

Maximum Sustainable Output Farming at High Hall Farm, Croglin, Cumbria CA4 9SG.

12:45 for 13:15, Tuesday 26th Oct 2021



13:15 – 15:30 Walk and Talk with the Stobart Brothers and Chris Clark

High Hall was a conventional mixed livestock farm. Jimmy and Tom will talk about their transition toward Maximum Sustainable Output: how adopting new grazing methods and approaches to their business management has changed their farm operation, increasing profitability; whilst allowing them to have a more relaxed, less intensive farming outlook providing both environmental benefits and better return.

They will talk you through the farm's history, grassland management approach and in the decisions that made them adjust their farming practices, as well as the benefits of the grazing systems which have increased the farm's grazing capacity without the addition of inorganic fertilisers.

15:45 – 16:30 Toward Practical Maximum Sustainable Output (MSO): Round table conversation with Chris Clark and the Stobart Brothers

The availability of "free" grass means that livestock farms are not "standard" businesses. Livestock production beyond the availability of natural grass, the point of **Maximum Sustainable Output**, means farmers are working harder to lose money because variable costs are "kinked" beyond MSO, rising much more quickly and ahead of marginal revenues. Some variable costs. (Productive Variable Costs or PVCs) are unavoidable.

Other costs incurred to increase livestock production beyond that which can be supported by natural grass, for example, artificial fertilisers and hard rations, rise very sharply, producing the "kink" in the variable costs line. These are known as Corrective Variable Costs or CVCs. Reduced production and the avoidance of these costs means more profit for less effort, known as the "less is more" approach. Reducing fixed costs is integral to MSO, to business profitability and resilience. Reduced fixed costs can be achieved by streamlining operations, better utilisation and removal of unnecessary equipment.

Carbon Connects is partnering with Jimmy and Tom to practically test the MSO business model in the real world. The farm's annual accounts, 2011-2020 have been analysed to better understand, which activities are profitable and which are not, directly relating practical on farm operational changes, to subsequent financial results.

16:30 – 17:00 Marketing Ecosystem Services to the Corporate Sector

Peter Nailon, [Wear Rivers Trust](#)

"Natural capital" can be defined as the world's stocks of natural assets, including geology, soil, air, water, and all living things. It is from natural capital that humans derive a wide range of "ecosystem services", which make human life possible. These services include the food we eat, the water we drink and the plant materials we use for fuel, building materials and medicines, flood management, drought resilience climate regulation, carbon storage, insect pollination, biodiversity, health and wellbeing.

These principles of natural capital and ecosystem services underpin the developing Environmental Land Management Scheme or ELMS, based on "public money for public goods".

It is not likely that many livestock farming business in the North of England would remain viable if businesses are unable to replace current agricultural support payments with ELMS payments. Agricultural support means the difference between turning a profit or making a loss, even if costs and returns are minimised through MSO.

Carbon Connects is exploring the marketing of ecosystem services provided by farms, particularly those provided by the continued good management or restoration of peatlands, to the private corporate sector. There is a growing recognition amongst major national and international corporates of climate instability and destruction of natural capital as real business risks.

Carbon Connects is practically testing the principles behind the MSO business model. Matching livestock units to "free" grass densities will generate ecosystem services to be rewarded with public money for public goods through ELMS, and through private finance, if links can be made between the farms producing those public goods and large corporates who wish to be associated with environmental protection, restoration and the ethical and sustainable production of food.

17:00 – 17:30 ELMS Update Andy Dyer, [Eden Rivers Trust](#)

Farmers in England will soon experience the first reduction in the Basic Payment Scheme (BPS) funding, which is being progressively phased out from 2021 to 2027.

Current proposals are that Environmental Schemes (ES) rollovers will probably be stopping after 2023 and eligibility to join Countryside Stewardship (CS) Schemes will be finishing in 2024, though existing Mid-Tier CS schemes (with 1st January 2021 start dates) will be eligible to continue until they expire or a decision is taken to move across onto an Environmental Land Management (ELM) Scheme.

Andy will briefly cover the three schemes of ELM, talking about the Sustainable Farming Incentive (SFI) pilots and SFI22 and what this means for farming businesses, the Local Nature Recovery (LNR) Scheme and the Landscape Recovery (LR) Scheme and Eden Rivers Trusts' bid to run a Test and Trial for LR over the next two years.

17:30 Social: Beer, Burgers & Chat

If you wish to learn more about Carbon Connects and how to get involved contact Admin@wear-rivers-trust.org.uk for more information.

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