on the principle of Measure/ Plan/ Act/ Review.
2. *Biosecurity assessment for incoming animals*
 - Complete a biosecurity assessment with your vet for incoming animals.
 - It should contain actions you will take to mitigate biosecurity risks from incoming animals, such as pre-purchase enquiries, testing, quarantine, vaccination or treatment, and how you propose to record these actions.
 - Boundaries should be stock proof appropriate for the livestock you keep. This only applies to your enclosed farm boundaries, for which you have sole responsibility.
3. *Animal welfare*
 - Complete training in Body Condition Scoring (BCS) and in mobility scoring for the livestock classes you keep
 - The training can be undertaken by you, your business partners, an employee or a family member who works for the business.
 - The training should be undertaken at least once every five years.

Scheme Requirement: 10% Habitat

At least 10% of each farm must be actively managed as habitat alongside food production. This will be based on the amount of existing semi-natural habitat on your farm (excluding Common Land).

The total area of the following areas will be used to determine the 10%:⁴

- All existing semi-natural habitat as defined under *UA5 Habitat maintenance*
- Established broadleaved woodland
- Hedges in good condition that provide significant value for biodiversity, where:
 - the hedge is at least 3m wide and 2m tall (or 2m wide and 3m tall)
 - there is a minimum of 3m between double fences (or minimum 2m between double fences where established through previous Welsh Government support)
 - gaps total no more than 5% of the length of hedgerow
- Habitats established since 2022 such as streamside corridors, ponds, woodland and hedges.

If a farmer has insufficient existing habitat, they must create additional temporary habitat to achieve the 10% (See *UA6: Temporary habitat creation on improved land*)

Any new permanent habitat created under the Optional or Collaborative Layers of the Scheme will count towards the 10% once it is established.

Any land changes may impact whether you have 10% habitat in an individual year, so you need to consider the amount of habitat on an annual basis.

Scheme Requirement: Carbon Baseline

- The WG intends to introduce a scheme requirement of completing a farm level carbon baseline in your second year in the Scheme based on the SAF information provided in the previous year.
- The WG's previous proposed approach was to use a single carbon calculator to provide a consistent and comparable baseline across all farms in Wales. An alternative approach is now being developed which makes use of the data you provide as part of the SFS and other data already available to us e.g. livestock and land details.

SFS Optional Layer

Some farmers may choose to go further by undertaking Optional Actions to deliver more targeted action. There will be additional requirements and payments available for these actions.

Payments for undertaking individual Optional Actions include a mixture of

- one-off revenue payments, for example for creating plans
- multi-annual revenue payments including area-based payments, for example for enhanced management of areas of habitat or woodland
- capital payments, for example for small scale equipment, or larger scale infrastructure investments

⁴Many of these habitats require active management, particularly by grazing animals.

The Optional Actions available in 2026 have been grouped into the 14 themes.

1. Improved soil health and multispecies crop cover
2. Sustainable production
3. Enhanced habitat management
4. Creation of permanent and temporary habitats
5. Implementation of Designated Site Schedule of Works
6. Enhanced woodland management
7. Woodland and agroforestry creation
8. Hedgerow creation and restoration
9. Improved public access to the countryside
10. Advanced Continuous Professional Development (CPD)
11. Improved water quality, water usage and flood mitigation
12. Improved air quality and lowering ammonia emissions
13. Organic farming (support and conversion)
14. Enhanced biosecurity

We are awaiting further detail for each theme and operational processes for the Optional Layer - including the application process, targeting and prioritisation, and payment rates. Further Optional Actions will be made available from 2027 onwards.

Below is a brief description of each theme along with the available support being proposed for 2026.

OA1: Improved soil health & multispecies crop cover

Improve soil health and structure as a foundation to achieve production, nature and climate objectives

- Establishment of mixed leys, cover crops, undersowing of maize and unsprayed crops / margins
- Capital investment for equipment / infrastructure such as gateway maintenance, cross drains, electric fencing and water troughs (to minimise poaching), subsoilers, direct drills, and minimum tillage cultivators to reduce soil disturbance.

