



RESILIENT BY NATURE

How to future-proof
your farm

TRANSITION

Securing a sustainable future for your farm business

How to reshape your business after the Budget



Welcome to *Transition* – the quarterly supplement from *Farmers Weekly* to help you secure a sustainable future for your farm business.

This issue focuses on ways to improve farm business prospects following an Autumn Budget widely seen as financially disastrous for many growers and livestock producers – and not only when it comes to inheritance tax.

Short winter days can add to work pressures and make the outlook appear gloomier. To help, we have compiled contact points for support and offer tips from experts on how to boost your mental resilience and the wellbeing of your farm staff. And, if you sometimes feel like you are battling on alone, we have special reports from four of our Transition Farmers who are reshaping and adapting their plans to keep their businesses moving forward.

Welsh farmer Irwel Jones takes a special look at key points of the forthcoming Sustainable Farming Scheme in Wales – which has been kept under wraps much longer than England’s version of post-Brexit farm support.

We also have a special preview of our 2025 Transition Live event, due to take place at Leeds University’s Spen Farm on 8 May. Do save the date – and we very much look forward to seeing you there.

As always, we are grateful to everyone who has taken the time to share their stories with us as they strive to secure a sustainable future for their businesses – including our Transition Farmers, who are working to embrace positive change. We are equally grateful to our Transition Partners for sharing their expertise and advice along the way.

For more about our Transition initiative, visit our knowledge hub at fwi.co.uk/transition.

Johann Tasker, *Transition* editor

OUR PARTNERS

The *Farmers Weekly* Transition Partner Network is a UK-wide community of farmers, industry stakeholders and influencers working together to secure a sustainable future for UK agriculture. If you would like to join and want more information, contact Anna Eccleston at anna.eccleston@markallengroup.com

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lightsource bp



Nature Friendly Farming Network



Build farm business resilience with Biodiversity Net Gain

Environment Bank explores how Biodiversity Net Gain (BNG) is helping to build long-term resilience for England's farm businesses.

Why are so many farmers interested in BNG?

Many farmers have parcels of land that are challenging to farm, but this can make them ideal for things like BNG.

BNG Habitat Banks are most profitable when the land starts out low in biodiversity, often the case on low-productive farmland. A low-biodiversity baseline gives you the potential to create the highest uplift and generate the maximum number of Biodiversity Units which can be sold for BNG.

Farming can continue on the wider holding and, often, the Habitat Bank too – with activities like hay cutting and low-intensity livestock grazing. While the farming system may change, the land can remain productive, and farmers can help manage the habitats using skills already in their wheelhouse.

Unlike rewilding-related projects, BNG doesn't require huge swathes of land. We typically require at least 25 acres where new habitats will help support the wider farming business rather than changing the land use across the entire holding.

How can BNG support agriculture?

Nature projects of all sizes have helped to build farm resilience – planting trees and shrubs can improve flood mitigation, and creating meadows and grassland can reduce soil erosion and runoff, just to name a few.

People outside the world of agriculture might think farmers are only driven by high yields or outputs. But the farmers we work with see themselves as stewards of the countryside making their land more resilient for the next generation – in both financial and environmental terms.

A diversified income stream can help fill the funding gap and provide secure funds to make business improvements like newer machinery, more sustainable livestock, or other projects like building conversions.

Why are farmers partnering with Environment Bank?

The key thing for farmers is having a clear, visible income stream. Our farmers know exactly what their annual payments will be for the next three decades – that's incredibly valuable for business planning.

We also prioritise agricultural management. We rarely start a Habitat Bank where hay cuts and grazing don't play a role.

One landowner had previously sold their dairy herd

if BNG sales exceed expectations, it's only fair that farmers get to share in the upside



Above: 48 acre Heacham Habitat Bank
Right: Environment Bank team working with farmers



because it was no longer sustainable for their business, but partnering with us allowed them to farm again with a far more sustainable system.

We fund and deliver all the habitat creation works and we secure the planning obligations. Landowners have the option to be as involved as they'd like. If they prefer a hands-off approach, that's not a problem, but most of our partners want to get involved, and that's great too!

How does Environment Bank create and share revenue?

We have a strong Biodiversity Unit sales pipeline from our Habitat Banks, with customers including household names like Aldi and National Grid.

Any revenue from these sales that exceeds our forecast target for each Habitat Bank is shared 50/50 with the landowner – that's in addition to our ongoing lease and management payments.

While our agreements mitigate as much risk as possible, we appreciate that our farmers are still tying up multi-generational assets for a considerable time – so if BNG sales exceed expectations, it's only fair that farmers get to share in the upside.

Farmers can be wary of private finance entering the rural space. That's why we aim to lease rather than buy land – so local people retain their ownership.

We always try to hire local contractors (or work with the farmers themselves) to help us deliver habitat creation works because it's a fantastic way for us to support local business.

How robust is the BNG market?

A year since BNG policy came into effect, the success of the Biodiversity Unit market has really given landowners confidence in diversifying their income with a BNG Habitat Bank.

We've built a fantastic team here at Environment Bank and we've become a trusted BNG partner for farmers around England.

We're proud to say that we've got the nation's largest and fastest growing network of BNG Habitat Banks. Across this network, we're creating thousands of acres of thriving new habitats alongside incredible farmers.

Explore BNG Habitat Bank options for your land – environmentbank.com/land

Meet our Transition Farmers

These 16 farmers are sharing their journeys with us as they adapt their businesses

Karen Halton

Cheshire



Farm size 240ha

Enterprises

530-cow dairy herd

Transition goals

- Recruit/retain staff
- Maintain animal health and welfare
- Increase direct sales

James MacCartney

Rutland



Farm size 162ha

Enterprises

Beef and sheep

Transition goals

- Reduce disease in sheep
- Be better than net zero
- Establish herbal leys

Vaughan Hodgson

Cumbria



Farm size 244ha

Enterprises

Cereals, grassland, broilers

Transition goals

- Support the next generation
- Replace lost Basic Payment Scheme income
- Adapt to uncertain weather

Alan Steven

Fife



Farm size 138ha

Enterprises

Potatoes, brussels sprouts, parsnips, malting barley

Transition goals

- Reduce cultivations
- Improve soil health
- More resilient rotations

Andrew McFadzean

Ayrshire



Farm size 285ha

Enterprises

350 beef cattle, wheat, beans, barley, fodder beet

Transition goals

- Slash finishing time
- Reduce dependence on inputs using solar energy
- Improve grassland

Rachel & Richard Risdon

Devon



Farm size 161ha

Enterprises

300-cow dairy herd

Transition goals

- Secure adequate labour
- Better understanding of Environmental Land Management
- Reduce carbon footprint

Kit Speakman

Essex



Farm size 275ha

Enterprises

Mixed arable, beef and sheep

Transition goals

- Bridge income gap
- Fully diversified business
- Widen the rotation

Eddie Andrew

Sheffield



Farm size 73ha

Enterprises

Dairy, milk delivery service, ice cream parlour and farm shop

Transition goals

- Co-operating to reduce costs
- Establish a new dairy
- Reduce carbon footprint

Irwel Jones

Carmarthenshire



Farm size 375ha

Enterprises

1,500 ewes on owned and rented land, suckler cows and followers, root crops

Transition goals

- Manage natural woodland
- Plant hedgerows
- Rely less on volatile inputs

Andy Bason

Hampshire



Farm size 800ha

Enterprises

Cereals, spring beans, oats, linseed and oilseed rape

Transition goals

- Cut carbon emissions by 30%
- Establish 10ha of agroforestry
- Establish 10ha of woodland

Duncan Blyth

Norfolk



Farm size 2,650ha

Enterprises

Cereals, oilseed rape, sugar beet, pulses, grassland, woodland, wetlands

Transition goals

- Improve soil health
- Develop natural capital revenues
- Achieve net zero by 2030

Fergal Watson

County Down



Farm size 285ha

across three units

Enterprises

170-cow suckler herd, beans, wheat, spring barley, oats

Transition goals

- Recruit/retain farm staff
- Restructure suckler herd
- Improve business resilience

Philip Vickers

County Durham



Farm size 1,250ha

Enterprises

Winter wheat, oilseed rape, spring barley, spring beans, lupins, rotational grass; share-farming agreement with tenant sheep farmer

Transition goals

- Maintain margins while changing approach
- Improve soil health and resilience
- Enhance natural environment

Kate and Vicky Morgan

East Yorkshire



Farm size 1,700 breeding sows

Enterprises

Weaning 1,000 pigs a week – finished on-site and through B&B arrangements with local farmers, 140ha rented out

Transition goals

- Facilitate structural change in supply chain
- Establish more influence over own destiny
- Diversify

Ed Shuldham

Wiltshire



Farm size 1,800ha

Enterprises

Cereals, oilseed rape, oats, forage and grain maize, peas, solar, biomass, anaerobic digestion, events and property diversifications

Transition goals

- Help shape Sustainable Farming Incentive through participation in pilot
- Make more use of data
- Take natural capital

Matthew Williams

Shropshire



Farm size 1,100ha

Enterprises

Cereals, oilseed rape, winter beans

Transition goals

- Improve profitability and margins
- Continue to improve soil health
- Control and optimise input use

How UK farmers are using digital technology

Farmers across the UK are extensively using digital technology to help them run their businesses now and in the way they plan to run their businesses in the future according to exclusive research carried out by leading crop production specialists Hutchinsons.

Launched at Hutchinsons Connected Farming Technology Conference in Peterborough, head of marketing Nick Rainsley, explained the reasoning behind this extensive research was to better understand where farmers are on their digital journey, to exploring some of the key issues that exist and to share the results amongst the farming community to stimulate discussion and actions following on from the findings.

The survey covered 200 growers and farms of over 100 ha of arable only, or mixed arable and livestock - and whether respondents were early adopters, more results focused or just cautious.

The research lends weight to the role digital technology is going to play in the future of UK farming. Half of the farms researched said digital technology was going to be of increasing importance in farming and this rose to nearly two-thirds among the largest farms.

A large majority see data-driven decision making as important in the future. Nearly two thirds ranked it six or more out of 10 - with 10 being the highest importance.

With an increasing array of tools and solutions being used, particularly weather-related apps and even generic tools such as What3Words, it was unsurprising the research suggested a whopping 72% of farmers believed climate change and weather considerations were the biggest challenges facing farming. However he pointed out almost half or more of farmers surveyed, unsurprisingly cited the additional

challenges of high input costs, end market prices and overall farm profitability.

This was reflected in the principal reasons they gave for using digital tools; savings on costs, improving yields and being more efficient.

Of the current tools in use, 76% of respondents said they were using auto-steer with around 40% adopting variable-rate technology for fertiliser applications and seed drilling.

A smaller proportion, 21%, used variable-rate applications for spraying.

More than a third said they use digital technology for soil management, environmental and carbon accounting, disease monitoring and stock-taking/recording. Almost half told us that digital technology would help them meet the growing challenges of compliance and more environmentally focused production.

Whilst these technologies have been around for a while, we shouldn't be surprised that their adoption is increasingly popular when the environment and also cost drivers are taken into consideration.

When asked about potential barriers to adoption, cost and return on investment were clear issues, pointing out for the larger farms, integration between different software was also a notable barrier to usage, suggesting this pain point was possibly a reflection that bigger businesses were using or interested in using more digital tools.

Across the whole survey, more than a quarter cited solution integration as being important in the future. In fact it was the number one requirement.



