Cyswllt Amgylchedd Cymru | Wales Environment Link

The case for Landscape Habitat Packages in the SFS – supporting delivery of Welsh Government's 2030 biodiversity commitments

October 2025

Key points

- Wales is one of the most nature depleted countries in the world[1] and the Welsh Government (WG) has stated the Sustainable Farming Scheme (SFS) will make an important contribution to Wales' delivery against its 2030 biodiversity commitments[2].
- Given the scale of this challenge[3] and the limited SFS budget, public money must be used as effectively as possible if WG is to support Welsh farming and fulfil its nature obligations. This means allocating adequate budget to elements of the scheme that support the most effective actions, ensuring farming can make the required contribution to Wales's biodiversity commitments, i.e. allocating more budget to the upper tiers of the Scheme as the sector embeds the new ways of working, where the best value for public money will be achieved.
- The recently published SFS business case indicates the Universal layer will make little contribution to nature (or climate) commitments. The report highlights the Optional and Collaborative layers as the best expected value for money where actions to help farming restore nature and tackle climate change will be supported.
- However, we believe that used effectively, all elements of the SFS have the potential to support all farmers across Wales to contribute to nature's restoration and help Welsh Government fulfil its environmental obligations.
- This pan-Wales approach can be achieved by helping farmers to implement Landscape Habitat Packages that deliver tailored habitat restoration and creation actions (available via the Universal and Optional layers) to benefit locally relevant biodiversity within given landscape areas.
- Well designed and delivered Landscape Habitat Packages, with appropriate support, can:

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[1] State of Nature 2023 - Wales
[2] Welsh Government's commitment to halting and reversing the loss of nature by 2030 is part of the Global Biodiversity Framework
[3] Scale of Need Report shows Wales must invest £595 m/yr in environmental land management to meet nature & climate targets

    - Increase the abundance of widespread but declining species across Wales
    - Be delivered alongside and/or contribute to management for protected sites, priority habitats and species at risk of extinction where these are present
- While Landscape Habitat Packages will promote regional targeting (to benefit locally relevant habitats and species) they will also be universally available[4] to ensure all farmers can, if they choose to, participate in their delivery.
- We believe the Rural Payments Wales (RPW) online system can support this approach and help all farmers to deliver targeted action across Wales that will contribute to biodiversity priorities and secure value for money.
- With the right advice and guidance – appropriately designed, located and delivered – Landscape Habitat Packages can secure wider environmental and social benefits and contribute to all four Sustainable Land Management objectives, for example, by improving the resilience of ecosystems and the environmental benefits they provide.

Introduction

The Universal Layer of the SFS includes farm-scale targets and actions to maintain existing habitats and create new short-term ones in the more agriculturally improved farmland. While this is welcome, it will not be enough to restore nature or even halt its decline; and neither will the 'free choice' approach to the delivery of Optional actions. The ten-year review of Tir Gofal concludes that widespread long-term declines were not reversed and that more transformative and targeted action is necessary across a greater area of land to meet climate and nature targets and achieve resilient and sustainable food production[5].

To be effective at helping Wales meet its biodiversity commitments and halt the loss of nature and start its recovery by 2030, the SFS must support Welsh farmers to achieve the following three outcomes[6]:

1. Increase the abundance of widespread but declining species across Wales[7]
2. Manage our most important nature sites (e.g. SSSIs) appropriately to improve their condition and resilience

[4] While Landscape Habitat Packages should be available across Wales, their make-up would vary according to local priorities and farming systems.
[5] The UK Food Security Report identifies climate change and biodiversity loss as the greatest risk to domestic food production
[6] The three requirements are based on Wales's endorsement of the Global Biodiversity Framework
[7] A widespread but *declining species* is a population of organisms experiencing a *significant and sustained decrease in numbers*, increasing its risk of extinction. This is different to species that are already at risk of extinction e.g. Curlew and Shrill Carder Bumblebee.

3. Reduce the extinction risk to threatened species, like Curlew and Shrill Carder Bumblebee.

Welsh Government's nature delivery proposals for the SFS to date

We welcome WG's intention to use its Scheme to benefit nature and promote actions for protected sites and threatened species on Welsh farmland including:

- SFS Universal Action 7 – develop a Designated Sites Management Plan and schedule of work, to be implemented through the Optional and Collaborative Layers[8]
- Collaborative initiatives like the Nature Networks Fund (NNF) and the Integrated Natural Resources Scheme (INRS), which will help establish how best to support farmers to implement actions at scale for threatened species, including via the SFS

The SFS full Business Case evidence and modelling is clear that the upper layers of the scheme are essential in securing enhancements for nature. It highlights that the Optional and Collaborative layers of the Scheme are where actions to benefit our most important nature sites and threatened species will be supported. However, what is not clear is how this will be achieved or how the scheme will use public money to help all farmers across Wales reverse the country-wide decline of nature.