OA2: Sustainable Production

Improve your efficiency and the sustainability of the farm

- Sustainably reducing the age at slaughter of prime beef animals
- Beef sire registration
- Implementing graze and rest patterns (beef, sheep or dairy)

OA3: Enhanced Habitat Management

Improve the condition and resilience of existing habitats with site specific action to benefit you and the wildlife on your farm

- Control of bracken or Invasive Non-Native Species (INNS)
- Management of peatlands to help store and regulate water flow and reduce the risk and impact of wildfires
- Targeted grazing patterns to enhance swards
- Reversion of an existing habitat type to a more valuable habitat type, such as reverting upland acid grassland to heathland
- A sequence of activities such as purple-moor grass (*Molinia*) control followed by cattle grazing, followed by seed introduction to restore a more diverse heathland or marshy grassland

OA4: Creation of Permanent and Temporary Habitat

Create new habitat areas on your farm to benefit wildlife and connect existing habitat areas

Permanent habitats

- Reversion of improved grasslands to species rich grasslands
- Creation of orchards (traditional standard fruit trees varieties only)
- Creation of streamside corridors

Temporary habitats (same as those included for UA6)⁵

- 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
- mixed leys on improved land (also referred to as multi-species or herbal leys)
- wildlife cover crop on improved land
- unsprayed, unfertilised and uncultivated buffer adjacent to existing habitat (including open water) on improved grassland
- late cut improved grasslands
- improved grassland allowed to set seed
- retain cereal winter stubbles

OA5: Optional Action: Implementation of Designated Site Schedule of Works

Improve the condition of our priority sites for nature

- Designated Site Management plans (as required per UA7) will contain a consented Schedule of Works which will identify the management actions needed to improve the condition of each site.
- The management actions will be similar to the Optional themes *Enhanced habitat management* and *Enhanced woodland* and will include a mix of capital and area-based activities.
- WG expects the Schedule of Works to be reviewed on a five-year rolling basis.

⁵ Only temporary habitats above the 10% scheme requirements will be funded under this Optional Action.

OA6: Enhanced Woodland Management

Bring existing farm woodlands into better economic and environmental condition

- Funding to work with a registered woodland planner to develop a Woodland Management Plan. The Woodland Management Plan will be valid for ten years with a review of progress at the five-year stage
- Woodland management grants for a range of items recommended in the Woodland Management Plan such as fencing, Invasive Non-Native Species (INNS) control, thinning, tracks, access, and biodiversity related activities.

OA7: Woodland and Agroforestry Creation

Create farm woodland and agroforestry to benefit livestock, nature and a future income source⁶

- Small farm woodlands (including shelterbelts)
- Larger planting areas, potentially as part of a future timber crop
- Planting as part of a silvopastoral or silvoarable agroforestry pattern where crops or pasture remain the primary ground cover

OA8: Hedgerow Creation and Restoration

Create and restore hedgerows to benefit livestock and crops, nature, and landscapes

- Planting new hedgerows (20 metres or longer)
- Promote new basal growth (rejuvenation) of existing hedgerows by laying (pleaching) where the hedge is tall, with multiple thin stems, or coppicing
- Restore existing hedgerows by rejuvenation and re-stocking with new whips where the existing stems are sparse
- Fencing and gates to protect new or restored hedgerows
- Water troughs where new or restored hedgerows prevent livestock access to drinking water

OA9: Improved Public Access to the Countryside

Enable people to access the countryside and enjoy the health and wellbeing benefits of exploring nature and our farmed environment

- Remove stiles where security of livestock is not needed
- Replace stiles with gates
- Install seats / benches at viewpoints
- Install information boards to highlight elements of the Countryside Code such as reminders to keep dogs on lead, no littering, or the importance of closing gates.
- Install information boards to highlight educational, cultural or landscape points of interest

⁶ There will be a higher payment rate for tree planting during the first 3 years of the scheme

OA10: Advanced Continuous Professional Development (CPD)

Continually develop skills and experience to build confidence and improve economic and environmental performance

WG will provide support to complete more detailed or higher level CPD, with an initial focus on

- Soil and multispecies crop cover
- KPIs to improve productivity and efficiency
- Habitat management, enhancement and creation
- Woodland management and creation
- Hedgerow management
- Water quality
- Air quality
- Organic farming
- Animal health and biosecurity

OA11: Improved Water Quality, Water Usage and Flood Mitigation

Improve water quality by reducing pollutants reaching watercourses and manage water resources to reduce impacts of drought and flood

- Farm infrastructure improvements for clean water separation such as roofing, rainwater goods, water harvesting and filtration equipment
- Infrastructure investments to enhance nutrient management such as slurry and manure stores, slurry handling systems, dirty water tanks
- Precision nutrient and pesticide application equipment
- Equipment to aid soil management to enhance water quality such as subsoilers, direct drills, and minimum tillage cultivators to reduce soil disturbance
- Establishing multi-species leys in combination with minimum tillage techniques
- Planting trees or hedgerows to intercept water and pollutants before they reach watercourses

OA12: Improved Air Quality and Lowering Ammonia Emissions

Improve air quality by reducing and intercepting airborne pollutants generated by farming

