

**RESOURCEFUL
FARMING: A BRAVE
NEW WORLD**

Carter Jonas

AGENDA

BPS & Countryside Stewardship: The short term | John Read

ELMs: The future | Ross Kent

Markets, trade and climate: The headwinds | Jennifer Norman

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BPS & COUNTRYSIDE STEWARDSHIP: THE SHORT TERM

John Read MRICS FAAV

Partner, Winchester

Carter Jonas



BPS 2021

**No Greening
Entitlements
17th May 2021**

BPS PAYMENT REDUCTIONS

2021 to 2024

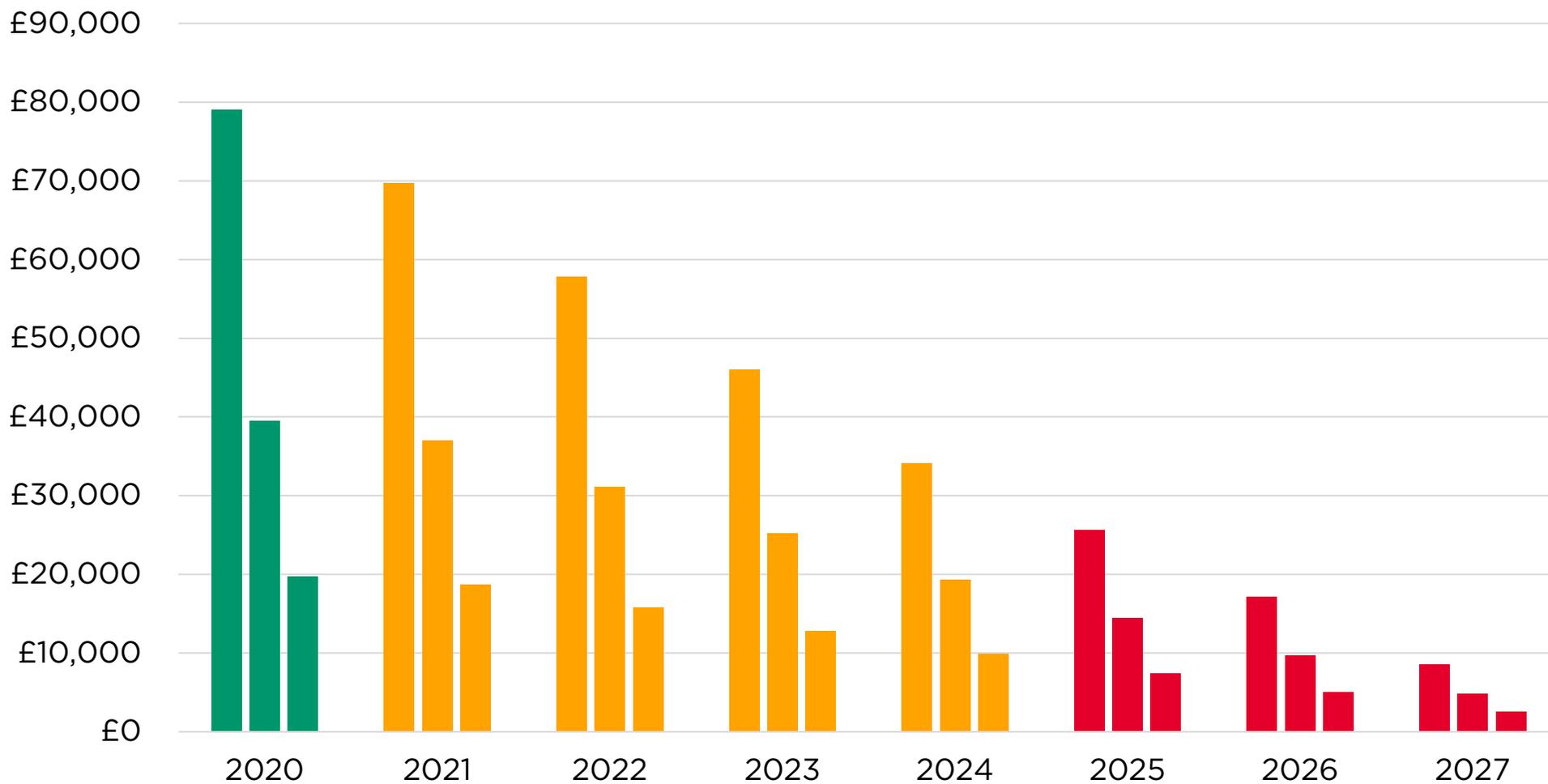
Sliding Scale

Progressive Reductions

2025-2027 ?

