

# Poole Harbour Nutrient Management Scheme

## 2021 Spring Trial

March 2021

## What is the Poole Harbour Nutrient Management Scheme (PHNMS)?

PHNMS is a farmer led and managed scheme to reduce nitrates into Poole Harbour from agriculture as an alternative to regulations being proposed by the Environment Agency. It has until 2024 to show it can work using tools that will benefit farmers and support them to reduce nutrient losses or the Environment Agency will begin the process of introducing a Water Protection Zone that will force all farmers to meet a nitrate leaching target.

## PHNMS Trial Overview

The NFU with the support of Wessex Water, the Environment Agency, Natural England, Catchment Sensitive Farming, the Cambridge Institute of Sustainability Leadership, the Poole Harbour Catchment Partnership and other organisations will be running a trial of the Poole Harbour Nutrient Management Scheme (PHNMS) in Spring 2021. **The trial will test the PHNMS concept and will consist of a number of presentations** assessing a number of the components that will make up the accounting and trading scheme for farmer-to-farmer nutrient management including trading with third parties and other sectors.

Along with the key stakeholders mentioned above, the trial will involve approximately 15 – 20 farmers from the Poole Harbour catchment. These farmers have been chosen to reflect a wide and representative demographic of the catchment as well as a good representation of the different farms and soil types etc and will provide essential feedback and guidance in shaping the pilot scheme.

### Key Principles

- This is a 'trial'.
- The trial is a mechanism to test the PHNMS concept.
- This does not create new regulatory precedence.
- Farmers who wish to populate the nutrient accounting tool used in this trial will be anonymous as will their data.
- This does not replace the existing mechanisms for Wessex Water offsetting.
- The learnings from this will inform aspects of PHNMS.

## How it will work:

### Who

The trial will be kept small scale involving circa 15 - 20 farmers. These farmers will provide a representative demographic and varied cross section of the types of farms and farmers within the catchment. Should PHAG not be able to find enough volunteer farmers, there is the option to include the Entrade cohort from Wessex Water.

### When

We aim to commence the trial in April 2021. Results will need to have been captured and analysed by June 2021 leaving a circa 4 month window for additional testing and improvements prior to pilot roll-out in October 2021.

### Process

Farmers will attend a number of presentations with each presentation requiring a feedback form to be completed.

Nutrient management plans can be done as either a shadow exercise, resulting in hypothetical credits, or a real action whereby Wessex Water will purchase the credits. Deficits will not be payable as this is purely a trial exercise. Deficits will be indicative for farmers.

### Timeline & Results

We expect the trial to take circa 2 months to carry out with the results being shared with the farmer group and stakeholders on completion of the trial.

## The Trial Structure

The trial will involve a member of PHNMS alongside a member of the Poole Harbour Agriculture Group<sup>1</sup> (PHAG) presenting the scheme in a number of stages to an audience of circa 15 – 20 catchment farmers. The presentations will include:

Presentation	“PHNMS Rep”	PHAG Director	Presentation Date Agreed
Presentation 1: Initial Farmer Briefing	Tess Tidman (NFU)	Wakely Cox	Tuesday 20 <sup>th</sup> April 9:30 – 10am
Presentation 2: Compliance and Nutrient Accounting	Paul Cottington (NFU)	Mark Pope	Monday 26 <sup>th</sup> April 7:30 – 8pm
Presentation 3: Measures	Charlotte Woodford (CSF)	Will Hyde	Wednesday 5 <sup>th</sup> May 9:30 – 10am
Presentation 4: Accounting Tool Demo and Workshop	TBC	Wakely Cox	Date TBC
Presentation 5: Trading	Dan Sokell (CiSL)	Will Bond	Date TBC

<sup>1</sup> Community Interest Company made up of catchment farmers set up to lead and manage the Poole Harbour Nutrient Management Scheme.

The presentations will be delivered online and will be recorded and made available for those who cannot attend live. They will be approximately 30 minutes long, 20 minutes to present and 10 minutes for questions. A feedback form will be emailed to all attendees at the end of the presentations.

## Key Areas to test:

The trial aims to test a number of key areas including reception, communication, baseline creation, nutrient accounting, compliance, trading and the level of support required. Further detail can be found below structure and key areas to test.

### 1. Farmer Reception

A key element to the trial is understanding the reaction of a whole catchment approach and how the perception of the scheme. The trial will test farmer involvement in the process and what areas need additional support/improvement as well as where the benefits (or not) are. An important aspect is how farmers react to a glidepath that has been assessed against the baseline.

### 2. Communication

Within the trial it is important to assess the methods of communication and how both PHAG and PHNMS reach the catchment and encourage uptake of the scheme. The trial will test all areas of communication and highlight those that need improvement.