- Capital funding for infrastructure improvements e.g. roofing over existing yards and slurry stores
- Capital funding infrastructure investments to enhance nutrient management including slurry and manure stores, slurry store covers, slurry handling equipment and scraping systems
- Funding precision nutrient and pesticide application equipment such as GPS for precision farming, slurry injection systems or dribble bars
- Funding equipment to aid soil management to improve air quality e.g. subsoilers, direct drills, and minimum tillage cultivators to reduce soil disturbance, and establishing multi-species leys
- Planting trees around slurry stores or livestock housing to intercept airborne pollutants

OA13: Organic Farming (support and conversion)

Support the Welsh organic sector through conversion and ongoing support payments

- To receive *organic support*, you will need to register your land with an accredited certification body and undergo the testing and inspection processes carried out by these bodies. You will need to farm your land to organic standards, as set out in legislation
- The *conversion support* payment will be for the conversion period, where organic standards must be maintained on farm, but products cannot yet be labelled or marketed as organic.

OA14: Enhanced Biosecurity

Reducing the risk of animal disease spreading on and off farms with enhanced biosecurity measures

- Isolation facilities to separate stock arriving on farm
- Wildlife proofing to reduce / prevent vermin or wildlife disease vectors entering feed stores or areas of the farm populated by livestock
- Secure deadstock storage to minimise the risk of infection being transferred to your stock
- Cleaning and disinfection points for vehicles, personnel and equipment on entry / exit of farm premises and buildings to support best practice on farm hygiene
- Double fencing of boundaries to manage risk of infections to and from neighbour's stock

SFS Collaborative Layer

Using the Universal and Optional Layers of the scheme as building blocks, the Collaborative Layer is designed to foster partnership working with actions designed to be carried out in a coordinated way by multiple farmers, land managers, and other organisations at a landscape, catchment or national scale.

The three Collaborative themes to be introduced in 2026 are:

- Innovation, research and development
- Collaborative market and supply chain
- Collaborative landscape scale activity

Similar to the Optional Layer, additional payments could be available for undertaking Collaborative Actions including one off revenue payments, multiannual management payments, or capital payments.

Collaborative projects may be supported directly or potentially funded through a third-party facilitator. Farmers and land managers will have more flexibility as to the approach taken to deliver outcomes.

Any works undertaken as part of a Collaborative Action must be complementary and not duplicate works being undertaken as part of existing Universal or Optional Actions.

Common Land

Support for Common Land will come in three ways:

- 1. Whole Farm and Social Value payments** under the Universal Baseline Payment (but **not** the habitat and woodland maintenance payments), provided you;
 - have common land grazing rights and can turn out suitable livestock
 - maintain a Stocking Diary to be made available at Inspection
 - have due regard for relevant management which are in place on the common such as for animal health benefits or habitat management
- 2. Collaborative payments to a Grazing Association for coordinated grazing management**
 - The Habitat Wales Scheme (Commons) will be available in 2026, to already established Grazing Associations.
 - WG are considering how to support the formation of new Grazing Associations to enable more common land to be brought into coordinated management from 2027 onwards.

- Common Land is excluded from the Universal habitat and woodland management payments, which will instead be supported through Collaborative Actions
3. Collaborative payments to a Grazing Association or other collaborative groups where the owner of the common is involved and / or permits enhanced management activity to be undertaken
- Targeted land management on commons ideally requires owner consent and grazier partnership for work like bracken management, peatland restoration, or tree planting.
 - Existing landscape-scale collaborative schemes like the Integrated Natural Resources Scheme (INRS), Ffermio Bro (for designated landscapes) and the National Peatland Action Programme (NPAP) will provide support.

Next Steps

- Detailed **scheme guidance** will be published later in 2025 including the definitive technical notes setting out all the scheme requirements, scheme actions, and evidence required for the scheme.
- Further development of the **Optional and Collaborative Layers**, including developing further Optional Actions to be made available from 2027 onwards.
- In advance of the scheme beginning on 1 January 2026, there will be an opportunity for you to check the RPW Online mapping to confirm habitat areas and tree canopy cover at field and farm level. The **data confirmation form** is available from 17 July to 31 October 2025.⁷
- The Welsh Government has announced the launch of an **online ready reckoner** that will be available for farmers to calculate what payments they can expect. The tool is to become available in the coming weeks.
- We are awaiting an **updated economic analysis and impact assessment** to determine impacts on a range of agricultural, environmental and social aspects
- Get in touch with rhys.evans@nffn.org.uk if you have any questions relating to the SFS.

⁷ [Sustainable Farming Scheme: data confirmation general guidance](#)