

HOW SHOULD FARMERS REACT TO DEFRA'S **ELMS** ANNOUNCEMENTS?

CLM Farm and Environment Consultant Kevin Jay shares his view.

Recent weeks have seen the Government release more details about the Environmental Land Management scheme (ELMS).

Firstly, it was the improved payment rates for the Countryside Stewardship (CS) and Sustainable Farming Incentive (SFI) schemes and, secondly, a very... very long document (91 pages, if you were to press print) setting out a clearer picture for the additional strands of SFI yet to be introduced and announcing the concept of CS Plus.

DEFRA had already announced in late 2022 the scrapping of its proposed Local Nature Recovery programme in favour of a revamped CS scheme.

This at least delivers an element of stability. CS represents a tried-and-trusted scheme, with people knowing how the options work and understanding the application process. Better to have an adapted version of this than shift to a new and unfamiliar scheme that the Rural Payments Agency would have probably struggled to administer anyway.

It will also be enhanced, with about 30 additional actions available by the end of 2024, building on the more than 250 actions farmers can take at present. CS Plus will see incentives "for land managers to join up across local areas to deliver bigger and better results".

There have, meanwhile, been some very encouraging increases to some of the annual and capital payment rates. Livestock fencing, for example, is now funded at £7.47/m, rather than £4.90/m.

As always, however, DEFRA seems to have been inconsistent in its approach. Take the payment for species-rich grassland, for example. If you'd applied back in 2014, you'd have got £200/ha under HLS. When CS was launched in its 2015 iteration, the figure was £182/ha, but it hasn't increased since.

The payment for 'very low input grassland' – an option which doesn't have the same environmental benefit – has risen from £95/ha two years ago to £151/ha. The species-rich rate doesn't even take inflation into account, so DEFRA is effectively saying it's not as important as it used to be, but that doesn't ring true with messages about how valuable this habitat is.

In terms of the SFI, six more standards will be introduced for this year, building on the three existing standards to improve soil health and moorlands introduced in 2022, for which almost 1,900 farmers have already signed agreements.

The new standards include payments for actions on hedgerows, grassland, arable and horticultural land, pest management and nutrient management – and eligible farmers and land managers in England will be able to apply from this summer.

Those signing up are also eligible for an additional £20 per hectare management payment on the first 50 hectares of an agreement. In other words, potentially an additional £1,000 on top of the existing rates.

I certainly hadn't previously been wowed by SFI, but at least there is a little more clarity now. A shame, perhaps, that years of 'tests

and trials' appear to have yielded very little and DEFRA has now opted for a reshuffle of CS management options to deliver the SFI standards that will be launched this year.

For many, it still makes sense to get a decent CS agreement in place initially (the deadline for mid-tier schemes starting 1 January 2024, is 18 August this year and the deadline for higher-tier schemes starting on the same date is 28 April). After that, you can take a look at SFI and see where you can tag that on (either now or as and when more information becomes available).

Clearly a lot of people have been taking this approach, as we were inundated with inquiries about CS in the opening weeks of this year.

The NFU responded to the SFI changes by acknowledging it represented a "broader and more flexible offer". There again, a few weeks earlier it had dubbed changes to ELMS "too little too late".

Ultimately, it might be that both observations are correct.



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