Nick Rainsley
Hutchinsons head of marketing



HUTCHINSONS

Crop Production Specialists

In an encouraging sign, Mr Rainsley pointed out 77% rated themselves as five or above (out of 10) when it came to their confidence in using digital tech.

The pandemic possibly accelerated people's confidence. For such a large percentage to feel reasonably comfortable with the technology is very positive.

However we should be mindful that nearly a third felt they were insufficiently aware of what was available, and around 20% said lack of time, insufficient training, or lack of technical support were barriers.

We did note some variances, continued Mr Rainsley. For example, the early adopters were even more positive about digital technology. Staffing challenges were more relevant to the bigger farms and not surprisingly they rated work and resource planning as being a more important area digital tech could improve than the rest of the cohort.

Hutchinsons believes the findings back up its strategy to support farmers with increasingly smart digital technology. "Our decision to invest in Omnia is backed up by the survey and indeed take-up of the solution," Hutchinsons chairman Andrew McShane explained.

"We have placed significant emphasis on making the tool as easy to use as possible, ensuring farmers can have as much of their data in one place as possible through third-party integrations, and also invested heavily in ensuring farmers have control of their data and that it is secure."

Omnia is certified under both ISO27001 for data security and Farm Data Principles scheme for farm data governance. "With nearly a fifth of respondents pointing to data ownership and data security as being barriers to digital adoption, we know that farmers want to be confident their data is their data," Mr McShane added.

Survey Key Findings

- UK farmers are confident in use of digital tech
- Adoption is now embedded in UK agriculture
- Saving costs is the biggest driver
- Half can see digital tech improving compliance and audit
- Two thirds see data-driven decision making as important
- More opportunities are needed for better training, awareness and support

www.hutchinsons.co.uk

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How to bolster financial resilience on farm

Changes in inheritance tax rules have only added to the financial pressures on farm. How can farmers become more financially resilient? **Mike Abram** reports

Recent Budget changes, including to agricultural property relief (APR) and business property relief (BPR), have only added to the inherent financial stress on farms brought by reducing Basic Payment Scheme (BPS) support, a difficult growing season, and poor returns on livestock units.

Other Budget announcements of higher employer national insurance contributions and an increased minimum wage are contributing to the cumulative impact of a sector struggling from generally higher input costs and commodity prices that have fallen back from the highs of a couple of years ago.

While the changes to APR and BPR for many farms might be the longer-term threat to financial viability, the reduction in BPS especially will hit farm cashflow hard in the short term, with a maximum payment of £7,200 in 2025 representing an unexpected, and for some, significant reduction in income.

Farm Business Survey indicators

Official figures in the latest Defra analysis of profitability and resilience of farms in England using data from the *Farm Business Survey* suggest there is financial resilience within agriculture, underpinned by a large asset base.

For example, the average gearing ratio – an accounting measure that expresses a farm's liabilities as a proportion of its assets – was 12% in 2022-23, a figure largely unchanged from the previous 10 years, while liquidity – a measure of short-term financial viability – has increased to 321%. A figure below 100% would mean a farm is unable to meet its immediate financial demands using current assets. The analysis also shows an 8% increase in the average level of debt to just under £300,000, with an average return on capital employed of 0.5%, which had halved from the previous year. But the data is from a year when reductions in BPS were only 20% on average, compared with the 75%-plus

cut for the coming year, and farm business consultants point towards the reduction's impact on cashflow as being the most immediate factor for farm businesses to consider, alongside low returns, on their financial resilience.

Cash requirements

A key aspect of financial resilience is generating sufficient cash, not necessarily profit, to meet your obligations, such as loan repayments, hire-purchase agreements and personal drawings, explains farm business consultant Robert Sullivan of GSC Grays.

With the reductions in BPS support, he fears that more businesses, while appearing profitable on paper, will struggle to meet their financial obligations. GSC Grays' debt serviceability ratio calculations – how much cash is being generated by the business relative to what it requires to pay obligations – are showing a disturbing decline in the ability to cover debts.

One example of a business Robert is working with now has only 1.09 times cover compared with 1.56 times last year, he says. "This means the business is only just generating enough cash to covers its debt repayments and interest charges. And that's fairly typical depending on how problematic your harvest was – in this case the poor harvest cost the business £120,000 in lower grain sales."

Historically, for most farms when the safety net of BPS was in the system, withstanding a poor harvest hasn't been too much of a problem, but the loss of BPS income has reduced the ability of farms to withstand such shocks.

That's also the case in livestock units, including those in upland areas, Robert says, where the loss of BPS is outweighing any increases in margins from recent higher prices.

HOW TO IMPROVE FINANCIAL RESILIENCE

Understand your financial position

- Conduct a thorough business review
- Prepare detailed budgets and cashflow forecasts
- Consider using debt serviceability calculations
- Review accounts and financial performance regularly

Optimising operations

- Critically assess current farming system efficiency
- Explore opportunities for improving efficiency
- Shop around for best deals on inputs and financing

Strategically use support schemes and private funding

- Maximise payments from SFI
- Carefully consider carbon trading and other private funding opportunities

Build a strong team and seek expert advice. Use trusted advisers

- Seek advice and learn from others. Invest in management training
- Embrace change and adaptability
- Be willing to change and adapt farming systems
- Be open to new ideas and innovations
- Focus on long-term sustainability

< Farm review and budget

Conducting a comprehensive farm business review is a crucial first step towards understanding the farm’s financial position, with a key initial element agreeing a long-term vision for the farm, including considering succession, lifestyle preferences and the aspirations of the next generation, says Agrovista rural business consultant Lewis Butlin.

Once farm objectives are agreed, analyse accounts, use benchmarking, and produce annual cashflows and budgets to help assess profitability and pinpoint areas where improvements can be made. While budgeting can be notoriously difficult and inaccurate, Robert says it is worthwhile doing rather than relying solely on annual accounts that reflect historical data that is often 18 months old. That can then be used as a live document to use and review regularly to help make decisions more quickly in response to events, he says.

Jonathan Armitage, Strutt & Parker’s head of farming and natural capital, agrees that preparing a budget is helpful. “It allows you to start to measure your resilience against various factors.

“For example, what is the impact on the business if the price of wheat goes to X or the fertiliser price to Y, and how prepared is the business for these eventualities?

“Starting to do that kind of sensitivity analysis helps show where the boundaries are and

develop risk management strategies further.” Establishing a reference point for grain sales and then looking above and below, can be a useful tool to manage sales. “If it meets my target, I will commit some sales that month, and if the price goes above, I’ll increase that amount. Equally, I will also sell more if the price goes below my lower threshold as a protection strategy because I can’t afford it go any lower,” he explains.

Benchmarking

Benchmarking is another tool that helps businesses understand their relative financial or technical performance. The AHDB’s head of benchmarking, Derek Carless, says tools such as FarmBench can help compare performance at a basic level, such as comparing from year to year, to a more detailed look at specific crops or enterprises compared against similar types of businesses or from the same geographical location.

The data helps businesses understand how they measure up and what areas might be dragging down overall performance, while anonymised,



Dairy farms are rewarded for good practice

aggregated data helps the AHDB understand how the whole sector is performing and informs its activities. To maximise the benefit from the data, Derek suggests joining an AHDB business discussion group. “You can learn from each other, talk through problems and potential solutions. Other farmers are some of the best people to check your thinking and share experiences.”

Within the arable sector, 65% of farmers have implemented changes as a result of attending such sessions, 52% have saved money as a result, with 17% saving between £10,000 and £20,000, Derek says. Such analysis can pave the way for critical evaluation of the current farming system, Lewis says. That could mean switching from an intensive system to a more extensive one, reducing labour and input costs, evaluating the feasibility of contract farming, or deciding

KEY DIFFERENTIATORS BETWEEN TOP- AND BOTTOM-PERFORMING FARMS		
Beef and sheep	Cereals and oilseeds	Dairy
<ul style="list-style-type: none"> ● Economic size ● Fixed and variable costs ● Tenure ● Unpaid labour ● Stocking rate ● Diversification ● Contract rearing out ● Proportion of fatstock 	<ul style="list-style-type: none"> ● Agricultural costs ● Contracting ● Debt ● Agri-Environment schemes ● Agricultural diversity ● Wheat price and yield ● Agricultural output ● Attitude to change 	<ul style="list-style-type: none"> ● Agricultural costs ● Agricultural output ● Contracting ● Farm area ● Stocking rate ● Mix of enterprises ● Milk price ● Agri-environment scheme

TRANSITION FARMER: EDDIE ANDREW



Eddie Andrew hopes for a policy compromise

Investment into new infrastructure designed to improve financial resilience on Eddie Andrew’s dairy farm located on the outskirts of Sheffield is now a double-edged sword, following the recent proposed inheritance tax changes in the Budget.

Eddie and his family hatched plans in 2020 to build a new milking parlour, with robotic milking systems, an anaerobic digester and solar panels. Representing a large financial commitment, the new barn, plus underground slurry stores, will improve efficiency and reduce reliance on external energy sources, which almost crippled the business during the price hikes at the start of the Ukraine war.


“Once the anaerobic digester is running, the farm, hopefully, should be completely off grid, which will insulate us from market fluctuations and power cuts,” he says. In addition, the plans

also involved helping to fill a gap that exists in the supply of green energy.

“The plan is for the roof of the barn to be covered in solar panels, with the energy powering an electrolyser to produce green hydrogen energy. We could produce enough green energy to power 144 buses every week.

“But every day we’re investing money in concrete and building this new shed, we’re just building ourselves a bigger and bigger asset to be taxed on,” Eddie notes. Some thought is now being given to whether the family should abandon the project, although Eddie is still hopeful some compromise will be made to the policy to lessen the impact on family farms, while still targeting those using agriculture as a means of tax avoidance.

● See p5 for more on our Transition Farmers



Investments in livestock handling systems can improve resilience

to focus on a specific profitable enterprise and stopping one that underperforms, he explains.

Comparisons of top- and bottom-performing farms in different sectors by the AHDB and The Andersons Centre also give indications of how performance could be improved (see table). That evaluation of *Farm Business Survey* highlights the top 25% of beef and lamb, arable and dairy farmers make between £50,000 and £120,000 more than the bottom 50% of farmers.

While some factors are not surprising, such as cost management albeit with subtle differences between sectors, the analysis also points to less obvious solutions, such as greater use of contracting within top-performing farms. Take up of agri-environment schemes is changing. In the dairy sector, bottom-performing farms have historically taken more agri-environment income per hectare where the fixed income is more attractive to loss-making farms. But rewards for good practice that can be added with no change in practice is attractive to all farms.

“Investigate whether there are opportunities to increase income through greater SFI schemes without changing much,” Robert advises. “For example, if you’re growing oilseed rape, planting a summer cover crop after the OSR is harvested before the following wheat crop gives an extra £163/ha. And if you commit to doing that now, you start getting payments in advance of incurring any costs, which will help with cashflow.”

Investments

Future investment will likely be closely scrutinised in future, Jonathan believes, in the current climate. But while cutting back might seem the logical response, careful evaluation of the long-term impact of delaying or foregoing investment opportunities will be crucial. Delaying the replacement of a key piece of machinery, for example, could lead to higher repair costs and downtime in the future, offsetting any short-term savings. Prioritise investments that

enhance resilience, Jonathan advises. This might include investments in drainage, storage or efficient livestock handling systems. “There are areas where significant investment can improve resilience significantly. Storage allows you to weather short-term movements in price.”

