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## SFI Pilot: Agreement Management Q&A

### Summary

RPA has written to Sustainable Farming Incentive (SFI) Pilot participants outlining how they will approach agreement management regarding changes, annual claims and payment reviews. Whilst this is directly applicable to SFI pilot participants, and may change, it does provide a potential template for how these issues might be managed in the SFI early roll out offer that will be available to all BPS claimants later in 2022.

The RPA has set out to pilot participants how they can:

- Amend agreements – Amends will be allowed once a year. Amends will be effective from the start of your agreement's next full year.
- Submit an annual claim – This is due 10 months after the agreement start date. It will be an online process.
- End an agreement – Where it ends part way through an agreement year repayment will apply to that agreement year only.
- Payments
  - Defra has published new payment rates for the pilot; and
  - When you don't meet your obligations, Defra will work with you to rectify, but there may be a need for repayments.
- Apply for capital grants funding - There is a separate Countryside Stewardship (CS) Capital Grants (SFI pilot) online application using the Rural Payments service. Alongside the CS guidance there will be specific supplementary SFI pilot guidance for capital grants.

The terms and conditions for SFI pilot agreements have been updated online to reflect these changes.

### Amending your agreement

#### **Q1 – Will I be able to request an amendment to my agreement?**

**A1** – You will be able to [request amendments](#) to your agreement once a year, during the relevant window for requesting amendments. This will be an online process.

#### **Q2 – When will I be able to request an amendment to my agreement?**

**A2** – The amendment window depends on the start date of your agreement. It will open 3 months before the end of your agreement's first full year and run for 2 months.

*For example, if your agreement started on 1 November 2021, your first amendment window will open on 1 August 2022 and close on 30 September 2022.*

For the remainder of your agreement, the amendment window will follow the same pattern.

*For example, if your agreement started on 1 November 2021, your first amendment window will open on 1 August 2022 and close on 30 September 2022, the second amendment window will open on 1 August 2023 and close on 30 September 2023.*

#### **Q3 – How often will I be able to request an amendment to my agreement?**

**A3** – You can request amendments to your agreement once a year, during the relevant amendment window. The timing of this window depends on the start date of your agreement (see Q2).

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**Q4 – What amendments will I be able to request?**

**A4** – During the relevant window for requesting amendments you will be able to request your agreement is amended to:

- add or remove a land parcel;
- add or remove a standard; and
- increase or decrease the ambition level for a standard.

**Q5 – When will the amendment take effect?**

**A5** – If accepted, the amendment will take effect from the start of your agreement's next full year.

*For example, for an agreement starting 1 January 2022 any approved amendments will apply from 1 January 2023 for the remaining two years of the agreement.*

**Q6 – If my amendment request is accepted, will I have to sign up to an amended agreement?**

**A6** – RPA may have to provide you with an amended agreement that reflects the amendment(s) you have requested to sign, but RPA will try to avoid doing this wherever possible.

**Q7 – If I request that my agreement is amended, will the duration of my agreement change?**

**A7** – No. Your SFI pilot agreement will still last for 3 years from its original start date.

**Q8 – What should I do if something changes outside of my amendment window?**

**A8** – You need to tell RPA as soon as reasonably possible if there is a change in your circumstances after your agreement starts.

**Submitting your annual declaration****Q9 – Will I have to submit an annual declaration?**

**A9** – Yes. Through Rural Payments service you must submit an online annual declaration each year for the duration of your SFI pilot agreement to confirm the progress you have made.

**Q10 – When will I need to submit my annual declaration?**

**A10** – RPA will tell you when your annual declaration is due. Your first annual declaration will be due 10 months after your agreement starts.

*For example, if your agreement started on 1 November 2021, your first annual declaration will be due by 31 August 2022.*

Your next annual declaration will be due 12 months after that, with the final annual declaration due at the end of your agreement term.

**Q11 – What happens if I don't submit my annual declaration when it's due?**

**A11** – If you don't it may impact your payments.

**Q12 – Can I amend my annual declaration after it's been submitted?**

**A12** – You cannot amend your annual declaration after it has been submitted. If you have made a mistake, please contact RPA.

**Payments****Q13 – What does my payment include?**

**A13** – The annual payment due is divided into four instalments. Each quarterly payment includes both the payment for the standards in your agreement and your pilot participation payment. You will not receive separate payments.

**Q14 - When will I be paid?**

**A14** - Payments will be quarterly, usually mid-month. The actual timing will depend on your start date (shown below)

Agreement start date	Q1 payment	Q2 payment	Q3 payment	Q4 payment
1 November 2021	February 2022	May 2022	August 2022	November 2022
1 December 2021	March 2022	June 2022	September 2022	December 2022
1 January 2022	April 2022	July 2022	October 2022	January 2023
1 February 2022	May 2022	August 2022	November 2022	February 2023
1 March 2022	June 2022	September 2022	December 2022	March 2023

**Q15 - Why have payment rates been changed?**

**A15** - Payment rates have been changed to align with the outcome of the Countryside Stewardship payment rate review. These new payment rates will apply from the start of your SFI agreement. The new payment rates can be found in the Annex.

