

Defining your business boundaries

Deciding what to include in CALM may be difficult, especially if your business includes residential and commercial enterprises. In essence CALM looks at the land based enterprises i.e. farming and forestry (woodland).

We have outlined some of the issues below. The key thing is to be consistent from year to year to ensure that you compare like with like. We recommend you make a formal record of the land and enterprises you have included in the calculation so you can easily refer back in future years.

- **Farm/estate boundaries** – be clear on what land area you analyse in your account to ensure consistency from year to year. This may need some thought in respect to issues discussed below.
- CALM is equally applicable for **owner occupier or tenanted farms**, or indeed farms which have owned and rented land. The main consideration is the possession of the required information on energy and fertiliser use, and the stocking, cropping, land use change and woodland of the business.
- **For Estates with tenants** - the cropping and livestock of tenants can be included in the Estate account if landowner and tenants are able to work together to compile all the relevant data. If, as will often be the case, the Estate office does not have the detailed data for each tenant, then a CALM account can be done for the in-hand farming and forestry operations of the estate, and any other enterprises under Estate control for which the energy use information is available. In future CALM may offer the facility to tag individual calculations with individual reports – so each tenant can do their own calculation under an ‘estate tag’ giving the opportunity to examine the farms and estate total carbon calculations.
- **Contractors** – Many farms contract out certain operations or enterprises. CALM offers the facility to include estimates of the fuel used by contractors who work on your land by using Horsepower (HP) hours. This ensures that your GHG account accurately reflects emissions from farming operations on your land. Equally users who perform contracting work for other farmers are able to adjust their own fuel use, deducting that which is used off-farm.
- **Share or contract farming** – this is a similar situation to let farms. Co-operation will be needed if a whole estate approach is to be effective.
- **Multiple small areas of woodland** should be added together and included in the total woodland area. Note that hedgerows should not be included in the woodland area. the current view is that these hedges are in equilibrium - that is releasing as much CO₂ as they are storing in any year. Likewise, the current scientific view of orchards is that they too are in equilibrium - as much CO₂ is released to the atmosphere from the crop and the orchard management (pruning) as is captured.
- **Other businesses in buildings** let on the estate would generally not be included. If the energy invoices include these their use should be deducted. The energy use, and associated emissions, in this interpretation are allocated to the businesses occupying the buildings not the Estate.
- It would seem sensible to treat **energy used in farmhouse** as per farm accounts.
- **Energy used in commercial buildings** may be included if the commercial operations are part of the farm or Estate business under analysis, but ensure that you are consistent if annual calculations are completed.
- **Short term grazing agreements** – the animals grazing on the land of the business under analysis should be included. This may be done by taking the annual average livestock numbers of the animals grazing on your land and the actual grazing days. E.g. if you have 500 ewes grazing for 3 months, then you should enter in the calculator a quarter of these numbers i.e. 125 ewes, as though they were on the farm year round, but still enter 3 months, i.e. 90 grazing days.