Managing a team

Both Strutt & Parker and AHDB research into top-performing farms highlights how the people factor, and the farm’s management is often a consistent factor in success rather than the same crops, soil types or production systems.

“If you look at some of the behaviours of those managing those businesses, you find all sorts of commonalities, which is reassuring, as it shows the secret to performance is mostly management,” Jonathan says.

Among those behaviours are putting together a great team. “Not just the employees but the wider team of advisers, grain traders, agronomists, accountants, solicitors, business advisers and customers. They are all treated as part of the team to produce an outcome led by the manager or owner, who takes on various views and advice, and then makes a decisive decision.”

Other key characteristics include excellent communication and attention to detail on everything, he stresses. Developing management skills is sometimes overlooked within farming, Derek suggests. “AHDB runs an AgriLeader programme that focuses on developing the individual and what they need to succeed in the challenging environment we’re facing at the moment,” he points out.

Other opportunities for development can also be found through the Worshipful Company of Farmers, British Institute of Agricultural Consultants and Institute of Agricultural Management, or doing a Nuffield Scholarship, Robert adds.

“These provide opportunities for self-betterment in areas that you don’t necessarily come across on a day-to-day basis,” he concludes. ■

IMPORTANT STEPS TO PREPARE FOR POTENTIAL IHT CHANGES

While changes to inheritance tax (IHT) policy will not come into effect until April 2026, there are several things farmers should be considering doing as soon as possible to evaluate the impact on their business and prepare for making potential changes to their plans, once the policy has been passed into law.



Stuart Maggs

Stuart Maggs, head of private client services for Howes Percival, says consulting with your accountant and solicitor should be top of the list, if you haven’t already done so, to thoroughly review the farm accounts and profitability, current business structures and existing wills.

“Come prepared with relevant documents, including a farm valuation, a plan of the farm, accounts, everyone’s wills, and ideally a blunt, emotional assessment of who gets on with who and who doesn’t,” Stuart advises. “If you do that work before the meeting, you will get a lot more mileage from it.”

While mitigation strategies are likely to be individual to the farm, Stuart suggests there are likely to be three broad camps farms will fall into.

For farmers in their 50s with children ready to take over the farm, plans are likely to often involve taking out life insurance to provide funds for IHT liabilities and ensure a smooth transfer of assets. In situations where older generations still rely on farm income and gifting assets is not feasible, identifying and selling portions of land to cover liabilities will likely be needed. “This should be done strategically to bring them to market in a sensible fashion.”

For those in neither situation, Stuart says to review wills as a minimum to assess whether plans can still be achieved, or whether adjustments will be required.

As well as changing wills, other plans could involve changing business structures, building financial buffers outside of the farm or the use of trusts.

No options are straightforward, he stresses. For example, using trusts can impact banks’ willingness to lend money, while the current financial pressures make building buffers tough to achieve.

It’s a bleak picture, he says, suggesting the changes represent a broken covenant between government and farmers and warning of potential farm losses, decreased viability, and increased borrowing burdens as a direct result.

Beware double funding: Stacking public and private schemes

Until now, farmers have simply had to show additionality for stacking publicly and privately funded schemes, but this might be about to get more challenging...



Amy Cowdell, Shakespeare Martineau



Anna Cartledge, Shakespeare Martineau

Challenging weather conditions, changing policy and tax regimes, has meant it's more important than ever to look at opportunities for diversification.

As Steve Reed affirmed at the Oxford Farming Conference '25, the government's policy is shaped through three core principles: food production, diversification and restoring nature in harmony with food production.

The third strand relates to the government's continuing policy of 'public money for public good' and transition towards the Environmental Land Management scheme (ELMS) away from the basic payment scheme.

This policy is meant to work alongside privately funded schemes to create more opportunity for farmers than just government funding, so called 'blended financing' for conservation projects.

One such privately funded scheme is biodiversity net gain (BNG), a way of creating and improving natural habitats for onward sale to developers.

In December 2024, Defra issued new guidance, specifically clarifying the position on using the funding pursuant to the DEFRA Landscape Recovery (LR) scheme (one scheme under the ELMS), alongside environmental enhancements designed to achieve BNG. The outcome is a bit of a surprise.

Double Funding

When it comes to blending finance and stacking publicly and privately funded schemes the

primary concern has been to ensure that the landowner is not being paid by both schemes for the same improvement.

Broadly speaking, the position remains that you cannot sell an enhancement (such as a biodiversity unit or nutrient credit) already funded by an agri-environmental scheme; this would be double counting.

It remains the position that you can use the same land to create further habitat enhancements (with the emphasis being on the word 'further'), but clearly the logistics of doing so need to be managed very carefully.

Landscape Recovery Schemes

DEFRA has now confirmed that if land is being used for a LR Scheme it cannot then be used for a BNG scheme on the same land. This goes against the usual additionality principle, providing for a blanket ban on stacking the two schemes. This is a real blow to landowners who will no longer be able to use that particular blend of financing on the same parcel of land.

The position for LR schemes currently in progress is complicated; Defra's latest statement advises that there is no option to repay Defra LR funding at this time and so it is not possible to switch from LR to BNG. This means that if land is already in a LR scheme, land managers will have to wait to the end of the Project Development Phase of the programme, to have the ability to change to a BNG project.

However, there is the option of coming out of the LR altogether and payments being stopped, but land managers will need to re-baseline, making sure that any improvements are sold over and above the LR agreement.

Can LR funding and BNG ever be used on the same land?

There are certain ancillary works of a BNG project that could be financed through the LR funding, but they are limited and advice should be obtained beforehand. Examples include new fencing for livestock, or new public access works, it can also be used to pay salaries of staff not directly working on BNG projects.

What farmers can do:

Farmers should be able to make the most of both public and private schemes, however, it's important to get advice from a trusted expert and not rush into one scheme to the expense of the other.

To find out more

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TRANSITION LIVE

Transition Live 2025 will be held on 8 May at the University of Leeds' Spen Farm, Spen Common Ln, Tadcaster, LS24 9NS



Mark your calendars for Transition Live 2025

The busy spring calendar will soon kick off, so ensure you put a circle around 8 May for Transition Live 2025

Expert knowledge, engaging Q&A sessions and thought-provoking farm walks are all on the agenda at *Farmers Weekly's* Transition Live event in Yorkshire. Last May, the success of the inaugural event saw it cement its place as a key fixture on *Farmers Weekly's* Transition Project calendar. The project aims to help make your farm more environmentally and financially sustainable. In line with that philosophy, the event offered practical advice and research findings from experts, along with an opportunity to network with like-minded farmers.

This year's event in Leeds will build on last year's success, tackling challenging practical issues in short presentations headlined by policymakers, farm business leaders, researchers and farmers.

Presentations

These will come under three broad headings:

- **Food production** Getting the best from soil – economically and agronomically
- **Environment** Generating revenue, from natural capital to carbon sequestration
- **Business** Optimising business margins through inputs and outputs.

With the scenes set, the audience will hear from expert panels and get the chance to engage in Q&A sessions on practical, policy and financial issues.

Farm walks

Also central to the event is the chance to take part in relaxed and informative farm walks around the University of Leeds' Spen Farm. The mixed farm is owned by the university and managed commercially. The University of Leeds' Prof Pippa Chapman explains that the farm unit includes arable, grass leys, permanent pasture and farm woodlands, with extensive areas of managed hedgerows. That means visitors will be able to choose from three different farm walks according to their interest and farm situation, says Pippa.

Walk 1 – Regenerative agricultural trial

The trial compares conventional management, including ploughing and inorganic fertiliser applications, with different combinations of regen farming. These include min-till, mixed-crop varieties, planting understories/living mulches and changes in rotation to include herbal leys.

Walk 2 –

Biomass trial

A joint initiative between Leeds and York universities, run by Niab, which evaluates renewable crop management including willow, poplar, eucalyptus and miscanthus.

Walk 3 (still to be finalised)

Will likely cover agroforestry, pasture and hedges, along with a look at Niab forage trials.

Networking and CPD points

Outside the busy schedule, Transition Live offers visitors the chance to network with farmers, researchers and policymakers. Everyone is facing business, environmental and production challenges, and Transition Live provides a golden opportunity to meet up, compare notes and trade ideas.

Transition Live is also a Basis-registered event where attendees can collect three continuous professional development points. There will be a designated area at the event where you can complete the necessary forms so don't forget to bring along your Basis account number. ■

- **For more information and to book tickets, visit the Transition Live 2025 hub at fwi.co.uk/sp/transition/transition-live**

EXHIBIT AT TRANSITION LIVE

Do you want to exhibit at Transition Live? If you are an exhibitor and want to make sure you can reserve stand space, please contact transitionlive@markallengroup.com



Tips to build mental resilience in times of change

Farmers are under pressure like never before, from extreme weather to rapid policy changes. **Jonathan Riley** looks at how to stay mentally healthy

Although there are opportunities in the Transition process, the requirement to produce food while carrying out work to improve biodiversity, cut pollution and reduce the impact of climate change is a challenge. All that work must be done without the long-term security of Basic Payment Scheme support and concern over government tax plans. The combined impact causes frustration, stress and pressure, and the burden of that falls on the shoulders of individuals. It is no wonder that mental health is being compromised and evidence of suffering is widespread.

In the past 12 months, farming support charities have reported a 40% increase in calls for help. Even greater surges followed poor harvests, bad weather and the chancellor's Autumn Budget. A staggering 15,000 people responded to a recent health and wellbeing survey carried out by the rural support charity the Royal Agricultural Benevolent Institution (Rabi), underlining the scale of the problem. Clearly, there is a widespread issue in the farming community. But equally there is a clear message from the dedicated professionals and volunteers who provide support. Seek help – it is possible to improve your own and your staff's mental resilience to

better cope with managing change.

Here, we speak to experts Emma Haley, charity director at You Are Not Alone (Yana), and Alex Phillimore, head of communications and development at The Farming Community Network (FCN). We also consult Tess Howe of The Institute for Agriculture and Horticulture (Tiah) for tips on changing the work environment and training that could improve the mental resilience of your workforce.

Mental health is critical

Emma explains that mental health is as important as physical health to the safety and productivity of a farm's workforce. And, Alex adds that mental health is not a myth or weakness – it does exist, it is serious and it is real and, ultimately, it can affect our physical health.

A person's energy and ability to concentrate can be directly affected and this is a liability when working with livestock and machinery. Decisions and organisation can also be compromised, potentially reducing the productivity and efficiency of a business. In order to be positive and successful, you need to be in a good state of mental health. When it is poor, it can alter your outlook on life and counters your ability to manage and adapt to change, says Alex.

Just as we all have physical health, everyone has a mental health profile and they are both intrinsically connected, Emma points out. Mental wellbeing can vary widely and this can change depending on what is happening in life, she says. Everyone can manage different amounts of stress. But when it passes our personal threshold for longer than 14 days, it could be time to talk to someone. There are things we can do that can make a difference to how well we feel, be it physically or mentally, when things are building up or feeling overwhelming. But finding what works for you is important, suggests Emma.

Recognising poor mental health

Recognising that you are experiencing poor mental health is not always easy. Alex says that mental ill-health is harder to identify and understand than a physical injury or disease. A mental health issue can develop gradually, without your knowledge. This can make it hard to spot your own difficulties. It may be someone



Farming is a tough sector to work in but it is possible to boost your own and your staff's mental wellbeing

else that notices a change in your behaviour. If that is the case, it is important not to dismiss what they are saying and to step back and think about how you really do feel and whether you have changed.

