

NFU Update

Farming Support Schemes

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Farming Equipment & Technology Fund 2026

Offer for 2026 for this competitive scheme – No guarantee of application success

Application window opens: 17 March and closes at midday 28 April 2026*

Budget split - as follows across the established themes:

- £20 million for farm productivity – 70 items
- £20 million for animal health and welfare – 203 items
- £10 million for slurry management – 17 items

Grants awarded - Range from £1,000 to £25,000 per theme, max combined app £75,000. The RPA will pay a percentage of the cost of each item

Full guidance is available - <https://www.gov.uk/government/publications/farming-equipment-and-technology-fund-fetf-2026>

NFU WEBINAR ON WEDNESDAY – 9:30AM



Farming Equipment & Technology Fund 2026

Changes from 2025 version – Need to read 2026 guidance carefully and in full:

- some items have been added or removed
- vet advice and new entrants score uplifts has been removed
- option to use a separate correspondence address in Farming Investment Fund Service removed – member's contact details must match those registered in Rural Payments service

Watch out - 2 Rounds operating from mid-March - Claim window for FETF 25 offer (closes midday 31 March, but some have until June to claim) and Application window open for the FETF 26 applications (opens 17 March and closes 28 April 2026)

Future - final standalone round of FETF in its current form – future intention to bring together strongest elements of capital grant schemes from 2027 to simplify application process and target funding more effectively



Farming Innovation Programme

- **Overall budget** - £170m over transition period, c £50m spent to date.
- **Farming Innovation Programme** – Government keen on funding tech to help solve challenges of the sector – productivity / resilience / labour shortage etc. UKRI / Defra led support
- SoS announced a package of £70 million to move cutting-edge research into practical tools, of which £30 million for the Accelerating Development of Practices and Technologies (ADOPT) funding competition
- ADOPT is designed to accelerate the uptake of innovative ideas on farms, helping farmers trial practical solutions and adopt approaches that build resilience
- **The ADOPT next round will open on 9 April**
- **More details** - <https://farminginnovation.ukri.org/> / NFU Online will be updated



Other Announcements

- **Farmer Collaboration Fund** – Government / Defra announced at OFC a new fund with £30m available over 3 years to support – what we know so far:
 - *making it easier for farmers to share knowledge with each other and access to trusted advice to help make informed decisions for their businesses and land*
 - *both existing and new farmer groups and networks - activities such as farm visits, expert speaker talks, and stronger links with innovators and leaders at local and sector level / support practical, farmer-led approaches and help ensure advice is available where it can make the greatest difference*
- **Animal Health & Welfare Pathway**
 - **Consultation on Mandating Reviews** – Opened on 24 February, closes 18 May 2026
 - **Poultry keepers** - £390k worth biosecurity advisory reviews due to be launched in summer 2026 – watch out for more on this funding



Sustainable Farming Incentive (SFI)

What's the news?



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SFI - NFU Lobbying

- Give greater transparency around the budget available for SFI – **Expect more detail before the first window opens**
- Maximise the SFI budget
- Retain a flexible range of actions for all sectors and locations – **SFI26 still has a broad range of actions**
- If there needs to be budgetary controls, the NFU's preference is for a £/hectare limit – **Not as severe as anticipated**
- Make the SFI farming-focused – **Retained farming actions**
- Provide continuity for expiring legacy agreements – **the problem is acknowledged**

Track our lobbying work on SFI:


18 February 2026
NFU outlines asks following member feedback
The NFU's survey on the future of SFI sees more than 600 members express their views on SFI reform, building on announcements made by Defra Secretary Emma Reynolds at the Oxford Farming Conference.

4 February 2026
NFU calls for accessible offer during Efra Committee session
During a session on SIFs held at the NFU's Westminster office, we discussed the need for a comprehensive and accessible new SFI offer with MPs on the committee.
NFU President Tom Boshell with Efra Committee Chair Alister Campbell



4 February 2026
NFU launches survey on what a future SFI should look like
We call on our members to take our survey and help shape our lobbying efforts on SFI.