### 3. Baseline creation

The baseline will be drawn from accurate farm level data, if however, for the purposes of the trial this is unachievable (numbers are too low for example) a proxy value based on an NVZ averages could be used. The baseline level will then set the glidepath targets.

As an initial approach, the baseline will be established by farmers filling in the initial data spreadsheet created by PHNMS with existing farm practices. It may also prove beneficial to create hypothetical scenarios and run these alongside real farm scenarios. When the scheme is rolled out in full, the baseline will be captured when farmers first complete the NAT.

### 4. Nutrient Accounting Tool

One nutrient accounting tool will be used in the trial. This is likely to be the Environment Agency's Nitrate Leaching Tool (NLT) for a number of reasons. Namely ease of access and regulatory approval – regulator approval will be required if farmers wish to retain the option of Wessex Water buying credits. (Wessex Water are supportive of purchasing credits at the end of the process should they all have been accurately assessed against a consistent and regulator approved tool.)

The trial will not provide the space to test multiple nutrient accounting tools, this can be done during the summer period with (hopefully) a further group of volunteer farmers, or hypothetical population. We have gone out to tender for specialist consultancy advice on what tool/tools are most appropriate for the Poole Harbour Scheme.

As part of the trial we will test the level of support farmers need in populating the tool and the verification process that comes from PHAG once they have done so.

## 5. Trading

As with the accounting tool **a single approach to trading will be used in the trial.** Options/models will be detailed in the Trading presentation.

## 6. Compliance

Options for ensuring compliance will need to be assessed. Currently the factors to consider are self-assessment (and the problems associated).

**All farm data used in the trial will be anonymised as will farmers who wish to populate the NLT.** Farmer and farm names will be hidden with numbering used instead. The Environment Agency will be able to view the results and will provide compliance support and guidance along with Catchment Sensitive Farming and Natural England.

## 7. Support

Nutrient Accounting Tool (NAT) - In order to maximise accuracy and results farmers will need to have support on how to use the NAT. For the purposes of the trial, PHNMS will provide the necessary support with the support of the EA, Wessex Water and CSF.

Trading – PHNMS will provide support on, and access to, trading.

All partner groups in PHMNS will be responsible for overall scheme understanding.

# Additional Areas to Test

The trial presents an opportunity to fine tune and improve all elements of the PHNMS process. The following headings are additional areas that will be tested as part of the trial however these are not essential to the success of the scheme and can be amended over time.

### Role of different stakeholders and partners

Each stakeholder will have an area of specialism and most appropriate area in which to provide support. Further clarity over how much support is needed and where will become apparent as part of the process. However, as a starting point we expect the following stakeholders to provide support in the following areas:

Organisation	Area of Support	Format
NFU	Resourcing and management	PHNMS Project Manager, provision of volunteer members, support and guidance
Wessex Water	Funding/buyer	Option to purchase N reduction credits.
Environment Agency	Measures and monitoring	Guidance on measures, NLT handbook and compliance support
Catchment Partnership	Communications	Provision of website, sharing progress
Natural England	Training and onboarding	Workshops and/or support guidance

Catchment Farming	Sensitive	Training and onboarding	Workshops and/or support guidance
Dorset Council		Wider support	
Bournemouth, Christchurch & Poole Council		Wider support	

### **Administration**

PHAG membership process will involve a number of administrative requirements as part of the joining process to PHNMS. At present this involves, providing relevant personal and farm details, agreeing to the terms and conditions of PHAG and membership approval (this will come from PHAG). Note, for the trial all terms and conditions and joining administration will be indicative only and feedback from volunteer farmers will be sought at the end of the trial. Data and details provided will remain anonymised throughout the trial.

### **Communication and Key Messages**

Communication will be shared via the website as well as partner group mail-outs. Key messages overlap with the narrative on why it is beneficial for farmers to join the scheme. Most importantly it is essential to convey the fact that the Environment Agency support the scheme and, when the scheme is fully operational, will place greater scrutiny on farmers who are not part of the scheme.

### **Resourcing**

Discussions are taking place with Wessex Water for financial resourcing. There may be an opportunity for WW to fund farmers to put measures in place.

PHNMS and all partner groups will provide time and operational support.

### **Stackable Benefits**

Whilst the focus and priority for the PHNMS scheme must be to reduce nitrate leaching, the scheme must ensure that the process is scalable; with the ability to move into phosphate, carbon and other natural capital benefits in the future. This trial will however focus entirely on nitrate reduction.

### **Role of PHAG**

PHAG is a Community Interest Company set up to lead PHNMS. They are a group of 7 farmer directors responsible for driving recruitment and membership to PHAG as well as education and compliance amongst those members.

For further information please contact Project Manager Tess Tidman:

tess.tidman@nfu.org.uk