Potential symptoms

- A more pessimistic, gloomy or negative approach than usual
- Feeling stressed more quickly
- Small things make you react negatively
- Unusual tiredness or demotivation
- Lack of drive to socialise
- More irritable/shorter temper.

It is important to admit to yourself that you are not just tired because of hard work or exercise and that your reactions have changed to something beyond your control. If this is the case, contact one of the charities listed on p46. Whether or not you are suffering now, there are actions to build your mental resilience to help you cope better with the turbulent situation in farming, says Alex.

RABI BIG FARM SURVEY RESULTS

- 36% of the farming community are probably or possibly depressed
- 47% of the farm sector are suffering from anxiety

There were multiple causes of stress among the farming community. Of the responses, the most commonly reported causes were:

- 45% – regulation compliance and inspection
- 43% – bad/unpredictable weather
- 40% – loss of subsidies/future trade deals
- 35% – Fear for the future of their farm
- 31% – Financial pressures
- 31% – Policy changes
- 30% – Feeling undervalued by the public



TIPS TO HELP IMPROVE MENTAL RESILIENCE

- **Celebrate wins** It's easy to be too hard on yourself. But taking time to congratulate yourself when you do something right or highlighting when something goes well will help your mental health.
- **Ignore things you cannot control** Bad news and the weather are outside our control so don't let them become a focus. If you are on social media, avoid so-called "doomscrolling". The algorithms beneath the social media platforms will throw up posts linked to your search to keep you hooked. You can get caught in a downward spiral. Take breaks from social media frequently and tell yourself things are not so bad.
- **Improve sleep patterns** Interrupted sleep and the resulting lack of energy makes situations appear worse. Devices are known to disrupt sleep if used immediately before lights out, so switch off early. Write down all the things on your mind before going to bed. Then if you do wake in the night, you know there is no more you can do until the next day.
- **Develop a non-farming interest** Take up a hobby, play or watch sport, or listen to music to focus on something other than farming. This can give us a reset and help us to face things with a clearer mind.
- **Communicate** Talking and being listened to can help to prevent things in our mind from snowballing. It can help us to hear a different perspective, which can enable us to cope better.
- **Deep breathing** This can be a game-changer – it's free, no-one else needs to know you're doing it, and it can calm your nervous system and help to improve your physical and mental health.

Managing change

With the challenges facing farming, it is easy to slip into a situation where you bury yourself in work. There's also a work ethic in farming that can encourage us to compete to show who can work hardest, says Alex. But this is destructive. Ultimately, productivity is better if you are not physically and mentally exhausted – you will also make fewer mistakes.

How to manage the mental wellbeing of your staff

Tackling the stigma

Stigma still surrounds mental health in some teams and this must be addressed. People find it hard to understand poor mental health so some will not see its validity. Poor mental health can also be interpreted as weakness. But this belief must be dispelled and staff must learn to appreciate it is something we can all experience. Understand the practical, everyday aspects of mental health – it isn't a fluffy, emotion-filled idea, it's a very real thing we all have. Recognising

this and talking about it can help, says Emma.

Key to this is a workplace culture that treats poor mental health as a serious condition. This must come from the top and be impressed upon all team members. If the boss doesn't take the issue seriously, the team will not either. Lead by example and talk about your own coping strategies, Alex suggests. To keep the message alive, have resources with contact details for charities posted around on noticeboards, offices and toilets. When a person is struggling, make sure the team works to support them. Ensure they know it is OK to be not OK and acknowledge these are challenging times, says Emma. Provide reassurance and make yourself available to talk to individuals.

Spotting the signs of poor mental health

This is difficult. It may not be the quiet, gloomy person in the team that is suffering. It may be the joker or the bullish one that has an issue. Their behaviour may just be to mask their ill health, says Alex. It is also important to remem-

ber that the employee who is often late, or makes mistakes or is snappy, is not necessarily lazy or forgetful or angry. It's likely something else is going on for them, says Emma. A key sign is a change in a person's character. Any changes that you notice compared to what is normal for them might suggest something is not right. The outward signs of poor mental health may include:

- Irritability
- Mood swings
- Drop-off in performance
- Forgetfulness
- Appearing distracted
- Poor concentration.

With these symptoms it is more likely they will make mistakes or cut corners and this can be really dangerous in a farming workplace, so address the issue quickly.

Talking about mental health

If someone comes forward, always take it seriously and act on it. Do not defer any requests. ➤



TIPS TO BETTER MANAGE CHANGE

FCN and Yana suggest the following to help build a structure amid changes and boost your mental resilience:

- **Be selective** When you are feeling overwhelmed, be selective and focus on things within your control.
- **List tasks** Identify and list the things where you can bring about change. Order them by importance and tackle the most urgent thing first.
- **Group tasks** Schedule the most important tasks for times when you will have the most energy to improve concentration and efficiency.
- **Small targets** Set smaller, achievable targets to make step-by-step progression and don't attempt too much at once.

< It's alright to be direct about changes you have noticed and to let them know they can talk to you. The first few times they may not want to, but by showing them you noticed and were willing to ask them, you are creating an opportunity to talk, says Emma. It is important to consider the situation. Don't attempt to have a chat in a busy place, where other staff are present or across the desk. You may want to go for a walk, find a reason why you need to go out, or do a task together, she adds. If you can, ask more open-ended questions such as: "How are you feeling?" or "How have things been going lately?". Then ask them again if you don't get a response, but maybe in a different way: "How are you doing, how are you getting on?"

Asking again overcomes the initial knee-jerk response of "fine" or "OK" and provides an opportunity for the person to open up, says Alex. Listening – really listening – is vital. This means not trying to solve their problems, but to listen without judgement, Emma insists. Pay close attention to the answers you get and ask them to talk about the way the stresses of farming are making them feel, adds Alex. If they open up and start talking, it may be necessary to guide them to professional help. If there's an

immediate risk to life then, with their permission, call the emergency services.

Tips to improve the work environment

It is important to create an environment where people can interact and to foster a sense of a secure, supportive team. Working in agriculture can be lonely, so make a point of checking in and talking to every individual regularly. For the team, create a clean, comfortable space for everyone to come together and air concerns, ask questions and socialise. Consult staff to understand what they would find useful and engaging, rather than making decisions on their behalf, suggests Alex.

Training

Tess Howe, Tiah head of partnerships and policy, says management training and other courses can help to equip farm staff to adapt to change and boost confidence. A major stressor can be feeling unable to tackle the tasks that are being allotted. Because of the transition to environment-based support schemes, staff may need to adapt to carry out different tasks. For some, this will create insecurities. When people feel they can't do their job, it can cause stress, ultimately

leading to a loss of self-worth, says Tess. Training is a good way to extend the skill-base of a workforce. This will help them cope with changing tasks, and build personal resilience, she says.

It may also be that you want to promote a team member but they have gaps in their knowledge of how to manage staff. This can be stressful for the whole team, including the person who has been promoted. A management training course could provide answers and new skills to develop an approach that will foster team spirit. There is also specific training on mental health, both in terms of mental health awareness and mental health first aid to better support people who come forward with a problem.

Many of the charities provide some training on mental health. For example, Yana attends farms to deliver talks or mental health training. Having dedicated mental health first-aiders embedded within the team, who are trained to spot signs of suffering, is vital, suggests Tess. That said, even without training, we have all had that gut feeling in the past that something isn't quite right. Many people don't know what to do, and end up hoping somebody else deals with it. If you are ever in this situation, please ask one of the charities below for advice. ■

WHERE TO FIND HELP

The message from all of the charities is the same – don't struggle on your own. Here are just some of the contacts and services available:

● **Yana**
yanahelp.org
 0300 323 0400, helpline@yanahelp.org
 Yana offers a confidential helpline and counselling in East Anglia. Every Monday to Friday speak to someone directly from 10am-1pm. If busy or outside

these hours, a call-back service is in place

● **The Farming Community network**
fcn.org.uk
 03000 111 999, help@fcn.org.uk
 Calls are answered in person from 7am-11pm 365 days a year by volunteers who understand farming life

● **Samaritans**
samaritans.org
 116 123, jo@samaritans.org
 Offers help and support at critical moments

● **Shout**
 Text Shout to 85258
 A text-based service for mental wellbeing support

● **Staying safe**
stayingsafe.net
 A website for people at risk of suicide and those who are supporting them

● **The DPJ Foundation**
 07984 169 652, 0800 587 4262
 Text: 07860 048 799
 Offers a 24/7 confidential counselling referral service

and mental health awareness training

● **Rabi (England and Wales)**
rabi.org.uk
 0800 188 4444
help@rabi.org.uk
Rsabi (Scotland)
rsabi.org.uk
 0808 1234 555
rsabi@rsabi.org.uk
 Providing emotional, practical and financial support from in-person counselling and mental wellbeing training to grants for upskilling.

Latest software developments transform nutrient and soil management planning

Creating fully compliant Nutrient, Manure and Soil Management Plans has been greatly simplified thanks to the development of new software available through Agrovista's farm data platform, Insight.

Using the bespoke software, the company's agronomy and rural consultancy teams can create tailored plans much more quickly, ensuring farmers and growers have the information they need to comply with key environmental regulations and SFI actions efficiently and effectively.

Hamish Wardrop, national rural consultancy manager for Agrovista, says: "Our new software provides our customers with management plans that are fully compliant with NVZ regulations and Farming Rules for Water.



"Insight Management Plans also meet the requirements of SFI actions CNUM1 (assess nutrient management and produce a review report) and the planning element of CSAM1 (assess soil, produce a soil management plan and test soil organic matter)."

The new software was developed entirely in house as there was no 'off-the-peg' solution that could provide

all the functionality that Agrovista requires.

Graeme Barrett, Agrovista's head of precision who leads the development, adds: "Key decision-making data is presented very clearly using the new software.

"Farmers and inspectors can easily see how important calculations such as N-loading and manure exchanges have been worked out. In addition to N,P and K requirements, sulphur and lime requirements are now included in the reports."

Making the most of manures

Agrovista's new plans clearly show crop nutrient requirements both before and after planned manure applications. Whilst none of this is new, having all of the required information in a single report helps planning to make the most of farm-produced or imported manures.

Producing compliant reports is just the start of the process; they provide the basic information for a more complex discussion regarding farm nutrient planning, and the opportunity to embrace innovative solutions to

improve nutrient use efficiency.

For example, where organic materials with high, readily available nitrogen levels are applied, nitrification inhibitors such as Instinct could be used. This



product keeps more nitrogen in the ammonium form for longer, reducing leaching and denitrification and making more nitrogen available to the crop. This, in turn, improves the value of the organic material and reduces the requirement for manufactured nitrogen fertiliser.

In respect of phosphate, even where soil indices suggest adequate supply every year, growth stage-related sap or grain tests often show crops are low in phosphate, mainly due to the complexities of phosphate availability in the soil, particularly in soils with sub-optimal pH.

Agrovista soil health specialist Chris Martin says: "Applying triple superphosphate is the most common solution to top up phosphate, but on some soil types it is locked up very quickly, sometimes within days. "DAP and MAP are more soluble but even they eventually can be locked up. We've ended up building a huge bank of phosphate in the soil."

Phosphorus Liberator and Phosta are soil-applied

products that release some of this locked-up phosphorus or make soil-applied phosphate fertilisers and manures available to the crop for longer to meet a crop's needs and improve soil health.

