

AUTUMN PLANNING BRINGS COUNTRYSIDE STEWARDSHIP BACK INTO FOCUS

This autumn will have come none too soon for many South East farmers.

It's been a harvest to forget; wet weather last autumn left growers struggling to get wheat in the ground, and then the dry spring and wet weather during August took their toll.

The NFU reckons yields could be down by about a third, making 2020 the worst harvest since the 1980s.

There is, of course, no such thing as a 'normal' harvest, just as there's no such thing as perfect weather. Farmers have always dealt with volatility in terms of the weather, yields and prices. That's part of the job description.

It does seem, however, that there is some kind of extreme weather event most years now, which impacts either on drilling, harvest or crop growth in-between.

Drilling season is a time when people reflect, not solely on the harvest that's just finished, but also the future – and one of the key objectives nowadays is to mitigate volatility and risk.

The disappointment of harvest 2020 is highlighting to many the value of a 'guaranteed' income, leading many to reconsider the potential of entering into a Countryside Stewardship (CS) agreement.

The recent removal of the greening rules, meanwhile, will also encourage some in this direction. The requirement to provide 5% of arable land as an Ecological Focus Area (EFA) has gone.

Given that traditionally many growers have reached their EFA obligation by following poorer fields and corners – land which may not be worth cropping anyway – it might now be sensible to consider putting these areas into Countryside Stewardship options. You'd still get the BPS, but

also be paid for doing something else on that ground rather than trying to produce a crop with a questionable profit margin.

It's important not to view Countryside Stewardship solely as a response to dealing with less productive parcels of land. There are options in it that can help the way you farm – building in rotations that benefit your cropping, soil health and bottom line.

One such option is the two-year sown legume fallow (AB15). Paying £522/ha/year, it's aimed at reducing blackgrass populations (especially if approached on a part- or whole-field scale) and is similar in some ways to the fertility-building leys utilised by organic growers. This option is a useful addition to crop rotations, providing an alternative break crop which helps to tackle a problem weed and improve the soil.

Next year will also be the first year that BPS support will start to decrease. Current expectations suggest payments in 2024 will be less than half what they were in 2020 and will have disappeared completely by 2028.

There's clearly a necessity for farm businesses to fill this cashflow hole as soon as possible and the long-awaited Environmental Land Management scheme (ELMS) is still a long way off.

Some farmers are taking the view that: "I'm waiting for ELMS so there's no point signing up for CS now", but remember ELMS won't be introduced until late 2024, so the first payments aren't going to arrive until 2025.

If you were to get a CS application submitted in 2021, you will have at least three years (2022-2024) of that agreement before ELMS begins – which means you're being paid a fixed income for it while BPS is decreasing. And the Government has said

that if ELMS ends up being more attractive than your current CS agreement (and let's hope it is), you'll be able to transition without any penalty.

Ever more farmers and landowners are prepared – and indeed will be forced – to explore new income streams, alongside or possibly instead of what they traditionally saw as their role growing crops and keeping livestock.

Of course, we certainly need more food on a global scale, but here in the South East the opportunities to develop new incomes, whether through so-called environmental 'outcomes' or diversification, are many and varied.

It's a topic we often talk about at the Mid-Sussex Farm Management Discussion group I've chaired for the past two years. Indeed, pre-Covid, the biggest single opportunity was leisure. We use the expression 'farming the public'.

The good news is there is plenty of time to make a decision on whether or not entering a CS agreement is right for your business, as the earliest you could have a new agreement start is January 1, 2022, and the next application deadline is likely to be July 31 next year.

This might seem a long way off, but I'm already talking to farmers about applying next year for 2022. In the volatile world in which we live, forward planning becomes harder, but ever more necessary,

Farming has always been risky, but it's becoming more risky and entering CS could just be a bombproof way of mitigating some of that risk.

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