

Contract growing to ‘expand’ forage stocks

Growing maize under contract, or any formal agreement, off farm is proving increasingly popular with UK producers, not least because it can help to bolster forage stocks and take some of the stress out of what is a specialist job.

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Growing maize under contract can benefit dairy and arable producers alike. Dairy producers can grow more forage than their own units can support and they can have access to specialist kit and knowledge. Their land may also be marginal, whereas a neighbouring arable unit may have land that’s better suited to growing maize.

And this also comes with a myriad of benefits, including potentially higher yielding and better-quality crops. And growing maize as a break crop can also offer arable producers a chance to control blackgrass and other persistent weeds, as well as the opportunity to apply farmyard manure. So little wonder that it’s becoming a popular arrangement between producers across the UK. Derbyshire-based producer Bill Holland, who runs a 400-strong herd at Harehill Farm near Sudbury, has been growing maize under agreements with several neighbouring arable units for several years. He says it’s key to ensuring that he has a sufficient ‘buffer’ of high quality silage. This approach certainly paid off in 2018. He has more than enough forage to see the herd, which is housed all year round, through this winter. But the late spring and dry summer certainly took their toll on silage production. “Feeding maize 365 days a year means we have to plan for bad years and aiming to grow around 25% more than we need in any one year is a key part of this.”

He has 122 hectares of grassland for silage and grows 20 hectares of cereals to break up the maize and produce wheat for the caustic-treatment. And he grows

80 hectares of maize each year – around 48.5 hectares are grown on farm and the remaining 31.5 hectares are grown on neighbouring farms either on rented land or under contract. In total, he aims to produce around 2,500 tonnes (fresh weight) of maize silage a year.

Whether maize is grown on the farm or on neighbouring rented or contract land, the production system is by and large the same, he says. “We tend to use Picker as our mainstay. This is an ultra-early variety that, considering we’re at the foot of the Peak District and pretty much on the edge of where maize growing is feasible without plastic, yields really well.

“Most importantly, it is reliable and ‘finishes’ properly. So the maximum amount of starch is laid down and it even showed a fair degree of drought tolerance in 2018. The varieties Legolas and Ballade also do well up here and on our neighbouring farms.”

He says that not only does growing maize under contract or on rented land allow him to keep a buffer of between 500 and 600 tonnes of maize silage, but it also allows him to rotate his land properly. “It builds an element of flexibility, as well as security, into my forage production system. And this certainly paid off in 2018. Our forage stocks have been good this winter and, going forward, I know I can replenish stocks in 2019.”

Agreement terms

Promar International’s Nigel Davies stresses that, as with any contract, it is essential to have clarity and agreement on the terms. “While having maize grown on contract can be a way to boost forage stocks without compromising cropping and management on the home farm, it is important that all parties are clear on responsibilities and costs,” he says. “At the onset, both parties need to agree the form of the arrangement. “As the purchaser, what are you asking the grower to do? Are they growing a standing crop that you will harvest or are you going to buy harvested forage? This will affect the cost of the contract.

“In many cases we see arrangements where the grower

Bill Holland, producer:
“Growing maize off farm ensures a sufficient ‘buffer’ of high-quality silage”





Nigel Davies,
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covers all the growing costs and agronomy, with the purchaser arranging harvesting and clamping,” he says. “This has a big benefit in that it allows the party who will be using the forage to have control of many of the factors affecting feed value, such as chop length, harvesting dry matter, and actual clamp management.” But Mr Davies stresses that it is important to recognise the different objectives of the parties in the agreement. “And we would recommend that both parties agree on the variety to be grown. The dairy producer wants quantity and feed quality, but the grower will want a crop that is off early so that any following crop can be established in good time. There is a good selection of early maturing varieties with good feed value, so there should be a variety to suit all arrangement.”

Payment method

Mr Davies also says that it is vital to agree the basis for payment. Many arrangements are based on a hectare payment, with the crop grown with agreed inputs. “This is transparent but bears no relation to the yield and quality of the crop,” he says. “One way around this is to agree a price per hectare based on an anticipated yield, for example 42 tonnes per hectare. If the yield exceeds this then the price per hectare increases by an agreed amount per tonne. If yields are below the threshold then the price per hectare is reduced accordingly.”

Mr Davies says that this approach has the drawback that it is based on fresh weight, which bears no relation to how the crop will feed. One approach that overcomes this, and is commonly used by AD operators who purchase significant quantities of maize on contract, is to agree a payment per tonne of dry matter produced. “Whatever payment method is used, it is essential that it is clearly agreed in advance of the crop being drilled. It can also be beneficial to agree to appoint a third party to independently monitor the crop. An agronomist, for example, can make decisions on how the crop is grown and also advise on harvest date.

“Finally, agree the payment terms,” stresses Mr Davies. “In most cases, this will involve an agreed fixed amount per hectare early in the season to cover cashflow for inputs, with a balancing payment once the crop is harvested.” |