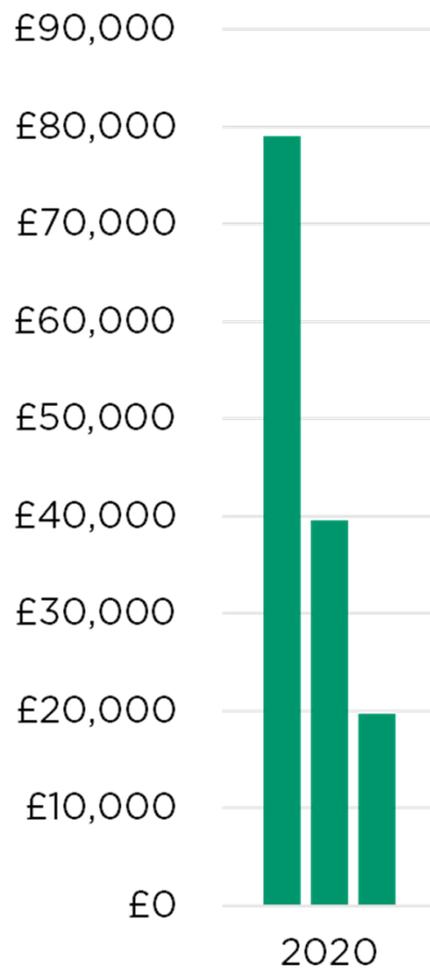
Payment Calculators

EXAMPLES - 1,200, 600 & 300 ACRE FARMS



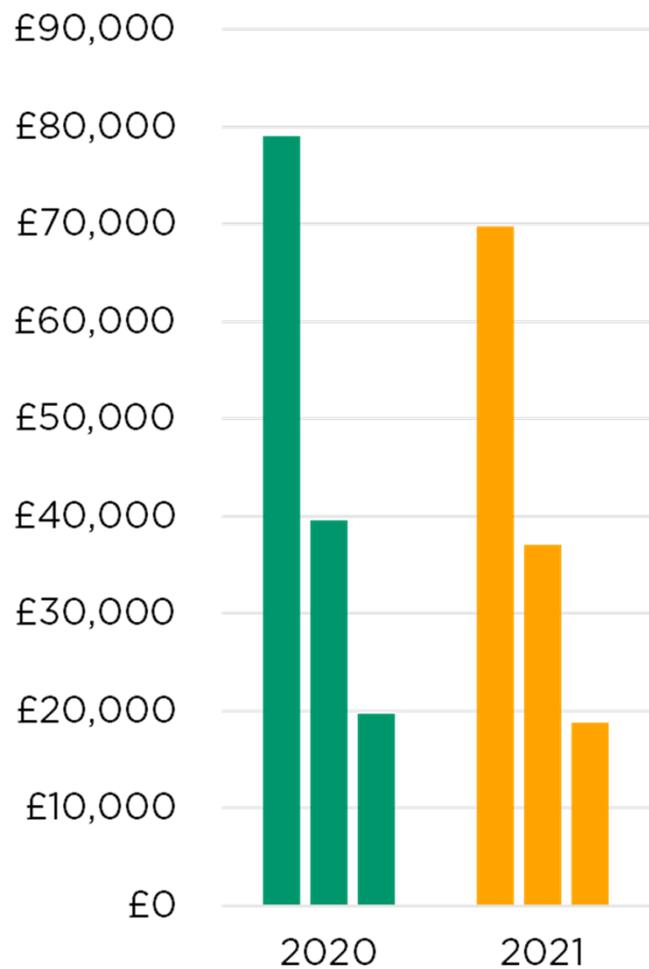
Source: DEFRA

EXAMPLES - 1,200, 600 & 300 ACRE FARMS

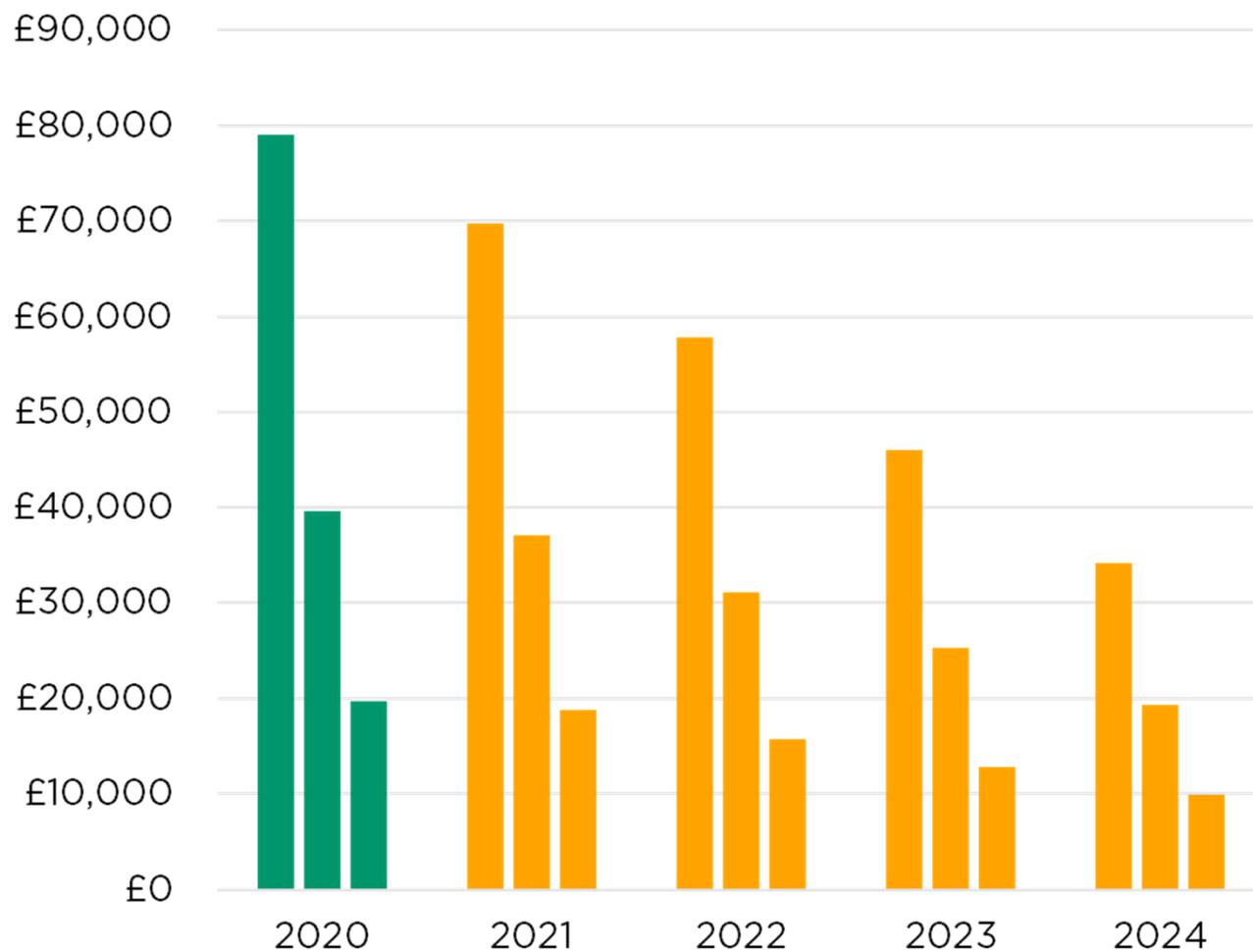


Source: DEFRA

EXAMPLES - 1,200, 600 & 300 ACRE FARMS

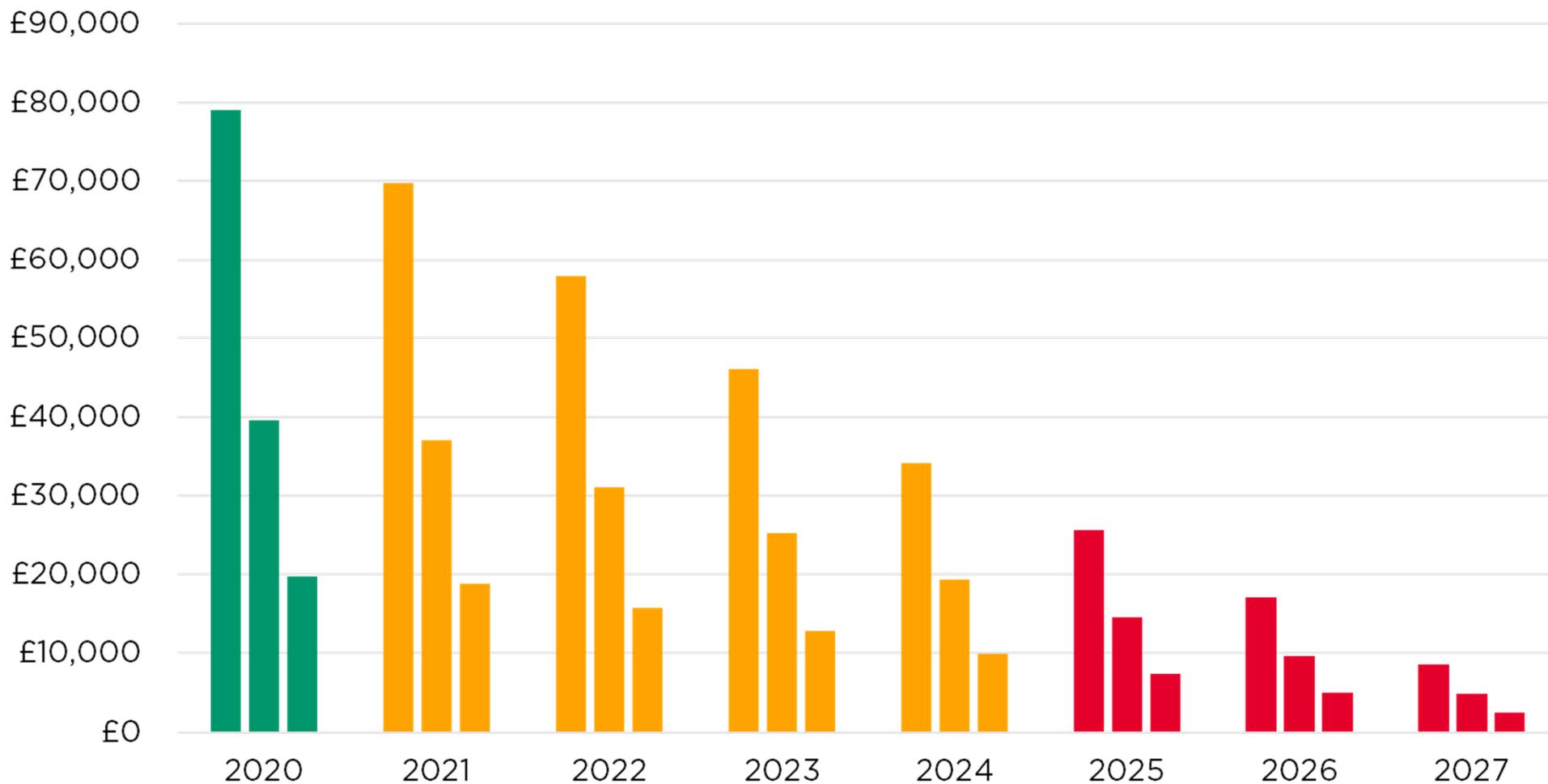


EXAMPLES - 1,200, 600 & 300 ACRE FARMS



Source: DEFRA

EXAMPLES - 1,200, 600 & 300 ACRE FARMS



Source: DEFRA

LUMP SUM EXIT SCHEME

**Retirement Scheme
2021 Consultation
2022?**



COUNTRYSIDE STEWARDSHIP

**Mid-Tier
Wildlife Offers**



CONCLUSIONS?



ENVIRONMENTAL LAND MANAGEMENT (ELMS): THE FUTURE

Ross Kent

Partner, Oxford

Carter Jonas

The logo consists of the letters 'ELMS' in a bold, white, sans-serif font, centered within a dark purple rectangular background. The background of the entire slide is a photograph of a golden wheat field under a bright blue sky with scattered white clouds.

ELMS

Agriculture Act 2020

First UK Agricultural Policy since 1947

Little/no reference to **food production**

Environmental benefit

Public money for public good

Focus shift from results to actions



ELMS

25 Year Environment Plan

Clean air

Clean and plentiful water

Thriving plants and wildlife

Reduced risk of harm from environmental hazards such as flooding and drought

Enhanced beauty, heritage and engagement with the natural environment

Mitigating and adapting to climate change

Carbon net zero by 2050



ELMS

Sustainable Farming Incentive

Measures compatible with farming