Helping all farmers to restore nature

We believe the SFS has the potential to support all farmers across Wales to contribute to Wales's nature priorities and commitments. This includes increasing the abundance of widespread but declining species, and in doing so set the foundation for nature's recovery.

This pan-Wales approach can be achieved by paying farmers to implement Landscape Habitat Packages through the Optional layer that combine Universal and Optional actions to provide the right mix of locally relevant, well-managed habitats to enable nature to thrive once more. WG has attempted a similar approach in the past (see Glastir Regional Packages) and the inclusion of well-designed and delivered Landscape Habitat Packages in the SFS would represent an evolution of policy.

[8] We remain concerned about the lack of requirement to implement these plans.

Landscape Habitat Packages

Based on scientific research, Landscape Habitats Packages are shown to increase the abundance of wildlife, including widespread but declining species[9], provided this outcome and how to achieve it are fully considered in package design and delivery.

Whilst packages are implemented at the farm scale, wider benefits are achieved by farms across landscapes cooperating and all undertaking complementary actions for nature (as guided by the packages) in the right combinations to improve habitat condition, diversity, extent and connectivity.

Environment NGOs' work and initiatives, e.g. Farm Wildlife and Fair To Nature, show that to reverse the decline of widespread species, farmers should manage a minimum of 10% of their enclosed land[10] as a package of the following six broad habitats[11]:

- Semi-natural habitats in good ecological order
- Flower-rich habitats
- Seed-rich habitats
- Wildlife-rich field boundaries and margins
- Wet features/ponds
- Other in-field habitats

Being a habitats-based approach, incorporating existing and cultivated broad habitats, means that with the right support, all farmers across Wales can deliver Landscape Habitat Packages. This in effect provides a Wales-wide, value for money alternative to the Basic Payment Scheme, as all farmers can receive ongoing payments of public money for actions that make a meaningful contribution to Welsh Government priorities and commitments. Naturally, the make-up and proportions of habitats within Landscape Habitat Packages will vary across different places in response to local biodiversity priorities, challenges and opportunities. How this is achieved effectively must be addressed in both the 'design and delivery' of the scheme and is an area that NGOs can help with and provide significant value (see next steps on page 8).

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[9] See Farm Wildlife

[10] The packages focus on improving the nature value of enclosed land as this is where nature loss has been the greatest e.g., Wales has lost c. 90% of our species/flower rich meadows. The SFS should also ensure that unenclosed/upland habitats are also well-managed.

[11] Note that this is different to the existing SFS 10% habitats rule, which doesn't require the management of beneficial habitat mixes.

The image below is included to illustrate what a 'generic' mixed farmland Landscape Habitats Package could look like at the farm scale, including the proportions of the six broad habitats required to make up the 10% of enclosed land well-managed for nature.

Illustrated example of habitats on farmland



In areas of greatest wildlife decline, typically in the more intensively farmed parts of Wales (i.e. outside of the Less Favoured Areas (LFAs)) Landscape Habitat Packages, like the one illustrated, will help create a patchwork of farmed habitats that traditional family farming once provided in abundance. Provided packages are well-designed and delivered, this will benefit a diversity of widespread but declining species (see Box 1 below).

On farms with designated sites and/or species already at risk of extinction, Landscape Habitat Packages can be delivered alongside additional actions for these conservation priorities (and/or contribute directly to their management e.g. through collaborative management plans with appropriate support). Well-designed packages would also be an effective means of integrating designated areas into the wider functioning of farmed landscapes, and in doing so improve their resilience. What packages deliver and how they can be successfully integrated with the needs of sites, species and the farm system is a key area where eNGOs can make a valuable contribution.

More broadly, a package approach has the potential to deliver wider Sustainable Land Management (SLM) objectives that benefit farming and society e.g. by targeting beneficial actions for nature in locations that also contribute to climate change mitigation and adaptation, buffer and protect water quality and provide natural flood management.

Box 1: An example of a mixed farmland Landscape Habitat Package (as illustrated above) securing genuine benefits for nature and society:

Yellowhammer, which was a very common farmland bird but is now on the Red List for Birds of Conservation Concern, needs thick hedges to nest in and a range of habitats that provide the adults with seeds to eat throughout the year and large insects to feed their chicks in spring. All these ecological requirements can be provided by the Landscape Habitats Package approach (illustrated above) without the need to refer directly in it to Yellowhammer (or any species-specific training). In addition to Yellowhammer, several other birds of conservation concern will also benefit (e.g. Linnet, Reed Bunting, Barn Owl, Kestrel, Starling, Green Woodpecker and Rook) along with a diversity of invertebrates, pollinators and mammals. Carefully located and well-managed, the package will also improve farm resilience and secure wider environmental benefits and ecosystem services for society. See Annex 1 for further examples of Landscape Habitat Packages.