Applying products such as Phosphorous Liberator alongside foliar alternatives to bagged P and K, such as Luxor or Wholly-K, has the potential to save in the order of £100/ha over traditional maintenance dressings and has consistently shown a yield increase in trials.

In addition this approach greatly reduces the amount of inorganic salts being applied to the soil, which is a huge positive for soil health, says Chris.

Hamish concludes: "In addition to meeting the aims of SFI Action CNUM1, which pays £652 per annum, having detailed discussions about nutrient planning can save thousands more pounds and increase yield.

"Insight Management Plans provide a clear and detailed starting point for these discussions."



Hamish Wardrop
National rural consultancy manager



WHY FARMERS SHOULD PLAN FOR PROFITABILITY, NOT TAX

The government's proposed Inheritance Tax (IHT) reform, as announced in the Autumn Budget, has understandably sparked outrage among farmers who fear the increased financial burden will result in the need to sell land to meet tax obligations, and call time on the guaranteed ability to pass down farms to the next generation.

It has inevitably led to many conversations and meetings with clients worried about what to do next, with succession planning taking centre stage.

SUCCESSION PLANNING

While we are steadfast promoters of the need for farm businesses to plan for succession - something that, traditionally, some farmers have been averse to do – the Budget has provided an 'urgency' for many to start.

However, it is important to acknowledge that knee-jerk reactions could lead to regret further down the line if sufficient planning, including taking specialist advice, is not put in place.

In some cases, the available competent and compatible family members to involve in the business will force hard conversations, including whether succession outside the family, as by letting the land, is a better answer.

Or an acknowledgement that the land, business or both will need to be significantly restructured to accommodate the abilities and interests of the family members involved.

CONSIDERATIONS AND RISKS

Potentially Exempt Transfers (PET) are often cited as the way to mitigate IHT liabilities, essentially gifting the farm business to the next generation. Much has been said about the '7-year rule', and the tapered relief that this provides. While this is high on the list of options, and does offer some protection, it comes with inherent risks.

- When is the right time? Start it too early and you risk falling foul of amendments to legislation deeming the PET unnecessary. Start it too late and the risk is that you do not live long enough to benefit from the relief.
- Once an asset is gifted there must be a full transfer of ownership without a reservation of benefit. The need for income and accommodation can limit the ability to comply with this rule. Market rate rents must be paid, or income/accommodation away from the farm may need to be secured, to meet the IHT rules.
- Farming is an inherently risky business and while reducing the risks of death's roulette wheel, the young can (and sometimes do) die first.

HOW AND WHEN TO START

It must be stressed that we do not expect to see the legislation, in whatever form it may be enacted, until summer 2025. In the interim, those who have considered their future plans will be better placed to

adapt and implement those plans in what will be a tight timeframe with a limited number of advisers available to help.

With this in mind, we advocate clients consider a three-phase approach:

1. PREPARATION

Consider your business and personal aims and objectives, what income you might need, and how you would like any assets to be distributed. Also consider the impact and management of 'what if' scenarios inc. health, death, debt, divorce etc.

Collate current legal agreements inc. Partnership Agreements, Shareholders Agreements, Tenancy Agreements, Wills, LPAs etc.

Establish asset ownership and prepare a statement of indicative values and liabilities by ownership – land, property, buildings, machinery, livestock, tenancy agreements including tenants' improvements and fixtures, cash, stocks and shares, pensions, loans, overdraft, finance agreements etc.

2. REVIEW

Arrange a collaborative meeting with your land agent, accountant, and solicitor to discuss your strategy and review the options available to achieving your goals and in doing so mitigate your tax liability. An all-parties meeting will be expensive but will be efficient and save money in the long run.

Review the financial implications and check if there are changes to the tax regime, or if the 'what if' scenarios arise, you are comfortable with the proposed changes.

3. IMPLEMENTATION

Post the Finance Act, (unless there are reasons to implement before), implement any restructuring needed, such as revised Partnership and Shareholders Agreements, Gifts, Trusts, Wills, LPAs, Life Insurances etc. and arrange any formal valuations required.

PLAN FOR PROFITABILITY

Businesses must accept that any decisions taken must be done so with the inherent risk that the legislation changes further down the line, whether by the incumbent government or with a change in political party at the next general election. As such, it is important that decisions should not be driven by the sole purpose of avoiding or minimising tax, but should be taken to optimise the business, to boost profitability and the ability to pay any taxes due, as they arise.

We will be able to help you with your preparations through our Farm Business Advice Service as funded by Defra until 1st March 2025. Get in touch without delay.



GUY COGGRAVE
MANAGING DIRECTOR

Farmers adapt plans in face of unpredictable weather

Our *Farmers Weekly* Transition farmers are striving to secure a better future for their businesses. **Debbie James** reports from Fife and Shropshire



FARM FACTS

Hillhead Farm,
St Andrews, Fife

- Farm size:
138ha
- Crops:
Potatoes,
sprouts,
parsnips, malting
barley

Alan Steven

Exceptional periods of rainfall have challenged Alan Steven's plans to direct-drill some of the crops he grows on his coastal land next to the North Sea, to reduce cultivations. In fact, his land is so close to the sea that last winter it swamped his fields multiple times, at one point destroying an acre of sprouts. It was a big financial blow to lose that high-value crop on the point of harvest, but waterlogged soil also scuppered an

ambition to trial direct drilling with some of his combinable crops, one he had identified as part of his transition away from the Basic Payment Scheme.

Soils had suffered as a result of the wet weather and, compacted and tight, they were in need of cultivation. "We had been trying to harvest winter crops in November, December and January, the soil was saturated right through to mid-March, and we had to get some air into them," says Alan.

Instead of going down the direct-drilling route, he is replacing his Sumo one-pass stubble cultivator with an Agriweld Multi Till 5T low-disturbance cultivator. "It is better that we go down a reduced tillage route rather than out-and-out direct-drilling," he says. Alan hopes the machine will be better able to cope with chopped straw in his spring barley fields. Going forward, he plans to mount a seed box on it to sow cover crops with fewer passes.

In the 2024 harvest, spring barley delivered the best financial return for his business after what had been a hit-and-miss year for establishment across barley and in his first wheats, grown to supply seed to the trade. "We only

TRANSITION GOALS

- Reduce cultivations
- Cope with changing coastal climate
- Tackle marketing challenges

yielded about 3t/acre from the first wheats, which followed potatoes, because there were lots of bare patches as a result of the rain. We couldn't patch those in so we just had to grin and bear it," says Alan.

He has costed out sea defences to protect fields from storm surges but, at £30,000 for labour alone, he has ruled it out as an option for now. The vegetables grown at Hillhead Farm are sold to a local vegetable processor, to be processed, marketed and sold to supermarkets.

For farmers like Alan, producing in remote locations, the hike in haulage prices is impacting on returns, but he doesn't blame hauliers. "Hauliers are struggling to make ends meet too. The government thought making lorries bigger would be the answer and that there would be less lorries on the road, but what hadn't been thought through was how the infrastructure would cope with a 50t lorry – it didn't."

Matthew Williams

As weather patterns become less predictable, arable grower Matthew Williams is becoming more agile in his decision-making. Ripping up the crop plan blueprint in periods of heavy rain and drought allow Matthew to turn loss-making situations into profitable ones. Gone is the regimented rotation of first wheat, second wheat, winter barley and oilseed rape. "I am much more willing to change the crop plan quickly. That fluidity can be a bit of a headache, but flexibility is key," he says.

After a washout season, that approach saw him planting a block of land that had been earmarked for winter barley with a bicrop of spring wheat and beans for Wildfarmed, the company which markets cereals grown with

regenerative farming practices. "The land was too wet to drill in the autumn and the gross margin for the bicrop looked right on paper. It was a good fit with our ethos to use fewer inputs and manage soil differently," says Matthew. "The very wet autumn in 2019 taught me a lot – if it is not right, don't drill it. You can spend as much growing a miserable crop as a good one."

The crop yielded 1.5t/acre but the return a tonne was higher than for the cereals he sells through the standard commodity route. "These crops are less cash hungry because they need fewer inputs, which helps with cashflow in situations like this when we should have had an autumn crop in on what would have been our most profitable land," says Matthew. "It isn't the silver bullet, but it mitigates risk."

The weather has also forced him to row back on his aim to reduce cultivation; fields of oilseed rape stubble that had been submerged in water for much of the winter were worked in the spring to deal with several inches of compaction. 44 acres of new rental land needed a "reset" after a decade of direct drilling and a grassweed burden,

FARM FACTS

Criddon Hall
Farm, Bridgnorth,
Shropshire

- Farm size:
1,100ha
- Crops: Wheat,
spring oats,
spring barley,
winter beans,
oilseed rape,
triticale



and were ploughed. "We only ploughed three fields across the 170 acres we had taken on. I hired a plough for two days, but I don't plan to ever own a plough again."

- See p5 for more on our Transition Farmers

Welsh Sustainable Farming Scheme: All you need to know

Changes to support will shape the future of farming in Wales

As the latest version of the Welsh government's new big plan for post-Brexit farming subsidies is published, **Debbie James** drills down into the detail of the Sustainable Farming Scheme to examine its value for farmers

A year later than expected, the stage is now set for a 2026 launch of the Sustainable Farming Scheme (SFS) in Wales. Beset by delays and a not insubstantial measure of controversy, the scheme had in its original guise provoked the very real threat of a mass boycott by farmers, so the government duly went back to the drawing board under the instruction of a new rural affairs minister "in listening mode". Huw Irranca-Davies spearheaded a series of key changes and the new outline of the scheme was published in November 2024. The question is: has it struck the required balance to sit well with farmers, environmental and wildlife groups, and taxpayers?

There is certainly a will for that as Wales is lagging well behind England in getting its scheme off the ground. That delay has put the brakes on the ability of farmers to make future plans for their businesses, says Kath Whitrow, agricultural business consultant at Brown&Co. "It is very difficult to plan when you don't know what you are planning for," she reasons. "You can't change a farming system overnight. Take the example of beef farming – it takes four years for a suckler calf to become a productive animal. Farmers need

security and stability, and to have a plan in place if they are to be resilient going forward."

While the finer detail of the scheme has been published, what is absent is any clue on payment rates. This is problematic, adds Kath, who has many years of experience working in the agricultural banking sector and is herself a working farmer. "There are a lot of management decisions in any business that are based around financial circumstances, farmers need that detail. Farmers haven't seen the Basic Payment Scheme [BPS] rate rise to take inflation into account since 2012 – they need a guarantee that this will be addressed in the new payment rates."

The scheme itself consists of three tiers:

- Universal
- Optional
- Collaborative.

Universal

There is a long list of actions that every farmer signing up to the scheme must agree to, but it is shorter than it had been. At 12 actions, it is five fewer than initially proposed; some have been ditched entirely, others merged into one or reassigned into the optional tier. To qualify for

an entry-level payment, farmers must adhere to these. One of the more challenging, perhaps, is to manage 10% of their land as habitat for wildlife. If their farms don't have that requisite level already, they will be allowed to create temporary habitat – crop margins, for example. Establishing wildlife cover crops on improved land will be permitted, as will rough fixed or rotational grass margins on arable land, and planting multispecies or herbal leys on improved land. These can form part of an ongoing crop rotation and scattered around the farm.

Some might see this as the more onerous of the universal actions and, until farmers are clear on what the payment rates and management requirements are, Kath says it's difficult for individual farms to make an assessment on the impacts of creating temporary habitat. This habitat, from lowland and coastal heath and wood pasture to upland open habitats and lowland and coastal heath, will need to be managed if farmers want to receive SFS cash.