Local Nature Recovery

Measures alongside farming for species and habitat

Landscape Recovery

Larger scale collaboration

SUSTAINABLE FARMING INCENTIVE (SFI)



Improving **environmental performance** of farming operations

Environmentally sustainable farming and forestry practices

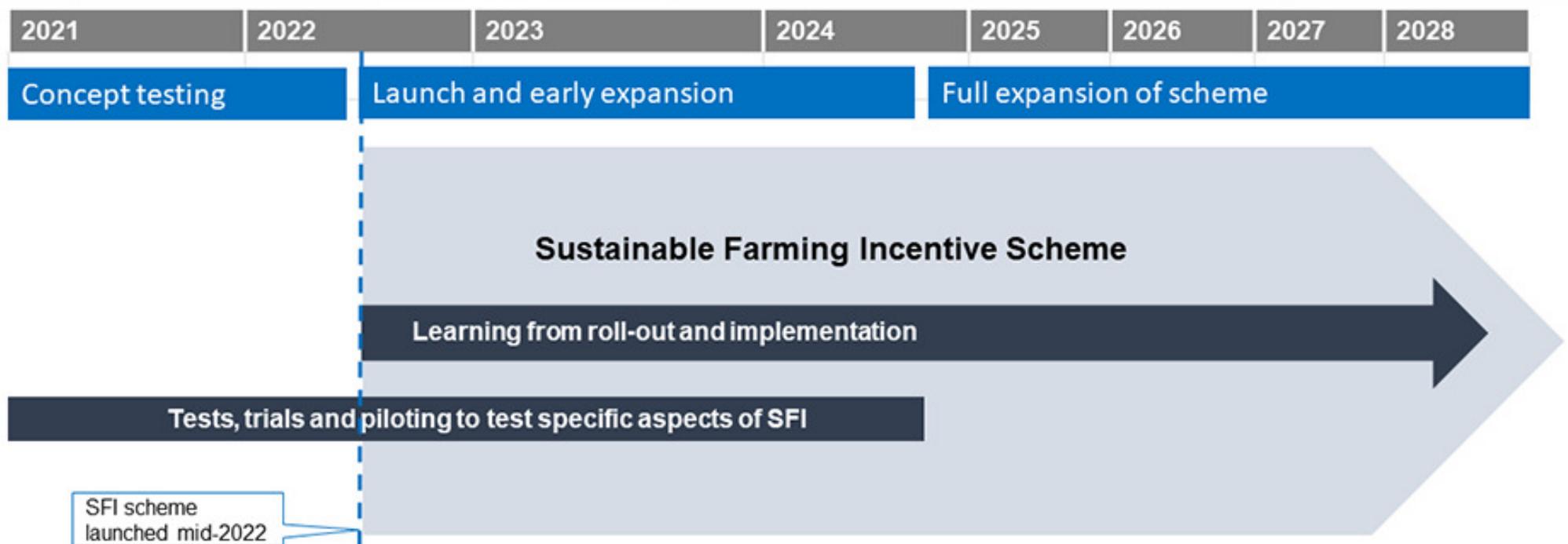
Action rather than **outcomes**

Pilot trials **2021**

Fully open in **2024**

SUSTAINABLE FARMING INCENTIVE (SFI)

Roll-out of the Sustainable Farming Incentive



LOCAL NATURE RECOVERY

Support local **nature recovery** and local **environmental priorities**

Encouraging **collaboration** between farmers

Piloting in **2022**

Launch in **2024**



LANDSCAPE RECOVERY



Landscape and ecosystem recovery through **long-term projects**, such as:

Restoring wilder landscapes in places where it's appropriate

Large-scale tree planting

Peatland and salt marsh restoration

Piloting in **2022**

Launch in **2024**

SFI – EXAMPLE PAYMENT RATES

STANDARD	INITIAL BASE RATES (FIRST PHASE OF PILOT ONLY)
Arable and horticultural land standard	from £28 up to £74 per hectare
Arable and horticultural soils standard	from £30 up to £59 per hectare
Improved grassland standard	from £27 up to £97 per hectare
Improved grassland soils standard	from £6 up to £8 per hectare
Low and no input grassland standard	from £22 up to £110 per hectare
Hedgerow standard	from £16 up to £24 per 100 metres
On farm woodland standard	£49 per hectare
Waterbody buffering standard	from £16 up to £34 per 100 metres