A fair and just use of public money to improve the economic resilience of farming by tackling the Nature Emergency

Analysis undertaken by economist Matt Rayment (i.e. Scale of Need report) shows that Wales must invest £595M/yr in environmental land management through the SFS to meet nature and climate targets. This would represent a substantial portion of the overall funding needed for all nature recovery actions explored in WEL's Pathways to 2030 Report, which also utilises Rayment's calculations. The existing rural budget is approximately only half of this amount. Given the size of the nature restoration challenge facing Wales, it's vital WG uses its limited resources as efficiently as possible. For nature's restoration, this means ensuring all layers of the Scheme support farmers to implement effective actions, in the right places and at the right scale.

We believe the inclusion of Landscape Habitat Packages in the SFS would provide an efficient pathway for all farmers to progress from the Universal to the Optional layer (and potentially on to the Collaborative), while ensuring public money is used as effectively as possible. All evidence points to the best value for public money expected to be in the higher tiers of the Scheme, where actions will both restore nature and improve the economic resilience of Welsh farms, so it's crucial that we encourage farms to move up the tiers over time; ensuring the Universal actions are the starting point and not the end.

Our proposal would be available to all farmers across Wales and as such represents a fair and just alternative to the Basic Payments Scheme and/or payments that simply maintain 'business as usual', and which fail to secure the scale of change necessary to meet Wales's environmental priorities and commitments, including for nature.

Development and delivery of Landscape Habitat Packages – RPW online

We believe the Rural Payments Wales (RPW) administrative system can support the delivery of Landscape Habitat Packages through the Optional Layer of the SFS because:

- Through a combination of digital mapping, habitat validation and Single Application Form (SAF) crop and habitat coding, the system can increasingly identify which habitats (and how much) individual farms have.
- Based on this increasing knowledge, the system has the potential to 'flag' with farmers (e.g. via the proposed SFS farm dashboards) which habitats and how much of them they already have and importantly, which actions they should implement (through the Optional Layer) to deliver full Landscape Habitat Packages on their farms.
- Being online, management advice and guidance for Landscape Habitat Packages could be made available to farmers as 'click-throughs' in digital SFS agreements. Additional advice may be required, including from specialists, if Packages contribute to the management of important sites, habitats and/or species.
- Enhanced management payments could be made to farmers who choose to deliver Landscape Habitat Packages in recognition of the added value that Packages secure.
- The Welsh Government has attempted to deliver regionalised management with enhanced payments in the past, see Glastir Regional Packages. Our proposal is an evolution (and simplification) of this approach and seeks to address key challenges

highlighted in the Wales National Trends and Glastir Evaluation that concludes that "a different approach to pay for more transformational actions (i.e. not paying for the status quo) with more targeting to increase cost-benefit outcomes may be needed if environmental and cultural outcomes are to be an objective of payment schemes going forward."

Development and delivery of Landscape Habitat Packages – WEL

We believe Landscape Habitat Packages would provide an invaluable resource for farmers and their advisors in decision making and ensure public money is used as effectively and efficiently as possible. We recognise our proposal focuses predominantly on the approach for now, and that key details are still to be resolved.

WEL would welcome the opportunity to work with Welsh Government to develop the approach further to (a) ensure Package design and delivery incorporates the effective aspects of past similar approaches while avoiding some of the pitfalls e.g. being overly ambitious, complex and/or prescriptive, (b) Packages reflect local/landscape biodiversity priorities, plans and farming systems and (b) Package design and delivery benefits from WEL members' collective knowledge and experience, particularly in the following areas:

- **How species requirements can be incorporated effectively.**
  This includes identifying which species can benefit from a package approach and which may require more bespoke interventions (e.g. a more targeted species recovery project via the Collaborative layer). We appreciate that the Glastir model, with long species lists and other attributes, did not work well and became complicated, but without some way of taking account of species, it is likely that some appropriate species (for delivery via Landscape Habitat Packages) will slip through the net.

- **How spatial information for priority nature can be best used.**
  We have previously highlighted various mapping work undertaken by WEL members, such as important plant/herpetology/invertebrate/bird[12] etc. areas, and

[12] E.g. Plantlife has identified six priority landscapes in Wales where the right package of land management actions would help to expand and connect valuable semi-natural grasslands. The six landscapes are Pen Llŷn, Gower, Northeast Wales Limestone, Ceredigion, Elan Valley and West Radnorshire, and Heads of the Valleys

the obvious applications for landscape delivery and which could help to form a basis for some indication of relevant species for Landscape Habitat Packages. The location of measures and specifics or key inputs will hugely benefit from the input of eNGOs.