Some of the other measures in the universal layer could be a good fit with practices that are already happening on many farms – benchmarking, soil testing and keeping detailed records

of why and when plant protection products are used. Every scheme participant will need to complete at least six hours of learning and gain knowledge of some element of health and safety learning.

On a practical level, farmers who join the SFS should expect to increase the size and density of their hedges as annual cutting of the same stretches year in year out will be forbidden, except along roadsides or around utilities.

After pressure from the farming unions and farmers, sites of special scientific interest (SSSIs) are now eligible for the habitat maintenance element of the universal baseline payment. This is important as there are some 1,070 SSSIs in Wales, many of which are located on farms, and these were initially excluded. In a change of heart, the government says it will support payments for the enhancement of these designated sites. Common land has been included, too.

Initially, because of the complexities of common land ownership and allocation of rights, the government said it could not pay graziers for many of the actions set out in the universal tier, but that has now changed. A proportion of the universal baseline payment can now be paid to participants with livestock and who hold common land grazing rights. If the scheme goes ahead as outlined, payment will be allocated in a similar way to how it is now done through the BPS.

Kath, who herself grazes sheep common land on the western section of the Great Forest in Powys, says common land is an integral part of many hill farming systems and had always been treated for support payments as part of the farm. "It is good to see that has now been acknowledged, as a change could have put not only these farms at considerable risk but also the grazing regimes their livestock deliver for nature would also have been in jeopardy," she says. "Grazing livestock are an integral part of management of our habitats, and long may that continue."

In line with the government's targets for reducing emissions, it expects farmers to adopt animal health and welfare measures to improve productivity in return for the baseline payment. What the government is still working on is a "social value" payment for every farmer who joins the scheme, to "reflect the benefits" farmers provide for wider society by producing food in a sustainable way. This will be in addition to any costs incurred and income foregone, but there is as yet little detail on this.

A huge barrier to the initial scheme outline making any progress was the requirement for every farmer to have 10% of their land covered in trees. It was the single most contentious condition of entry and, had the government not

TRANSITION FARMER: IRWEL JONES

Sheep farmer Irwel Jones needs clarity on payment rates for the actions listed in the latest update of the Sustainable Farming Scheme (SFS). Without that, it is impossible to work out how the scheme might stack up financially for his upland farming business at Llanwrda, he says. "There is still no financial detail, and the government just seems to have watered down the original scheme a little bit so we will end up with a scheme where no one is really happy, plus less money."

The upland lamb producer considers himself to be a farmer "first and foremost" but is proactive on environmental measures, from supporting biodiversity to reducing carbon emissions. "I have always tried to be positive on the environmental side of things, to strike a balance between farming and nature and to make the most of the grant schemes – for example, hedge laying," he explains.

The delay to the rollout of the SFS has curtailed his plans for Aberbranddu. "Everything in the SFS seems to be about going above and beyond what a farmer has done before, so it

could put us at a disadvantage if we pressed ahead with further environmental work before the scheme goes live," Irwel suggests.

There are 160 acres of mature woodland at Aberbranddu which, under the business's previous Glastir agreement, it was paid to maintain. "If we had been proactive and planted more trees, we might have to find more to do in the new scheme," says Irwel. He is, however, in the process of applying to the Small Grants scheme to create a 200m stretch of hedge. His future plans include planting a lot of his rough ground with trees and to create a pond for livestock but which would be beneficial for nature too, a "win-win for both", he says.

The guarantee of the full Basic Payment Scheme until 2025 has been "a lot of help", he acknowledges, but adds: "At the end of the day we want to look forward, not back"

● Follow Irwel and our other Transition Farmers as they adapt their business for the new environmental schemes. Find out more on p5



FARM FACTS

Aberbranddu Farm, Llanwrda, Carmarthenshire

● Size: 375ha (255ha owned and 120ha rented)

● Rainfall: 2,000mm

● Soil: Clay soils and peaty on marshy areas



Grazing helps manage habitats

dropped it, it seemed very likely that the number of farmers signing up would have fallen far short of what the government needed to make a success of the scheme. But trees are still very much on the government's mind because its ambition is to plant 43,000ha of new woodland by 2030 and 180,000ha by 2050 and sees farms as an important resource to help it achieve that.

As an alternative to the prescriptive 10%, it has now come up with a requirement in the universal tier for every farm to have what it calls a "tree planting and hedgerow creation opportunity

plan". In that plan, farmers will need to identify where their farms would benefit from additional trees and hedgerows, and to make progress on that by 2030. There are choices outlined in the optional tier to facilitate that, money for planting woodland, shelterbelts, agroforestry, orchards, individual trees and new hedgerows. To the relief of farmers who have recently planted trees, if the scheme outline goes ahead as planned those areas can be included when payments are calculated. There is also an expectation for farmers to maintain existing woodlands.

Optional

For farmers who want to bump up their payments there are a series of targeted actions under this tier. There has been no detail on these >

Irwel Jones' plans include planting trees on rough ground at Aberbranddu



CASE STUDY: MARTIN GRIFFITHS

Excluding mature hedgerows from the obligatory 10% habitat cover requirement will make it very difficult for dairy farmer Martin Griffiths to enter the scheme.

Martin, who farms with his brother, Hugh, mother, Margaret, and nephew, Jac, said the family was initially optimistic when details of the new outline were announced but “relief quickly turned to disappointment” when they realised that they could not count established hedgerows in their habitat cover, although this has yet to be confirmed by the Welsh government. He says it “makes no sense” to omit these but to include newly established hedges. “No one could possibly suggest that tiny saplings, a row of twigs, can provide habitat and that a mature hedge cannot.”

As the Griffiths farm a coastal holding in Ceredigion, much of the land is devoid of trees – of the 100ha that the family farms, there is only 1.2ha of tree canopy and 0.2ha of established habitat. They had calculated that had they been able to include mature hedges, the farm would fall well within the 10% threshold. Martin worries that the options the government has set out for including temporary habitat are largely aimed at arable farmers, not milk producers like him.

Although growing multispecies leys is among the options, he is not convinced they will be as productive as his existing grassland leys, some of which are 30 years old. Multispecies swards “definitely have a role to play”, Martin reckons, but he is “less convinced” they will perform on his farm and deliver from an economic point of view. “Reseeding to incorporate these will add a lot of cost to the

system – the cost of the seed, lime, fertiliser and the downtime of having those fields out of action every four years or so, and then I don’t know if we will get consistent yields.”

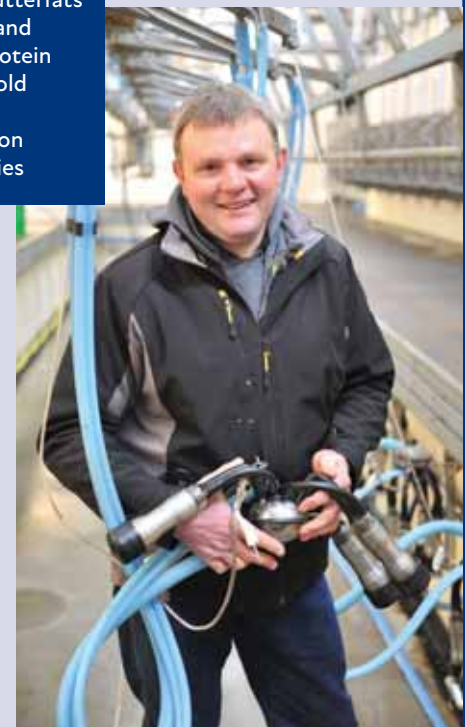
Martin welcomes the removal of the 10% tree cover requirement though, arguing that had this been forced through and applied to coastal farms like his at Ffosygravel Uchaf, Borth, the trees wouldn’t survive, let alone thrive as a salve for climate change.

He, like the majority of Welsh farmers, now anxiously awaits the new payment rates before making a decision on how to move forward.

FARM FACTS

Ffosygravel Uchaf, Borth, Ceredigion

- 192 Holstein and Friesian dairy cows
- 1.3m litres annual milk production
- 4.49% annual rolling butterfats average and 3.46% protein
- Milk sold to South Caernarfon Creameries



< in the new outline, but in the previous model, the government told farmers to expect these to include actions on productivity, sustainable farm practice and habitat restoration while extending support through small grants, and nothing seems to have changed on this. These might be mob-grazing, covering slurry stores, drying poultry manure and growing crops that reduce a farm’s reliance on bought-in feed. Farmers could also be paid for having a 3m-wide fence and hedge along the farm boundary to prevent contact with neighbouring stock and for committing to isolate all incoming animals for at least six days.

Collaborative

The collaborative actions are targeted at groups of farmers working together to deliver “public goods” at a landscape, catchment or national scale – for instance, improving water quality. Common land grazing makes another appearance in this tier because the government intends to pay more to graziers who are part of a grazing association and who carry out co-ordinated grazing actions that are good for wildlife.

Timeline

Fresh analysis on the impacts of the updated scheme is now under way. The details of the final scheme will be published in summer 2025 before it starts on 1 January 2026. From that date, farmers will have a choice of receiving either SFS payments or the BPS payment until 2029, before the BPS is removed entirely after 31 December 2029. From 2026, BPS payments will reduce incrementally by 20% annually. Once farmers have chosen to participate in SFS they won’t be allowed to revert back to the BPS. ■



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COP29: Key points for farmers and growers

The annual COP climate change talks hit the headlines every autumn, but what could they mean for farming? **Jonathan Riley** reports on the highlights

The 2024 United Nations (UN) Climate Change Conference – also known as the 29th Conference of the Parties, or COP29 – took place in Baku, Azerbaijan, last November. Professor Michael Lee, deputy vice-chancellor at Harper Adams University, and NFU climate change adviser Dr Ceris Jones were among the very few delegates from UK farming circles who were handed invitations. Here, Dr Jones and Prof Lee set out the key points that could have an impact on the future of UK farming.

Deals were done

● \$300bn deal

A deal was struck – hailed as a breakthrough agreement – on funding measures to respond and adapt to climate change. The deal will triple the previously agreed goal for finance paid to developing countries, from US\$100bn each year, to US\$300bn annually by 2035.

But it was not met with universal approval. A number of countries staged a walk-out because they believed the amount was insufficient to tackle the issue. For its part, the Farmers' Constituency of the United Nations Framework Convention on Climate Change (UNFCCC) had a mixed opinion. The constituency represents crop and livestock farmers, horticulturalists and a range of other parties with tree and food production interests.

It was pleased to see protections mentioned for food production within the wording of the deal, echoing the Paris Agreement. The deal text stated it will “foster climate resilience and

low greenhouse gas emissions development in a manner that does not threaten food production”.

But the constituency was disappointed to see that farmers were not specifically listed among other climate-vulnerable groups. Only about 4% of global green finance reaches agriculture, with roughly 2% of that allocated to supporting sustainable livestock (mitigation and adaptation).

● Carbon trading rules

Another deal finally agreed at COP29 was on global carbon trading rules. Importantly, trading deals must now work for farmers in practice, must prioritise farmers' rights and consider the diversity of farm systems.

Greater ambition

● Nitrous oxide more pressing

The COP29 talks saw the launch of the Global Nitrous Oxide Assessment of the UN's Environment Programme (UNEP). It emphasised the critical nature of the greenhouse gas, which is about 220 times more potent as a greenhouse gas than carbon. It also highlighted the importance for the farming sector to focus on nitrogen use efficiency on farm. This will become a more pressing issue, not only for climate change, but water quality and farm profitability.