Source – Defra

SFI – IMPROVED GRASSLAND STANDARDS

Introductory level (£27 per hectare)	Intermediate level (£62 per hectare) All actions in the introductory level plus	Advanced level (£97 per hectare) All actions in the introductory and intermediate levels plus
Increase above and below ground biodiversity by grazing to retain a minimum sward height	Increase biodiversity and provide habitat for breeding birds by altering the timing of your silage cuts	Increase biodiversity and habitats for wildlife by managing grazing or cutting to provide a higher sward height over a larger area
Increase habitats for insects and small mammals by leaving uncut margins to produce flowers and seeds	Increase habitat for farm and aquatic wildlife through rotational ditch management	Improve soil structure and biology and provide increased pollinator resource with legume and herb-rich swards
Protect your areas of historic interest by maintaining permanent grassland cover on them	Improve nutrient use efficiency and reduce losses to the environment with a nutrient budget	Increase the food available for birds in winter by leaving some ryegrass to bear seed
Protect soils and reduce losses to the environment by following a nutrient management plan	Use slurry more efficiently by testing content, managing application rates and using low emission technologies	Better target your nutrient application by carrying out soil mapping
Provide more habitats for wildlife by taking small areas out of cutting and grazing management	Improve your soil structure and biology, provide pollinator resource and reduce fertiliser application, with clover and legumes	Use efficient precision application equipment for fertilisers and organic manures

SFI – ARABLE & HORTICULTURAL LAND STANDARDS

Introductory level (£28 per hectare)	Intermediate level (£54 per hectare) All actions in the introductory level plus	Advanced level (£74 per hectare) All actions in the introductory and intermediate levels plus
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Provide year-round resources for farmland birds and insects

Improve nutrient use efficiency and reduce losses to the environment by carrying out a nutrient budget

Provide nesting and shelter for wildlife by having areas of tall vegetation and scrub

Better meet your soil requirements by following a nutrient management plan

Increase habitat for farm and aquatic wildlife through rotational ditch management

Benefit from crop pest predators by locating their habitats next to cropped areas

Minimise emissions of ammonia through rapid incorporation of organic manures and slurry on ploughed land

Better target your nutrient application by carrying out soil mapping

Use efficient precision application equipment for fertilisers and organic manures

Additional action

As in introductory level

As in introductory level

This applies only: to in-field trees on arable and horticultural land

Actions required: protect your in-field trees and provide a habitat for wildlife by having a buffer

Additional payment on top of the base payment: £10 per tree

SFI – EXAMPLE PAYMENTS

LAND USE	INTRODUCTORY LEVEL PAYMENT	INTERMEDIATE LEVEL PAYMENT	ADVANCED LEVEL PAYMENT
Improved Grassland	£27/ha	£62/ha	£97/ha
Improved Grassland (soils)	£6/ha	£6/ha	£8/ha
Improved Grassland Total	£33/ha	£68/ha	£105/ha
Unimproved Grassland	£22/ha	£89/ha	£110/ha
Arable Land	£28/ha	£54/ha	£74/ha
Arable Land (soils)	£30/ha	£47/ha	£59/ha
Arable Total	£58/ha	£101/ha	£133/ha
Woodland Management	£49/ha	(not available)	(not available)
Hedgerows	£16/100m	£21/100m	£24/100m
Waterbody Buffering	£16/100m	£29/100m	£34/100m

'INSUFFICIENT COMPENSATION'

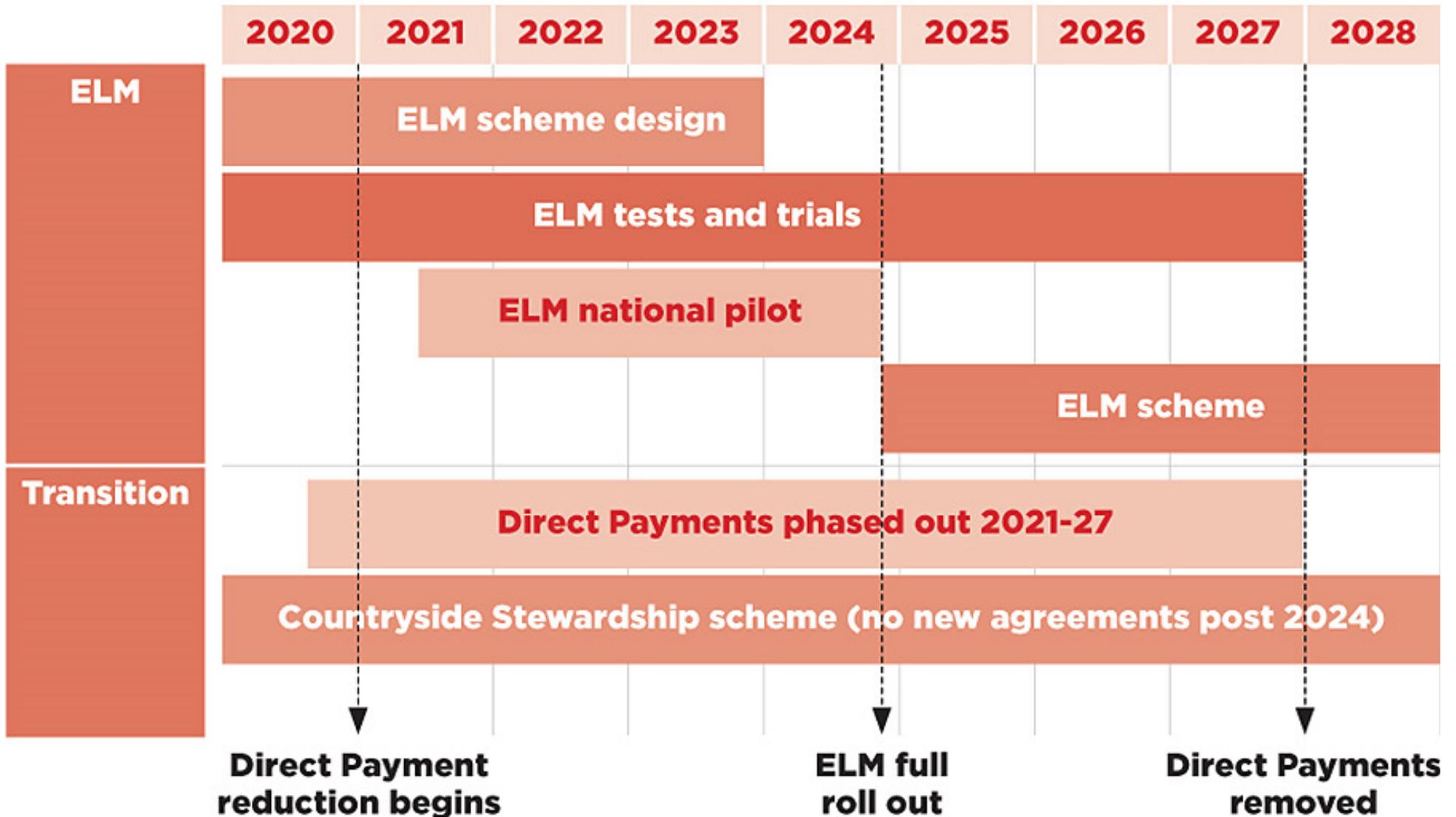
Environmental Options		Payment Range Assigned by test Participants	Countryside Stewardship Rate
Soil & Water	Sow a quick establishing single species cover crop post-harvest (winter cover crop)	£150-220/ha	£114/ha
	Sow a quick establishing mixed multiple species cover crop post-harvest (winter cover crop)	£200-220/ha	
	Plant in-field grass strip in arable field (any shape). No inputs. Can be grazed	£735-1000/ha	£557/ha
	Establish a zero-input grass buffer adjacent to a ditch/water course 12-24m	£500-£700/ha	£512/ha
	Zero application rates in waterside fields	£250/ha	£131/ha
	Sow multi-species diverse grass leys; to include mix of 5 grasses and 5 forbs, including legumes and some deep-rooted species.	£500-650/ha	£309/ha

