WINTER TALK TURNS TO FUNDS AND SCHEMES

Michael Gove

Photo: NFU pics

Winter is conference and farm discussion group season.

In the past, my attendance has always peaked to coincide with a review of the Common Agricultural Policy. It is perhaps no surprise then that I find myself attending these events on a frequent basis this winter.

If we thought shifting from SPS to BPS and ELS to CSS caused confusion in 2015, then that pales into insignificance compared to the current situation.

Listening to Michael Gove speak for the second time in a matter of weeks before Christmas, he caught my attention with mention of the UK Shared Prosperity Fund.

I have to admit this is not a scheme I had heard of previously, but on the basis that it cropped up twice in his presentation at the CLA Rural Business Conference – and I was fairly sure that his references to UKSPF were not alluding to a post-Brexit approach to the Sun Protection Factor rating scheme – I decided it deserved a quick Google.

"The UKSPF," I discovered, "will tackle inequalities between communities by raising productivity, especially in those parts of our country whose economies are furthest behind."

While my colleague Anthony Weston can get very excited about the minutiae of government policy, I can quickly lose interest, but I managed to discern that UKSPF will effectively replace the European Structural Investment Fund (ESIF).

Put simply, this pot of money will, post Brexit, replace the one that has been used to fund LEADER, the RDPE Growth programme and the Countryside Productivity Scheme. That is the money that has contributed towards the costs of countless holiday let conversions, vineyard cellar door and winery projects, robotic milking equipment, specialist seed drills and forestry equipment – to name but a few.

In July the government stated its intention to consult on UKSPF in 2018. As I write (and forgive this caveat, but politics is moving at a tremendous speed at present) it is yet to fulfil this intention, although I may have missed this amongst the general Brexit muddle.

I would suggest that our industry needs to shout loudly to ensure we communicate the need for further grant funding of this type once we have unravelled ourselves from the EU and ESIF.

It can be tedious and frustrating watching our government and its departmental bodies struggling with Brexit, but keeping at least one eye on developments is crucial if we are to plan for the coming years.

One area vital to monitor is the Environmental Land Management Scheme (ELMS). While Michael Gove discusses the idea of its introduction in 2025, DEFRA and Natural England are busy trying to persuade the EU to extend current ELS/HLS agreements and at the same time gain provisional agreement from farmers whose agreements expire in 2019 to do this.

On first appearances, this potential offer will appear to be an absolute 'gimmee' to many – stick with your ELS/HLS agreement garnered in what we often refer to in the office as the "golden era" of stewardship.

Of course, it is nowhere near that simple. Having asked farmers to sign an expression of interest to extend their agreements by four years, DEFRA and NE are now having to revisit this request as the EU will not agree to four years, although may agree to an annual extension on a rolling basis. A further fly in the ointment is that there is also no guarantee that the payment rates in these potential extensions will match those currently received.

Whatever happens with the proposed extensions, those with expiring agreements in 2019 – and, for that matter, those with no agreement at all – could do worse things with their time than take a look at what Countryside Stewardship could offer. In brief, a five-year agreement filling the gap until ELMS is scheduled to be introduced in 2025, helping to offset the aggressive reduction in BPS which will be implemented from 2021 onwards, is worth serious consideration in these uncertain times.

I suspect this will be a talking point at many more conferences and discussion groups before the winter is over.

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