Solent Nutrient Trading Pilot

Project Update September 2021



Thank you for your continued interest in engaging with this project. In this update we will provide an overview on what we have been doing since the last update and what our next steps are.

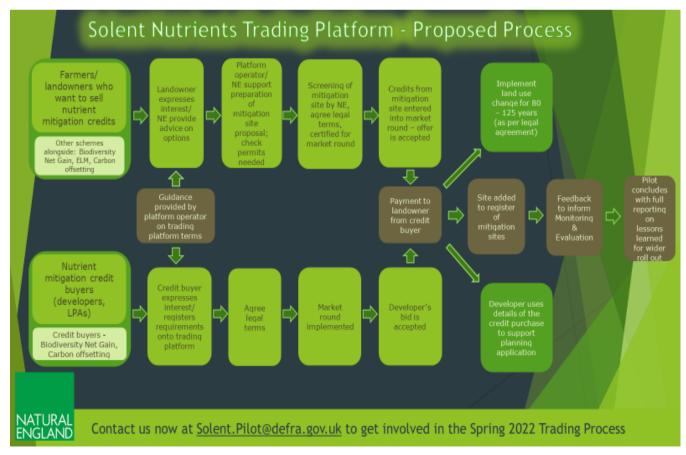
Since Our Last Update

Stakeholder Engagement

- Our landowners survey closed thanks to those who completed this for us.
- We have published two sets of FAQs, one for landowners and one for developers respectively. These can be found on the <u>Partnership for South Hampshire (PfSH) website</u>, who are kindly hosting content for our project.
- We have also just published our first Nutrient Neutrality Case study on the <u>PfSH site</u>, further case studies and other material will be available as it is produced.
- We have continued our communication with landowners and farming organisations through various methods, from one to one contact to producing newsletter articles. We also presented an update on the pilot project at the <u>Solent Stakeholder Forum on Nitrates | Foot</u> <u>Anstey.</u>

The Proposed Process

We have been sketching out the key steps we believe landowners and developers will be required to take to participate in the trading market when it launches next year to give potential users an idea of what they will need to do to take part. Please note, this is only a proposed process at this stage and may be subject to change as the pilot progresses.



Procurement

By early September, the project should have contractors in place to supply key workstreams. The trading platform supplier will develop the online trading platform and pilot the market based approach for long term land use change for nutrient pollution in the Solent area. A monitoring and evallation contractor is also supporting delivery and lesson learning from this new and innovative project.

Water quality modelling and opportunity mapping

Ongoing water quality mapping and modelling is helping to identify locations in the Solent region where land use change would maximise nitrogen pollution mitigation and deliver important wider benefits for people and nature.

Information at a glance

We are developing a series of infographics to present information around the Trading Platform process in a clear, visual format. We've started with the landowner journey as this is central to delivering credits to the market. If you have any suggestions of other aspects of the Platform or its processes that you would like to see explained more clearly, please send them to the <u>Solent.Pilot@Defra.gov.uk</u>.

These are attached in the email alongside this update and can also be obtained on request via the email address above. These infographics are designed to support our conversations with landowners who might be considering working with us to deliver nitrogen credits within the Platform.



Impacts and Overview



Landowner Process

Landowner Survey Highlights:

- There were 77 respondents to the survey, the majority of which were landowners, farmers and land managers.
- Most participants indicated that the Trading Platform needs to provide a genuine new income generation opportunity. We believe it does and the <u>FAQs document for land</u> <u>owners</u> provides more details of how to estimate returns (see question 6 & Appendix 1).

Other key points from participants were: the need to provide more information around the stacking of landscape schemes on mitigation sites, addressing concerns about nutrient neutrality undermining agricultural production and the requirement that the trading platform should provide an accessible and affordable process.

The Next Steps

Landowner Expression of Interest

Attached to the email is a short form. If you are considering participating in the Trading Platform please complete this and email it to <u>Solent.Pilot@Defra.gov.uk</u>. The form should take no longer than 10-15 minutes to complete and will provide the team with the basic information needed to discuss your next steps. There is no obligation to participate if you complete and return the form.

Trading Pilot Landowner Clinic

We are currently organising a clinic for any interested landowners to attend. This will be held between 10am and 4pm. During this time, you will be able to drop in and speak directly to the team at a time that suits you. We will provide information on the Trading Platform, Mitigation options and examples and answer any questions you may have.

This is planned for October 12th in Upper Clatford, near Andover. If you would like further details, please contact the team.

Further Information

Stacking Agri-Environment Schemes

Defra is currently working to refine rules on 'stacking' of payments (e.g. for nutrient mitigation, biodiversity, carbon) from different schemes on the same parcel of land. Our aim is to find a user-friendly and proportionate approach to delivering better environmental outcomes that doesn't discourage land managers from doing more for the environment whilst ensuring that they aren't paid twice for the same outcomes. NE can advise on stacking nutrient mitigation with existing agri-environment agreements. We are also developing further guidance on stacking nutrient credits and biodiversity units. We will keep you updated with this as it progresses.

Nutrient Neutrality in General

For some more background and information on what is happening elsewhere.

Nutrient Neutrality Overview - Partnership for South Hampshire

PfSH have provided further information on Nutrient Mitigation, including Natural England's Nutrient Budget calculator and potential mitigation sites for developers.

Nutrient neutrality - what developers need to know | Havant Borough Council

Havant Borough Council has also commissioned the following reports which have informed our approach to this issue:

- Budds farm catchment study (pdf 2.1 mb)
- Warblington farm study (pdf 2.5 m)