'INSUFFICIENT COMPENSATION'

Environmental Options		Payment Range Assigned by test Participants	Countryside Stewardship Rate
Hedgerow	Plant standard tree in hedgerow	£10 - 14.75/tree £200/tree	£8.80/tree
Tree Planting	Plant single trees in field (for shade, protection)	£100-250/tree	£8.80/tree
Other Biodiversity	Arable wildflower margin / wildflower meadow. Nectar flower /pollinator/wildflower field margins or as a whole field break-crop in rotation. (i.e. zero fertiliser or pesticide inputs; annual cutting, dung permitted)	£550 -700/ha	£539/ha £511/ha £550/ha
	Arable winter bird seed mix field margin (4-6m) or as a whole field break-crop rotation	£840/ha	£640/ha

Table 1: payment rates suggested by farmer participants in the Respryn Bridge Natural Capital test, coordinated by Lanhydrock Estate.

DELIVERY TIMELINE



OTHER SCHEMES

Protected Landscape Payment 2021

National Parks, AONBs etc

Animal Health & Welfare Pathway 2022

Tree Health Scheme 2024

Farm Resilience Scheme 2021

Farming Investment Fund 2021

Innovation Research & Development Scheme 2022



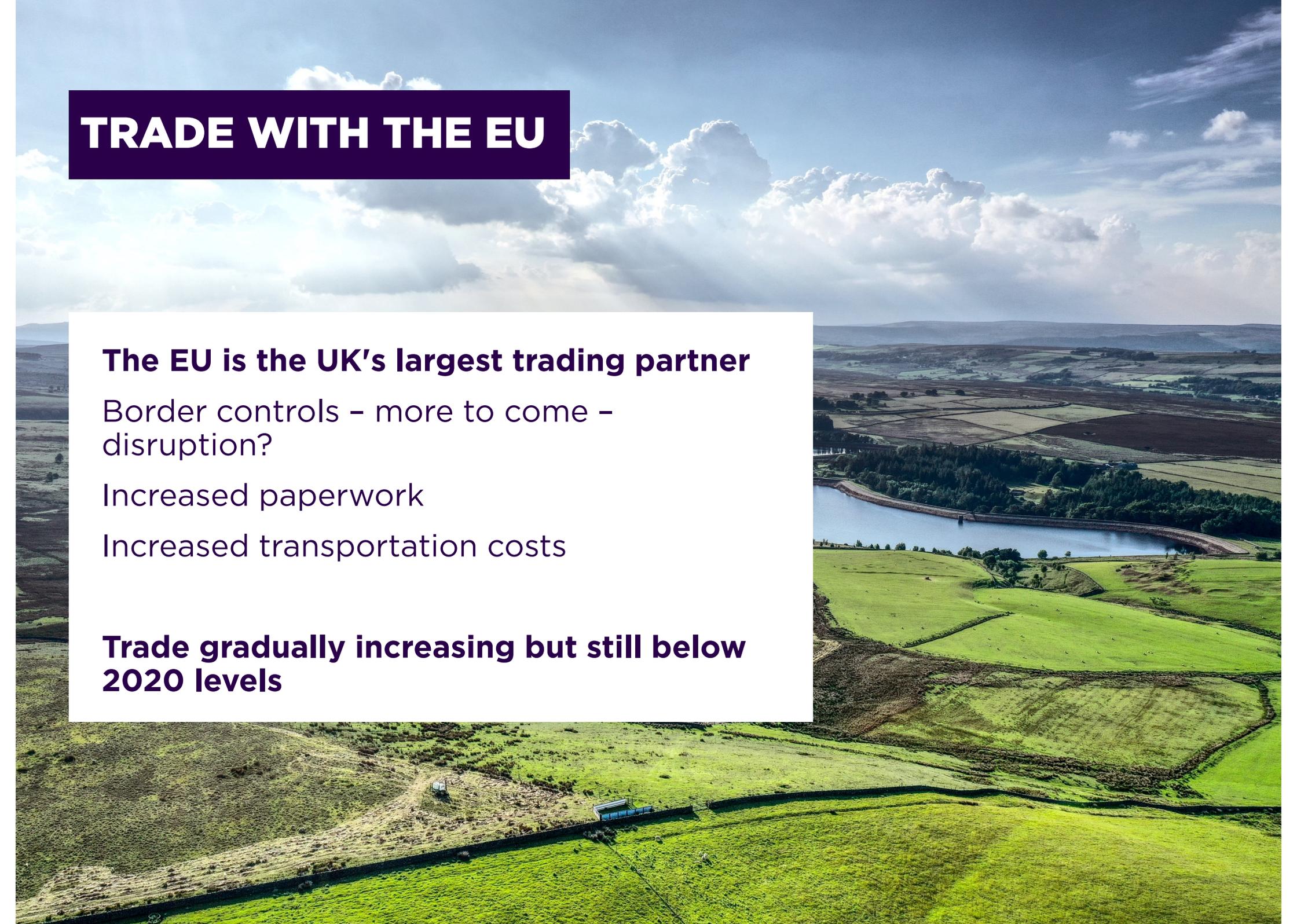
MARKETS, TRADE AND CLIMATE: THE HEADWINDS

Jennifer Norman

Associate Partner, Winchester

Carter Jonas

TRADE WITH THE EU

An aerial photograph of a rural landscape. In the foreground, there are vibrant green fields with some brown patches, possibly from plowing or different crops. A stone wall runs across the middle ground. In the background, a river flows through a valley, with a dam or weir structure visible. The sky is filled with large, white, fluffy clouds, and the overall scene is bright and clear.

The EU is the UK's largest trading partner

Border controls – more to come –
disruption?

Increased paperwork

Increased transportation costs

**Trade gradually increasing but still below
2020 levels**

DOMESTIC MARKET

C19 shortening the gap between producer and consumer?

