

Parliamentarians for Agroecology

Parliamentary Briefing: Agroecology and grasslands in the ELM Scheme
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Permanent grasslands cover [nearly 40% of England's farmed landscape](#) and are among the UK's most important yet under-recognised assets for climate, biodiversity, food security and rural economies. Species-rich grasslands and floodplain meadows are productive farmland, capable of delivering nutrient-dense food while also supporting wildlife, improving soil health, storing carbon, slowing floodwater and reducing pollution.

Despite their multifunctional value, grasslands have been consistently undervalued in agricultural policy. Monoculture “improved” grassland now covers nearly a third of England and delivers few environmental benefits, while species-rich grasslands and wildflower meadows have declined by 97% since the 1930s. The Environmental Land Management (ELM) scheme — and particularly the Sustainable Farming Incentive (SFI) — is now the primary mechanism for reversing this trend, and delivering environmental outcomes that provide value for public money.

Parliament has a key role to play in ensuring that SFI prioritises farming systems that deliver food production and environmental outcomes together, addressing concerns about productivity while maximising benefits for nature, climate and food security. In particular, parliamentarians can:

- Support the retention and strengthening of permanent grassland actions within SFI
- Call for payment rates that properly value low-input, pasture-based systems
- Advocate for clearer eligibility criteria in grassland actions to increase uptake.
- Use a PQ to encourage Defra to recognise grasslands as productive, multifunctional landscapes central to the UK's agroecological transition.

The role of the Sustainable Farming Incentive

The SFI is central to unlocking the value of permanent grasslands. Many farms manage mosaics of grassland and other habitats. SFI actions should reflect this reality by enabling integrated management across habitats. Several key actions are particularly important:

- **Species-rich grassland and floodplain meadow actions**
The SFI action for managing and restoring species-rich grasslands (GRH6), alongside the new floodplain meadow action (CGS18) under Countryside Stewardship Higher Tier, are widely supported by farmers and environmental organisations. These actions deliver multiple public goods while keeping land in food production. Payment rates for GRH6 and CGS18 are lifelines for livestock farmers and should not be reduced. Small clarifications to eligibility criteria would further increase confidence and uptake.
- **Low-input grassland (CLIG3)**
The low-input grassland action plays a crucial role in supporting farmers to reduce fertiliser use, cut emissions and build soil health, while acting as a stepping stone towards more ambitious agroecological management. This action should be retained and strengthened. Payment rates should be at least equivalent to temporary grassland options to avoid perverse incentives that risk damaging habitats.

- **Avoiding unintended consequences**

Previous SFI and CS payments incentivised the inappropriate establishment of herbal leys on land that should have remained permanent grassland, leading to the irreversible loss of some of England's rarest habitats. Future SFI iterations must include clearer eligibility rules and better-balanced payment rates to ensure positive environmental outcomes that deliver value for money.

Grasslands, climate and biodiversity

Grassland soils are the major carbon store in temperate climates, with well-managed permanent pasture acting as a long-term carbon sink. Restoration and sensitive grazing management improve soil structure, increase organic matter and enhance resilience to drought and flooding. These outcomes directly support the government's Environmental Improvement Plan and climate commitments.

Grasslands are also biodiversity hotspots. In the UK, at least 42 endangered bird species depend on lowland semi-natural grasslands during their lifecycle, while chalk grasslands alone host extraordinary plant and fungal diversity. ELM already plays a critical role in delivering habitat outcomes: in 2023/24, it supported the management of 3,698 hectares of wildlife-rich grassland. However, the scale of opportunity remains far greater if permanent grassland actions are protected and strengthened.

Grasslands, food security and rural economies

Grazing livestock convert grass — which humans cannot eat — into high-quality protein, fats and micronutrients, including vitamin B12. [Modelling from the Sustainable Food Trust](#) of a fully agroecological UK food system suggests that predominantly grass-fed livestock could supply around a third of national protein requirements while complementing, rather than competing with, crop production. In landscapes vulnerable to climate change impacts, such as floodplains or coastal areas, species-rich grasslands enable farmers to continue to produce food and benefit nature, rather than more intensive land use practices.

Grassland systems are also economically important. Livestock farmers are more reliant on agri-environment payments than other farm types, and [research](#) shows that pasture-based systems can achieve significantly higher net farm incomes than conventional benchmarks. Grasslands therefore underpin both viable farm businesses and the cultural and social fabric of rural areas, from upland farming systems to lowland meadows.

Rangelands, grazing and agroecology

Agroecology offers a practical framework for transforming the UK's food system to meet environmental, social, and economic goals. [Defined by the UN FAO](#) as "an integrated approach that applies ecological and social principles to the design and management of agricultural systems". Grazing and agroecology are deeply interconnected. Agroecology provides the framework that explains *how* grazing and hay/haylage production should function within these systems. Rather than treating livestock as industrial units, agroecology integrates animals, plants, soils and people, through rotational or mob grazing to allow for hay production and pasture to rest and regenerate.

Written in partnership with Sustainable Food Trust, Plantlife International, Floodplain Meadow Partnership, and Pasture For Life

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