● Methane pledge

Building on the COP26 Global Methane Pledge, the emphasis at Baku was on the need to speed up the reduction of emissions across all sectors including transportation, energy, and agri-food as a mechanism to buy time for fossil fuel carbon dioxide emissions.

● International agri-food support plea

Building on agri-food initiatives from COP26-28, the Baku Harmoniya Climate Initiative for Farmers will empower farmers for climate resilience, with a plea for all nations to include agri-food climate support in their nationally determined contributions. Defra forestry minister Mary Creagh spoke about the legacy of Glasgow COP26 and the commitment of the UK government to support further action at home and abroad.

Working together

● Co-operation not competition

Co-operation not competition is critical for the future. In this climate space, farmers organisations from across the world must work together with other allies to ensure that farming's voice is heard at the highest level of policymaking.

The farmers' constituency is already at work preparing for policy talks in 2025. It is preparing its input for the UNFCCC standing committee on Finance's workshop on accelerating climate action and resilience through funding for sustainable food systems and agriculture.

● Closer relationship with farmers

A step forward was emphasised in changing the narrative on agriculture and climate change. The Intergovernmental Panel on Climate Change, the UN body assessing the science related to climate change, signalled its intent to build a much closer relationship with farmers. This was agreed as the body prepares its next scientific reports, and it aims to get better at communicating the complexity of its science in relation to agriculture. ■



Field drainage is key

Five ways to build resilience on arable farms

Growers must be prepared to adjust their farming operations and management to make businesses more resilient in the event of adverse weather and volatile market conditions

FIVE FOCUS AREAS FOR ARABLE FARMS

- **Soil health** Make use of cover crops, increasing organic matter, undersowing and reduced tillage, where possible, to lessen the impact of extreme weather events, improve soil biology and eliminate capping and compaction.
- **Water management** Field drainage, ditch maintenance, buffer strips and rainwater storage or harvesting all have a role by removing water from fields, preventing run-off or pollution and ensuring that water is available when it is needed.
- **Spreading risk** Widen the rotation to bring in greater crop diversity, consider the use of companion cropping and variety blends to derisk the farm and integrate livestock where appropriate. Use Sustainable Farming Incentive actions to replace break crops and ease cashflow pressures where economics dictate.
- **Natural infrastructure** Trees and hedges provide shade and shelter, help to protect crops and can have a role in flood management, so are an integral part of any climate-friendly farming system. They also bring biodiversity benefits and can be an alternative income stream in terms of carbon.
- **Machinery** Smaller, lighter machines may be more relevant in wet conditions, when windows are restricted and soils are saturated. Consider ways of increasing the options available – machinery sharing and collaboration with others may be a viable solution. Contractors can also increase the possibilities.

Adjustments to business and management is the message for growers who are looking to reduce their exposure – both physically and financially – to the more erratic weather patterns that the past few years have thrown at them.

Building agronomic resilience means that the system will be better equipped to absorb and recover from these events – whether they take the form of market volatility, climate change or pest and disease outbreaks, or a combination of the three.

Soil focus

Start with soil health, which will help to weather-proof the farm and create free-draining, moisture retentive soils in which healthy crops will thrive.

Where infiltration rates are poor, the result is wet winter ground and dry summer ground – or the worst of both worlds, in which yields

TRANSITION FARMERS: KIT AND BETH SPEAKMAN

For farmer Kit Speakman and his daughter Beth, who will be taking on the Transition Farmer mantle in 2025, building agronomic resilience into the 275ha Essex farm business has been a family commitment for some years.

The farm's light land and drier climate is prone to drought, so preparation for climate change in terms of wetter winters and drier summers has been essential, explains Beth, who recalls that the hot, dry summer of 2022 was a wake-up call.

"We are very lucky because we have a reservoir and lakes on-site, so we can irrigate if necessary," she says. "In that year, we were forced to irrigate wheat for the first time and for several months, as there was no rain between April and October. It added to the costs but it ensured that we did have a crop to sell, rather than a failure."

Future-forward

Beth describes future-proofing the farm as a slow and steady challenge, but one that they are taking very seriously. "We have been building soil organic matter as much as possible for the past 25 years, to help with water retention and infiltration, improve soil function, boost nutrient cycling and provide protection from the elements," she explains.

That's been done predominantly by using farmyard manure, although winter cover crops are also being grown and the straw from feeding and bedding the beef cattle is incorporated. As a result of these efforts, soil organic matter has risen from 2% to 5-6%. "We are seeing a reward," she notes. "The trade-off is that we aren't getting an income from straw sales. Instead, it's an investment in the future of the land."

A wider rotation is also playing its part, and Beth believes that having livestock in the form of both beef cattle and sheep on the farm is a huge benefit. "We've taken some of the risk out by being less reliant on one or two commodity markets, which are very volatile. Having sweetcorn, potatoes and grass for seed, as well as cereals, means we are able to suppress weed, pest and disease burdens, minimising the need for intervention."

The Grade 3 soils require heavy rotation planning to improve cereal yields. "We don't grow second wheats at all – we really believe in diversity." The Speakmans are moving less soil than they used to and have included a bit of direct drilling into the system, helping to keep soils in good condition. However, having potatoes in the rotation and the need to incorporate farmyard manure means that

some ploughing remains essential. Variety choice is changing too, with an emphasis on those that are more tolerant and can cope with the stress that comes with extreme weather patterns.

Going to trial sites and speaking to advisers has helped, with the farm changing from Skyfall to Extase as its milling choice and still hitting the bread-making specification, which Beth credits partly to manures.

FARM FACTS

Little Braxted Hall Farm, Witham, Essex

- Farm size: 275ha
- Annual rainfall: 610mm
- Loamy clay soil

Other alternative crops are always being considered, as they continue to look for ways of derisking the business. Spring crops are kept to a minimum, as the lighter land allows for autumn drilling, even in wetter autumns. A turnip mix is broadcast into standing cereal crops in the summer, so that the cattle can be overwintered on them before the following spring crop is drilled.

"That sequence means that we get three crops in two years, with a Sustainable Farming Incentive payment to negate the cost of the cover crop."

Hedgerow management is an important part of the farm's agronomic resilience, continues Beth. "They really help with the drainage of any wet edges of fields, and also act as a windbreak, to keep crops upright during risky Junes with high wind."

Cost considerations

However, the detail contained in the recent Budget does mean that some of the business's priorities will now be adjusted, acknowledges Beth. "We were hoping to focus on carbon capture and raising environmental and biodiversity standards. But that money isn't forthcoming now and we don't know when or if it will be."

The costs of some of these measures must now be weighed up carefully – especially since Basic Payment Scheme money have been cut. Instead, they are putting time and effort into financial and tax planning, to ensure that the farm can remain in the family and continue to produce food in the most sustainable way.

● See p5 for more on our Transition Farmers

TRANSITION GOALS

- Bridging income gap after stewardship
- Creating integrated farm business
- Increasing grass and widening rotation

Improving resilience starts with soil health

are down and costs are up, says independent consultant Niels Corfield: "It impacts drilling and operations windows, which then results in yield and quality issues. That in turn puts pressure on farm incomes."

Healthy soil is loose; it allows water and air to move through it and you can feel its sponginess underfoot and when you dig it, he adds. "Standing water at this time of year tells you quite a bit about the soil structure underneath.

"If needed, make a plan to fix your soil, using year-round management as far as possible, then supplementing it with the most appropriate mechanical and biological action."

Weather

During the 2023-24 growing season, rainfall was higher than average in every month, except June and August. Temperature was also higher than average across the season, except for June and July. ■

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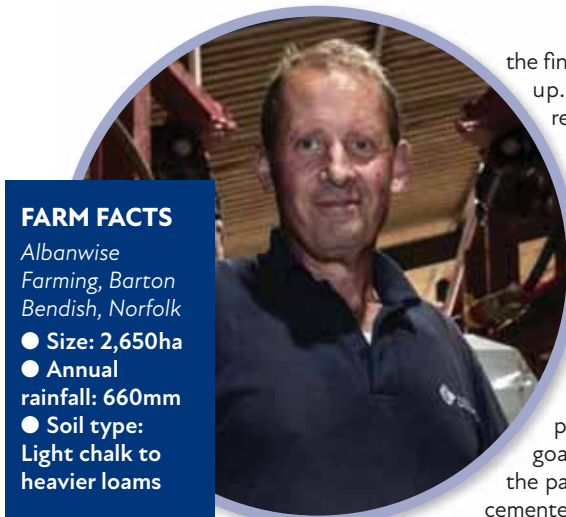
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Oilseed rape dropped and direct-drilling benefits

Our *Farmers Weekly* Transition farmers continue to work towards making their businesses more sustainable. **Debbie James** catches up with two more of them



FARM FACTS

- Albanwise Farming, Barton Bendish, Norfolk
- Size: 2,650ha
- Annual rainfall: 660mm
- Soil type: Light chalk to heavier loams

Duncan Blyth

A big shift in farming policy has seen Albanwise Farming cease growing oilseed rape (OSR) at its Barton Bendish estate in Norfolk, providing the opportunity for winter-grazed catch and cover crops to be established on some of those 240ha.

Cabbage stem flea beetle damage and weather-related challenges at establishment combined with poor prices across successive years meant

the financial return of OSR no longer stacked up. Farm manager Duncan Blyth says returns had been “pretty average” over the past five years. “Based on that five-year average, we came to the conclusion that we were not making money out of OSR,” he says.

The rollout of the Sustainable Farming Incentive (SFI) encouraged the business to increase its acreage of cover and catch crops, in line with its Transition goal of improving soil health, and those 240ha have been part of that. “Improving soil health is a goal we have been working towards for the past five years, but the onset of SFI has cemented the regime,” says Duncan. The business has not yet joined the scheme but is on the point of submitting an application.

In the past four years, through a regular cycle of testing and working with precision farming firm SOYL, it is establishing a baseline of soil organic matter (SOM). Duncan says this baseline will give an important reference point for monitoring SOM levels going forward, which should increase through the inclusion of more diverse crops and other initiatives, such as straw-for-

TRANSITION GOALS

- Improve soil health
- Develop natural capital revenues
- Achieve carbon net zero by 2030

muck deals with local pig farms. The farm also imports poultry manure and digestate from two anaerobic digestion plants.

“With the looming threat of the carbon tax on fertiliser, we have to learn to substitute as much as we can with nutrients from other sources,” Duncan acknowledges. This will help the business in its ambition to achieve carbon net zero on the estate by 2030, although Duncan acknowledges that attaining that target currently seems unreachable.

Over the past 15 years or more, Countryside Stewardship agreements have helped the farm augment natural capital and, since it entered a Higher Tier agreement in 2023, there has been a significant amount of hedge planting and laying. “There is a lot of good stuff going on in terms of putting those features in,” says Duncan.

● See p5 for more on our Transition Farmers

Philip Vickers

The response of farm soils to direct-drilling winter cereals in mid-November verified the wisdom of a policy shift at Raby Estates, Durham. The block hasn’t been ploughed for three years, land which historically was some of the more difficult land to establish. “The drill was running as well as could be expected at that time of the year and that was not the case in the first year we direct-drilled it,” says farm manager Philip Vickers. “The way we now manage the land has definitely made a difference, soils are already more resilient.”