Public engagement = more value placed on products

Challenging negative press

Changing diets and consumer fashions

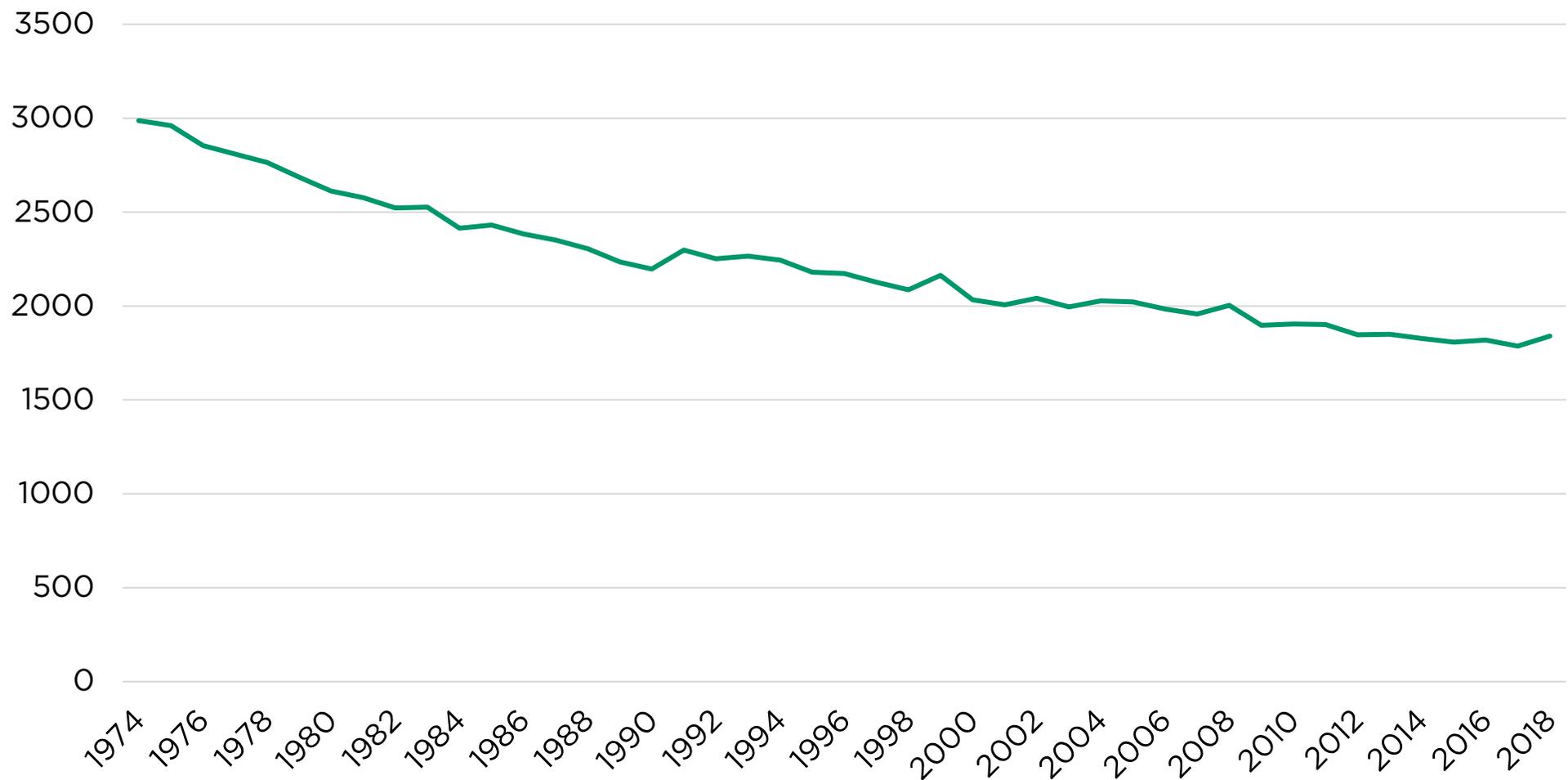
Two tier market between the environmentally conscious and the price conscious?



The image is a screenshot of a BBC News article. At the top, the BBC logo is visible on the left, and navigation links for 'BBC Account', 'Home', 'News', 'Sport', 'Weather', 'iPlayer', and 'Sounds' are on the right. Below this is a red banner with the word 'NEWS' in white. Underneath the banner is a secondary navigation bar with links for 'Home', 'Coronavirus', 'Brexit', 'UK', 'World', 'Business', 'Politics', 'Tech', 'Science', 'Health', and 'Family & Education'. A third navigation bar shows 'England', 'Local News', 'Regions', and 'Lancashire' (which is underlined). The main headline of the article is 'Covid: 'Insane' success of goat Zooms nets Rossendale farm £50k'. Below the headline is the date '1 February' and a red share button with a left-pointing arrow and the text 'Coronavirus pandemic'. The article features a photograph of two brown and white goats with long, floppy ears, looking over a metal fence. The photo is credited to 'CRONKSHAW FOLD FARM' in the bottom right corner.