- **How species with conflicting management requirements** can be catered for, including within Landscape Habitat Packages.

- **How farmers receive the right advice in the right place and in the right format.** In order to (a) deliver Landscape Habitat Packages as part of an integrated, accredited advisory service, which connects environmental and productivity objectives through practical, whole-farm decision-making to secure wider sustainable farming, and (b) how more specific advice such as for protected sites and threatened species will be provided and integrated. It's vital that the advice framework as a whole is fit for purpose and builds the expertise necessary for the SFS's new approach; we have provided another paper on A Framework for Nature Advice with recommendations on this.

Evidence shows that farmers make better, longer-term decisions when advice is joined up across soil, water, biodiversity, carbon, productivity, and community impacts[13]. The number of farm advisers in Wales that work in a nature-centred way remains quite limited and is certainly not well documented, but successful programmes elsewhere show what can be achieved and point the way towards practical solutions. For example, Soil Association Scotland has co-developed a whole-farm planning framework with farmers and crofters and delivers a knowledge-exchange programme, "Planning for Change: A Whole Farm Approach"[14] to help them implement the Scottish Government's Whole Farm Plan audits.

Furthermore, in recognition of the importance of effective advice, the Farm Wildlife partnership is in the process of developing a 'Future-Ready Farm Wildlife Training package' for advisors with The Wildlife Trust. This training package is based on the CIEEM and Plantlife competencies framework and aims to level up the advisory skill

[13] Soil Association Exchange (2024) 'From Data to Decisions' report
[14] Soil Association Scotland, Whole Farm Planning

force; providing a structured programme to train existing farm consultants into becoming competent and accredited environmental advisors.

Next steps

We would welcome the opportunity to share this work with WG as we believe it will help ensure the future advisory service will be as effective as possible in supporting the delivery of the SFS's objectives and sustainable land management more widely. This includes ensuring the advisory framework and provision is fit-for-purpose and capable of providing farmers with the type of support they need to help Welsh Government meet it biodiversity and wider environmental commitments, alongside managing natural resources and producing food sustainably.

Annex 1 - How Landscape Habitat Packages can benefit species

The delivery of Landscape Habitat Packages does not necessarily require reference to specific species, as the focus of delivery is on securing combinations of locally relevant well-managed habitats. However, well-designed packages benefit a diversity of wildlife, including many that are declining by providing the full range of habitats (at scale) necessary to meet their ecological requirements, for example:

- **Lesser Horseshoe Bat:** The Lesser Horseshoe Bat is rare in the UK, with a distribution largely restricted to south-west England and Wales. They have a reliance on the dung fauna associated with farming stock, especially cattle. The use of endectocides on cattle has a strongly negative impact on the availability of their prey. Hedgerows, as well as damp and wet woodland, are especially important for this species. A package approach that includes actions for the Lesser Horseshoe Bat would also benefit the following widespread species of conservation concern: Hedgehog, Dormouse, Rook, Swift, House Martin, and several other bat species.

- **Flower-rich habitats:** A package for connected flower-rich habitats (e.g. grassland, scrub, heathland, hedgerows and native woodland) would include measures to (a) assess and improve the wildflower resource availability across farms and landscapes (including via RPW's online system); and (b) improve these habitats through changes in management and creating/restoring linking habitat. With little effort, the approach could be tailored to rare species (e.g. Shrill Carder Bumblebee) and habitats where relevant. These measures, as well as benefiting pollinators and

other invertebrates, will also support a wide range of birds, mammals and amphibians, as well as bring additional ecosystem services from Integrated Pest Management to increased carbon storage and flood risk reduction.

- **Riparian habitats:** A package for riparian habitats could focus on measures to restore mosaics of wildlife-rich habitats within riverside buffer zones. This includes well-managed, species-rich grassland to provide flowering plants for invertebrates and whose varying root depths help to hold soil in place and reduce erosion risk. Encouraging areas of native woodland containing species such as Willow and Alder would provide habitat for riparian wildlife and help to mitigate the impacts of climate warming. These measures, as well as supporting vulnerable river fly assemblages, will also improve water quality for fish and other river life including plants, invertebrates and mammals and, where present, benefit the rare Scarce Yellow Sally; a critically endangered stonefly found only in River Dee catchment across the whole of the UK.

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Wales Environment Link (WEL) is a network of environmental, countryside and heritage Non-Governmental Organisations in Wales. WEL is a respected intermediary body connecting the government and the environmental NGO sector. Our vision is a thriving Welsh environment for future generations.

This paper represents the consensus view of a group of WEL members working in this specialist area. Members may also produce information individually in order to raise more detailed issues that are important to their particular organisation.



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