This was after what he reflects on as one of the most difficult years he has experienced in his farming career. Although establishment in

autumn 2023 had been good, in common with many arable growers it went “horribly wrong” in spring 2024, by which time months of rain were taking their toll.

Harvest was protracted and some remedial work with a subsoiler was needed to repair the damage. Yields of spring barley and spring beans were disappointing, but winter barley and winter beans fared better, as did wheat. “The wheat produced substantially more than we had predicted. I am pleased and surprised to see the wheat store full,” says Philip. But he points out that it is margins that matter, not yields, although they feed into those figures.

While the target is to use conventional cultivation to establish only 10-15% of crops, possibly extending direct drilling to all acreage, 30% of fields had to be ploughed this year because of the poor weather. “We are still in the right place though, in terms of improving soil health,” Philip observes.

The challenges of the past year have concentrated his mind on what the cropping plan might look like going forward. “We will

FARM FACTS

- Raby Estates, County Durham
- Size: 1,250ha
- Annual rainfall: 650mm
- Soil type: Loam, high magnesium content



move slightly away from spring cropping and look at options that give entry into wheat, spring beans won’t feature at all.”

A Transition aim to enhance the natural environment sees hedges now cut in a three-year cycle, not annually as had been the case. “We are paying attention to the biomass and allowing the hedges to grow thicker and wider,” Philip explains.

Succession planning: Focus on people involved

Handing your farm business to the next generation is a complex process and must focus on the people involved. **Jonathan Riley** finds out more

The government's inheritance tax changes have thrust succession planning into the headlines. But the financial aspect of succession is only one part of a broad and complex transition process that must be addressed by family farms, according to Prof Matt Lobley of Exeter University.

Speaking at the Transition Project annual dinner on the eve of the Oxford Farming Conference on 8 January, Prof Lobley said it was vital for farm businesses to realise that the wider issues of succession were important and needed to be understood and tackled. Prof Lobley, who has researched farm business succession for more than 30 years, said it was not just the financial side that made the handover to heirs complex. It was the people involved – spouses, sons, daughters, brothers and sisters – who made succession planning challenging, he said.

Starting the process

The whole succession process could be bewildering, Prof Lobley added. "When should discussions start? How should they be carried out? Who should be involved? These are all questions that create challenges," he said. Central to this is the likelihood that the farm is being run by the oldest member of the family and they are likely to retire much later compared with the UK average.

A survey carried out by the University of Exeter's Centre for Rural Policy Research revealed that "retirement" had a very different meaning for farmers.

Only 19% of survey respondents planned on fully retiring. Those who did look to retire or

semi-retire aimed to do so at a later age than the UK average.

Almost half (48%) planned to retire after the age of 70. Reasons for putting off retirement included practical issues such as where to live and how to finance retirement. But it is possibly due to uncertainty over the succession process.

Difficult choice

A farm business may have a number of heirs keen to take the reins, but the scale and setup do not support multiple leadership roles. The decision, then, to pick one and make provision for the non-succeeding heirs is too difficult to broach and simply gets put off.

This reluctance could be behind a finding in the survey that more than a quarter of farmers (27%) have not discussed their retirement plans with anyone. Survey respondents also reported that creating a succession plan was not seen as an essential aspect of business planning. Only 28.3% of respondents with a successor had a formal succession plan in place.

But it is important. There is strong evidence to show that businesses where there is a carefully planned approach to succession are more likely to see better growth and development, Prof Lobley stressed.

Where there are potential successors, Prof Lobley urged farmers to begin formal and business-led discussions as early as possible. These discussions were pivotal and needed to be well-planned business meetings, he said.



Matt Lobley

They also needed to be regular, scheduled meetings so people involved had the chance to help form a workable plan.

At this stage it is advisable to bring in a professional facilitator who has a dispassionate view of the business and the knowledge and experience to draw up a plan. It will cost money to employ a

facilitator, but Prof Lobley said getting the process wrong and facing legal challenges would be more expensive in the long run.

Gender bias

It is worth pointing out that there is still a marked gender bias in the process. A large majority (72.3%) of farmers surveyed identified a son as the person most likely to succeed, compared with only 17.7% choosing a daughter, despite an almost even split in the proportions of respondents with sons and daughters.

While the reasons for this are likely to be complex and culturally ingrained, Prof Lobley said UK agriculture was facing some of the most significant challenges for decades so it made good business sense to draw on the widest pool of possible future business leaders.

Plan the transition

Once the succeeding heirs had been chosen there needed to be a well-planned transition process, he said. The successor must be given all of the business data, projections and accounts and be allowed to gradually assume control, without interference from the retiring farmer. ■

Farmers set to discuss active role in cutting GHG emissions

Farmers are already doing their bit for the environment, but **Jonathan Riley** hears how they could do more to win over the public

Cutting excess nitrogen use and minimum tillage are seen as most effective ways to reduce greenhouse gas (GHG) emissions, according to a farmer survey. The survey, carried out by Agri-food for Net Zero Network+ (AFN+) champion Dr Amy Jackson, showed that many farmers had already adopted a wide range of emissions-reducing measures.

There was also a trend among respondents that indicated farmers wanted to do more to cut emissions. Actions such as covering manure stores and anaerobic digestion were cited as the main ways forward. Other methods of limiting GHGs, like methane-reducing feed additives or improving drainage, were deemed less important options. However, the cost of implementing any of these measures was seen as prohibitive, the

findings showed. More than 40% of responses identified cost as the single biggest barrier preventing farm businesses from taking on more measures to cut GHGs.

Follow-up jury

The full responses from the survey will now be used as the subject matter for a follow-up “jury”, planned for February. The jury will comprise a dozen farmers, who will hear testimony from a range of experts on climate change issues and discuss farming’s roles as contributor and solution. Amy says that increasingly erratic weather events have been linked to rising concentrations of GHGs and methane from cattle farming is regularly singled out for blame. But farming is responsible for just 12% of UK GHG emissions compared

with domestic transport at 28%, she points out.

“This suggests farming is attracting a disproportionate share of the criticism,” Amy says. Explaining her role as an AFN+ champion, she says the situation echoes a similar one 10 years ago when UK livestock was accused of driving drug-resistant infections in human medicine.

Although farming was blamed, the medical use of antibiotics was the leading factor. Arguments over who was causing antibiotics resistance neither resolved the problem nor reduced criticism, says Amy. Instead, livestock farmers and their representatives joined the fight against resistance and halved antibiotics sales, produced healthier animals and created a positive reputation for UK livestock, globally.

Active approach

Amy’s role in helping to co-ordinate the positive approach was key in winning the AFN+ role, a three-year project funded by UK Research & Innovation, which aims to shape the next decade of research to support the reduction of GHG emissions in the agri-food sector.

“Through this project, I want to find a way to help farmers secure a bigger voice in proceedings and, in doing so, help solve the problem of our industry’s response to the climate challenge,” she explains.

“Inaction is not an option. The UK as a whole has binding international commitments to achieve net zero by 2050 and protect 30% of the planet for nature by 2030,” Amy adds. ■

● For further information on the follow-up jury, contact Amy Jackson at amy@oxtale.co.uk

YARA UK JOINS FORCES WITH BRANSTON TO CUT CARBON IN POTATOES

The type of active approach to cutting greenhouse gases through positive work and cross-industry partnerships, suggested by Amy Jackson, has been announced in the potato sector.

Fertiliser manufacturer Yara has teamed up with Branston, one of the UK’s leading potato suppliers and the growers for Tesco Finest white potatoes. Branston’s sustainability commitment led to talks around how Yara could supply lower carbon fertilisers with abatement technology to reduce nitrous oxide emissions.

Alongside supplying fertiliser products, Yara will provide Branston with comprehensive potato nutrition support

focusing on whole plant health to improve yield. This will involve carrying out soil and leaf testing at its Lancrop Laboratories to assess nitrogen use efficiency. It will also identify nutrient deficiencies and provide micronutrient products from the YaraVita range to ensure crops have everything they need.

The initiative amounts to a proof-of-concept project for Yara, aimed at gathering data to demonstrate to Branston and Tesco just how much of a carbon reduction is possible with its lower carbon fertilisers. Included in this data will be verification statements, which will show the carbon footprint reduction of the products supplied.

How to control the controllables

Experts offer tips and advice on how to identify and tackle the controllable challenges facing farm businesses

Farmers and growers need to focus on controllable challenges to improve their businesses' resilience, according to a Transition Project webinar panel. For farms, challenges come from all directions and in greater number than many other industry sectors. For example, the weather and market volatility are beyond the control of managers.

While there are still outside influences on some of the controllables, it is possible to take action. Factors including what areas of the farm to sow, rotations, fertiliser, grass and crop varieties, grazing patterns and feed types can all be controlled. It is, therefore, worth spending less time on the things that are beyond the scope of management and devoting greater energy to business factors that can be controlled.

Starting point

Robert Sullivan said: "The starting point is ideally a review, and we recommend this should be through a whole farm budget and business cashflow." Tom Mason agreed. "You need to understand what you have got and assess the

health of the business and its revenue streams." Analysis of the strengths and weaknesses is a good way to see where the business stands. Then begin to factor in your appetite for risk with a view to investment and new ventures, he added.

Dan Stevenson added that in parallel with those tips is the development of a strategy. "Set targets and milestones to get you to the point where you want to be. That means business aspirations, meeting market demands, environmental targets and personal aims including quality of life and plans for the wider family," he advised.

Data collection

Absolutely key to this is reliable, good-quality data, which will underpin the decision-making process, Robert suggested. Baselineing the farm is a must. Soil analysis and carbon footprinting will yield solid information to support management decisions and a foundation for future funding, whether private or government. Other data sources can be as simple as regular livestock weighing, lambs per ewe, or recording yields, he said. More detailed data will point to which areas of the farm are worth investing in.

Refining and testing

Results should then be viewed against the core values. For example, if a core value is that you want to produce food rather than diversify, use the data to further those aims, said Tom. Once those plans have been set out, it is important to stress test them by looking at how the business would perform when faced with a crisis such as extreme weather or disease outbreaks.

Data limitations

But the panel warned there were limitations on data. Some data streams are complex and can be

misunderstood. Other data can be an anomaly or one-off, which might be misleading and suggest the wrong course of action.

Solutions

Soil analysis will show the nutrient profile, and this information can be used to inform N, P and K applications. Analysis of inputs such as slurry or manure will then allow control of applications and levels of bought-in fertiliser required. Likewise, forage and feed analysis will indicate what additional nutrition is required to boost performance.

Tailoring inputs to achieve an optimum will help to cut costs significantly. Looking carefully at machinery needs and costs of ownership versus hire or contracting will also help to establish the value of a piece of equipment and its contribution to the business compared with something cheaper or employing contractors, Robert said.

By identifying poorly performing areas, it is possible to then look at a range of alternative approaches, such as Sustainable Farming Initiative options, a diversification or private funding streams such as biodiversity net gain (BNG) units. The ideal sites for these ventures are those where food production is uneconomic. But be aware that private funding agreements can be long-term commitments. For example, BNG units typically last 30 years, so decisions must be made carefully. A long-term agreement may offer control now, but could end up controlling what you or your children will do in the future, Dan said. ■

EXPERT PANEL

Transition Project editor and webinar host Johann Tasker was joined by three experts to examine how to identify and tackle the controllable management challenges faced by farm businesses.

- **Robert Sullivan**, director, farm business consultancy GSC Grays
- **Tom Mason**, estates director, Environment Bank
- **Dan Stevenson**, integrated farm management manager, Leaf

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