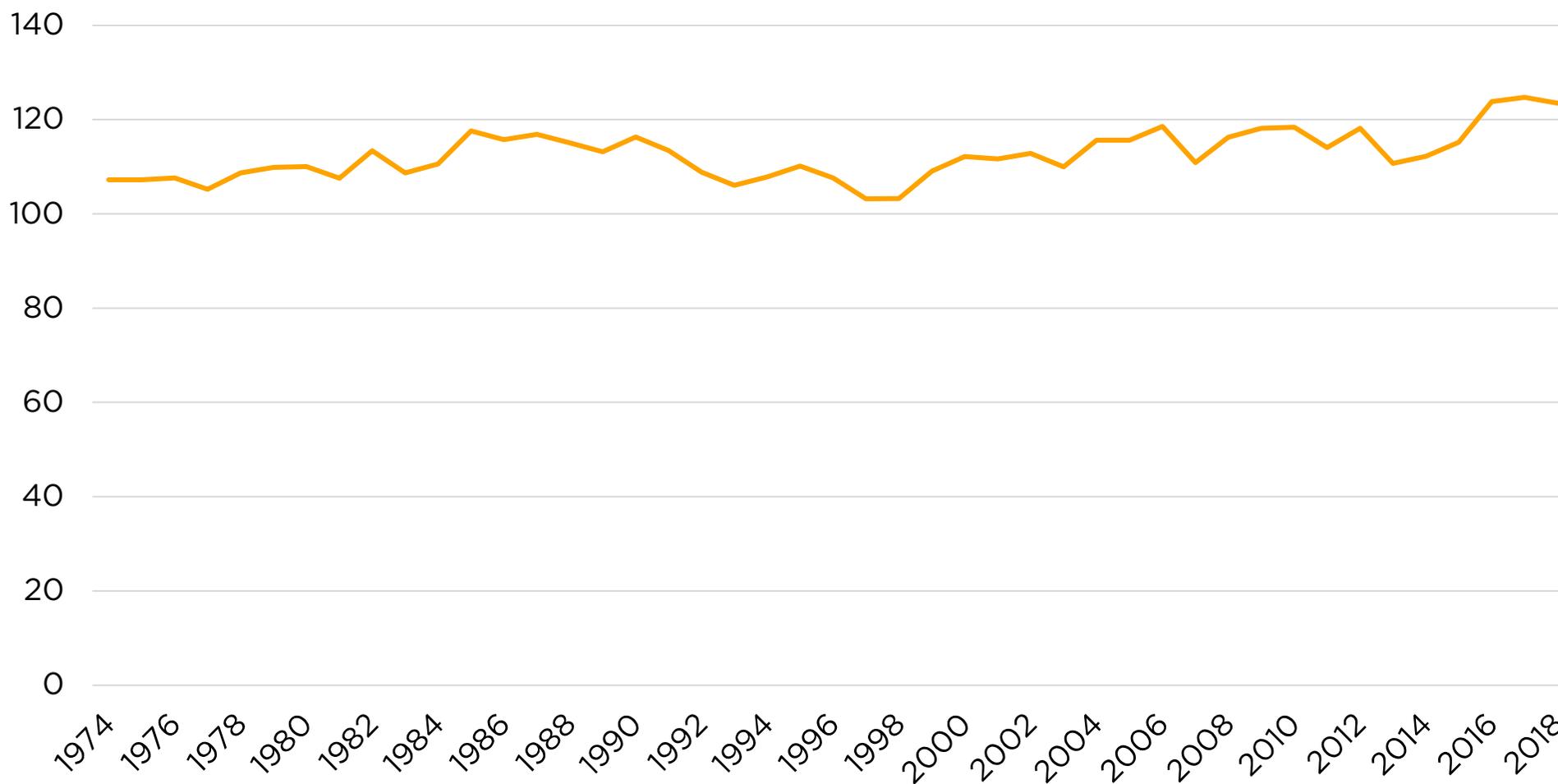
FAMILY FOOD SURVEY – DEFRA

MILK AND MILK PRODUCTS



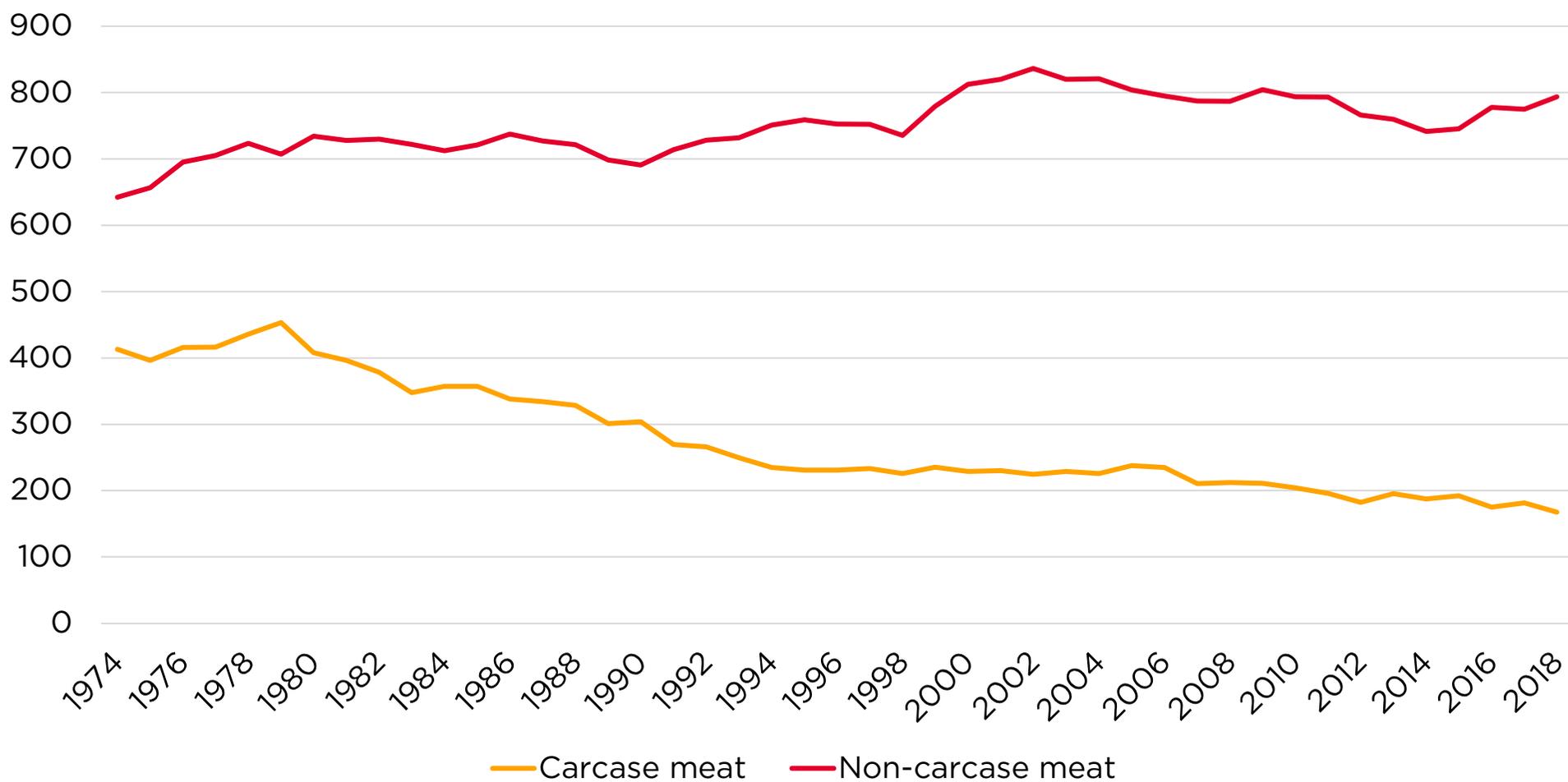
FAMILY FOOD SURVEY – DEFRA

CHEESE



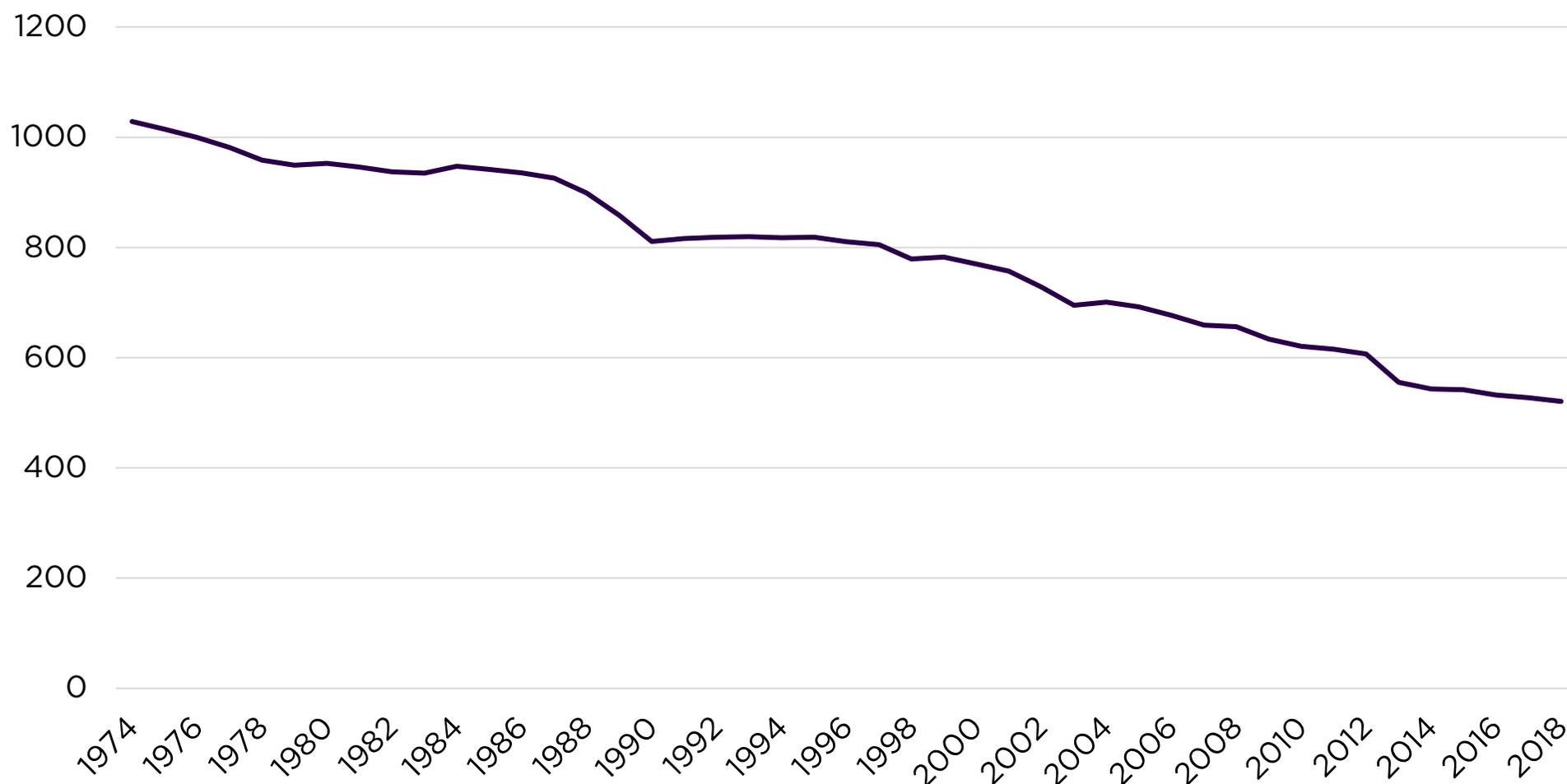
FAMILY FOOD SURVEY – DEFRA

MEAT



FAMILY FOOD SURVEY – DEFRA

BREAD



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TRADE WITH THE REST OF THE WORLD

A close-up photograph of a black and white cow's head as it eats from a pile of yellow hay. The cow has a yellow ear tag with the number '2528' on it. The background is slightly blurred, showing other cows in a barn setting.

ASIA PACIFIC REGION

Middle class with higher budget for food purchases

Perception of quality

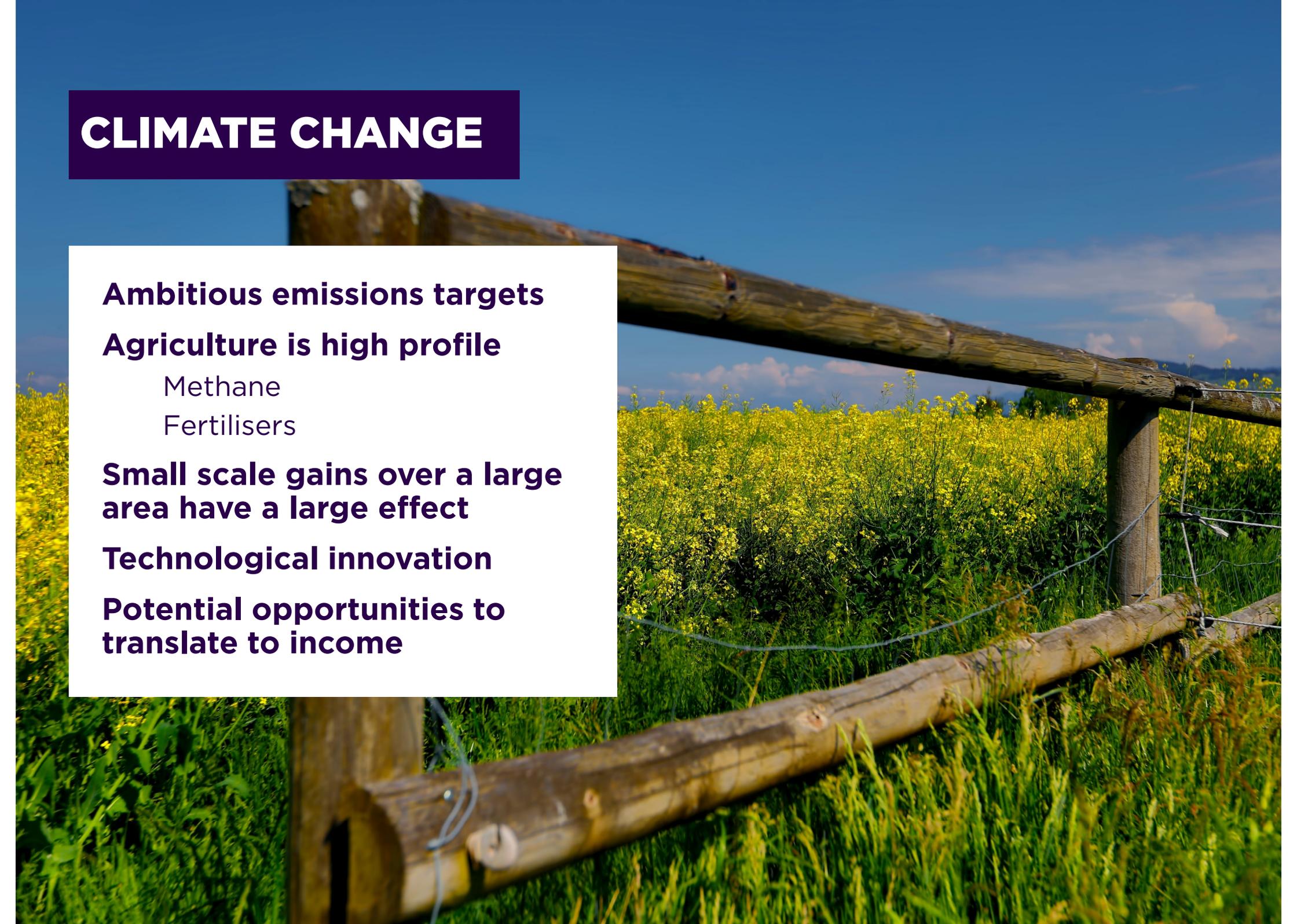
USA

Ban on British beef removed

Gateway for more pork and lamb?

More trade deals under discussion

CLIMATE CHANGE

A photograph of a wooden fence in a field of yellow flowers under a blue sky. The fence is made of thick, weathered wooden posts and rails, with a wire running along the top. The field is filled with vibrant yellow flowers, likely rapeseed, and green grass. The sky is a clear, bright blue with a few wispy clouds. The overall scene is a rural landscape.

Ambitious emissions targets

Agriculture is high profile

Methane

Fertilisers

Small scale gains over a large area have a large effect

Technological innovation

Potential opportunities to translate to income

RESOURCEFUL FARMING: A BRAVE NEW WORLD

Q&A

Carter Jonas