**Q16 – Will Defra review and change the SFI pilot payment rates during my agreement?**

**A16** – As the pilot progresses, Defra will keep the payment rates under review for both the standards and the learning activities (the pilot participation payment).

**Q17 – Will RPA apply any future changes to the SFI pilot payment rates retrospectively?**

**A17** – No. If in the future payment rates are revised, any change would come into effect from a future date. They would not be applied retrospectively.

**Q18 – What will happen to my payments if I am unable to meet all of my agreement obligations, including the mandatory ‘core’ SFI pilot learning activity requirements?**

**A18** – As this is a pilot, Defra will work with you to understand where and why obligations cannot be met and do what they can to support you in getting back on track. Where there is a confirmed breach of the agreement, your agreement may need to be adjusted or be brought to an end. You may need to repay all payments received so far for both standards and the core learning activities (the pilot participation payment).

**Q19 – If I have to repay payments received under my SFI pilot agreement but do not make that repayment, will RPA recover those monies from any payments that I am due under other schemes?**

**A190** – If you don't repay the payments received under your SFI pilot agreement, RPA may recover the money from other schemes.

**Q20 – I have a debt on another scheme, will payments due for SFI pilot be reduced to offset that debt?**

**A20** – Where an existing debt applies under another scheme, that debt may be recovered from payments due under your SFI pilot agreement.

**Ending your agreement**

**Q21 – Can I end my agreement?**

**A21** – You can ask RPA to end your agreement at any time. However, if you want to end your agreement mid-way through an agreement year, you may have to repay payments you have already received for the standards and learning activities (the pilot participation payment) in that year.

**Q22 – If I end my agreement mid-way through its second year will I have to repay payments received during its first year?**

**A22** – If you have delivered your agreement obligations, including submitting the annual declaration, for the first full agreement year, you will not have to repay the payments you have already received for that year.

However, if you end your agreement mid-way through its second year, you will not have delivered the standards and core learning activities for the full second year of your agreement. This means you will have to repay any payments you have already received for the second year of your agreement. This includes payments for the standards in your agreement and your pilot participation payment as they are not separate payments.

**Q23 – If I end my agreement mid-way through an agreement year, am I still entitled to the pilot participation payment?**

**A23** – No. If you end your agreement mid-way through an agreement year, you will not have completed the core learning activities or delivery of the standards for the full agreement year, so you will need to repay all payments received for that agreement year.

**Applying for capital items funding**

**Q24 – When will I be able to apply for capital items funding?**

**A24** – From February 2022, you will be able to apply for capital items funding to support delivery of the standards in your agreement. It is a rolling application window.

**Q25 – How will I apply for capital items funding?**

**A25** – You will need to make a separate Countryside Stewardship (CS) Capital Grants (SFI pilot) online application using the Rural Payments service.

**Q26 – Where will I be able to find guidance on applying for capital items funding?**

**A26** – There will be a supplement to the [CS Capital Grants manual](#) for SFI pilot participants. There are some differences between the two schemes which are explained in the SFI supplementary manual.

**Q27 – Will I have a separate CS Capital Grants (SFI pilot) agreement?**

**A27** – If successful, you will be offered a separate CS Capital Grants (SFI pilot) agreement. The terms of the CS Capital Grants agreement will apply to any SFI pilot capital items funding.

**Q28 – If I will be applying for capital items funding, can I start the work or order materials now?**

**A28** – If you intend to apply for this capital items funding, you must only begin the capital items work (or order materials) once your CS Capital Grants (SFI pilot) agreement starts.

## Annex – New SFI Pilot Payment Rates February 2022

Standard	Ambition level	Original payment	New payment
Arable and horticultural land	Introductory	£28/ hectare (ha)	£30/ ha
	Intermediate	£54/ ha	£57/ ha
	Advanced	£74/ ha	£79/ ha
Low and no input grassland	Introductory	£22/ ha	No change
	Intermediate	£89/ ha	£114/ ha
	Advanced	£110/ ha	£120/ ha
Water body buffering	Introductory	£16/ 100 metres (m)	£18/ 100m
	Intermediate	£29/ 100m	£33/ 100m
	Advanced	£34/ 100m	£38/ 100m
Improved grassland	Introductory	£27/ ha	£29/ ha
	Intermediate	£62/ ha	£68/ ha
	Advanced	£97/ ha	No change
Hedgerows	Introductory	£16/ 100m	£19/ 100m
	Intermediate	£21/ 100m	£25/ 100m
	Advanced	£24/ 100m	£28/ 100m
Farm woodland	Introductory	£49/ ha	No change
Arable and horticultural soils	Introductory	£26/ ha	No change
	Intermediate	£41/ ha	No change
	Advanced	£60/ ha	No change
Improved grassland soils	Introductory	£26/ ha	£31/ ha
	Intermediate	£44/ ha	£53/ ha
	Advanced	£70/ ha	£84/ ha

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