8 January 2026
Defra unveils further details at the Oxford Farming Conference
Defra Secretary Emma Reynolds outlines the reforms to SFI during her speech at the Oxford Farming Conference. There will be two application windows this year. The first one will open in June and will prioritise 'smaller farms' and those without an existing SIFs agreement; the second round will open in September for a wider range of applications.
NFU Deputy President David Exonrod said it was positive to hear the Defra Secretary talk about "much-needed plans to reform the SFI" but warned that a huge lack of detail remains.
Oxford Farming Conference



12 December 2025
NFU calls for more clarity on SFI26
As the RUK announces its payment performance on Countryside Stewardship and Environmental Stewardship payments, the NFU continues to call for



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SFI in 2026 – Defra narrative

- **Simpler offer:** 71 actions (down from 102); lower-uptake/impact actions removed
- **Fairer access:** rate changes, stubble area cap, £100k annual agreement cap
- **Transparency:** guidance and application window 1 budget published before it opens; spend updates during each window
- **Stability:** SFI will remain consistent for this Parliament, with ongoing refinements and rate reviews

SFI26 changes

- **Agreement value cap:** maximum £100,000 per year
- Removed management payment
- **One SFI26 agreement per farm business** also helps to manage value cap
- Rotational actions: cannot exceed Year 1 area or value 5
- Enhanced overwinter stubble (AHW7) counts towards the existing 25% farm area cap (across 10 actions)
- All SFI26 actions will be 3-years in duration
- Base and supplemental actions must be applied for together

SFI 2026 Application Windows

Window 1

- Opens in June 2026 for ~2 months (or until budget is allocated)
- Eligibility requires at least 3ha of land (at 1st January 2026)
- Open to small farms (no less than 3ha up to 50 ha)
- Open to farms without an RPA ELM revenue agreement

Window 2

- Opens in September 2026; closing date depends on demand
- Eligibility requires at least 3ha of land (at 1st January 2026)

(ELM capital grants will open in July)

SFI26 Payment Changes

Some payment rates updated in line with the 'income foregone plus costs' approach

Payment increases

- UPL1: Moderate livestock grazing on moorland £35/ha (increased from £20/ha)
- UPL2: Low livestock grazing on moorland £89/ha (increased from £53/ha)
- UPL3: Limited livestock grazing on moorland £111/ha (increased from £66/ha)
- UPL8: Shepherding livestock on moorland (remove stock for at least 4 months) £74/ha (increased from £43/ha)
- UPL10: Shepherding livestock on moorland (remove stock for at least 8 months) £102/ha (increased from £48/ha)

Payment reductions

- **CSAM3: Herbal leys £224/ha (decreased from £382/ha)**
- **CAHL2: Winter bird food £648/ha (decreased from £853/ha)**
- **CNUM3: Legume fallow £532/ha (decreased from £593/ha)**

SFI actions NOT in 2026 offer (1)

Soils

- CSAM1 Soil management plan
- SOH2 Spring-sown cover crop
- SOH4 Winter cover following maize

IPM

- CIPM1 IPM plan

Nutrients

- CNUM1 nutrient management plan

Precision farming

- PRF3 Non-mechanical robotic weeding

Boundaries

- CHRW1 Assess and record hedgerow condition
- CHRW3 Maintain or establish hedgerow trees

SFI actions NOT in 2026 offer (2)

Arable wildlife

- AHW1 Bumblebird mix
- AHW12 woodland edges on arable land

Grassland wildlife

- GRH6 species-rich grassland
- GRH11 Cattle grazing supplement (non-moorland)

Buffers

- BFS2/BFS3 Buffer in-field ponds
- BFS4/ BFS5 Protect in-field trees

Species Recovery

- SPM2 Native breeds on grazed habitats supplement (50-80%)
- SPM4 Native breeds on extensively managed habitats supplement (50-80%)

SFI actions NOT in 2026 offer (3)

Moorland

- CMOR1 Assess moorland
- UPL4 Keep cattle and ponies on moorland supplement (<30% GLU)
- UPL7 Shepherding livestock on moorland (no required stock removal period)
- UPL9 Shepherding livestock on moorland (remove stock for at least 6 months)

Waterbodies

- WBD5 Intensive grassland adjacent to a watercourse
- WBD8 Manage grassland to reduce nutrient levels in groundwater
- WBD9 Nil fertiliser supplement

For more information:

- **NFU ONLINE:** www.nfuonline.com
- **NFU Call First: 0370 845 8458**
- **9:30am on Wednesday for NFU Webinar on FETF.
REGISTER AT NFU ONLINE**
- **Defra:** www.gov.uk/environment/food-and-farming



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