

Farming Up-Hill

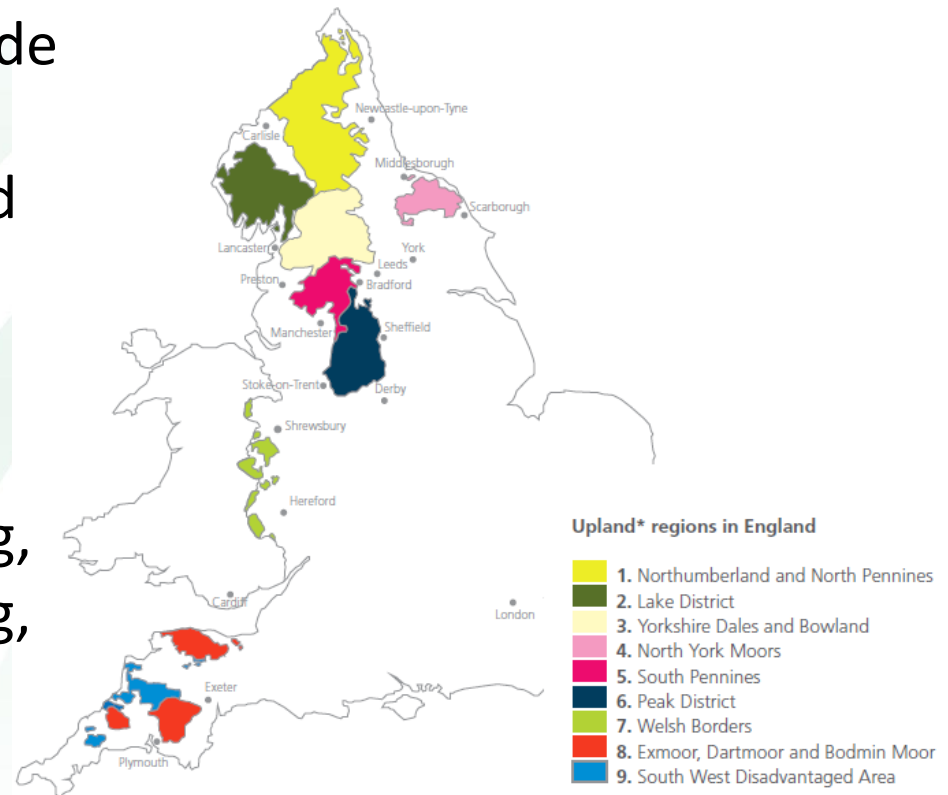
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Non-peat upland farmer?

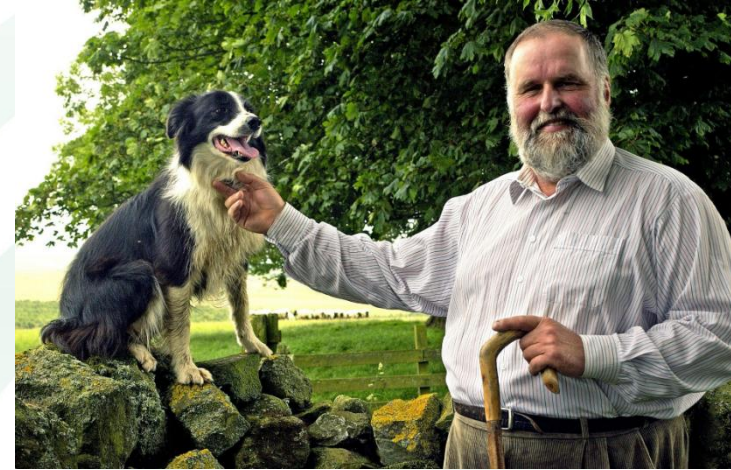
Upland regions in England

- The uplands cover 2.2million ha (17%) of England and are made up of three principal regions: Northern, West Midlands and the South Western Uplands
- Each upland region has a distinct character but farming, in particular livestock farming, is core to each



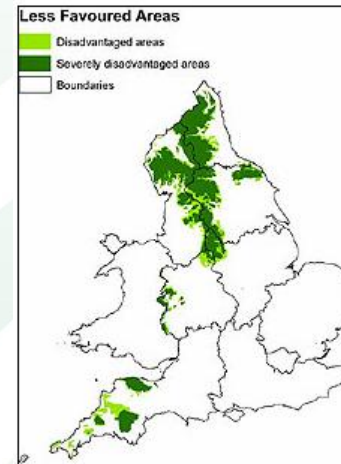
Uplands?

- There is no statutory definition of ‘uplands’, but it is generally accepted to refer to areas of mountain, moor and heath, high ground above the upper limits of enclosed farmland, largely covered by dry and wet dwarf shrub heath species and rough grassland. Hill farms also have adjacent land in the form of semi-improved and improved grassland that are used in conjunction with the moorland and rough grazing.



Terminology

- Less Favoured Area (LFA)
 - Determines eligibility for EU financial support (2014)
- Severely Disadvantaged Areas (SDAs) & Disadvantaged Areas (DAs)
 - Generally suitable for extensive livestock production as restricted by soil, relief, aspect or climate conditions



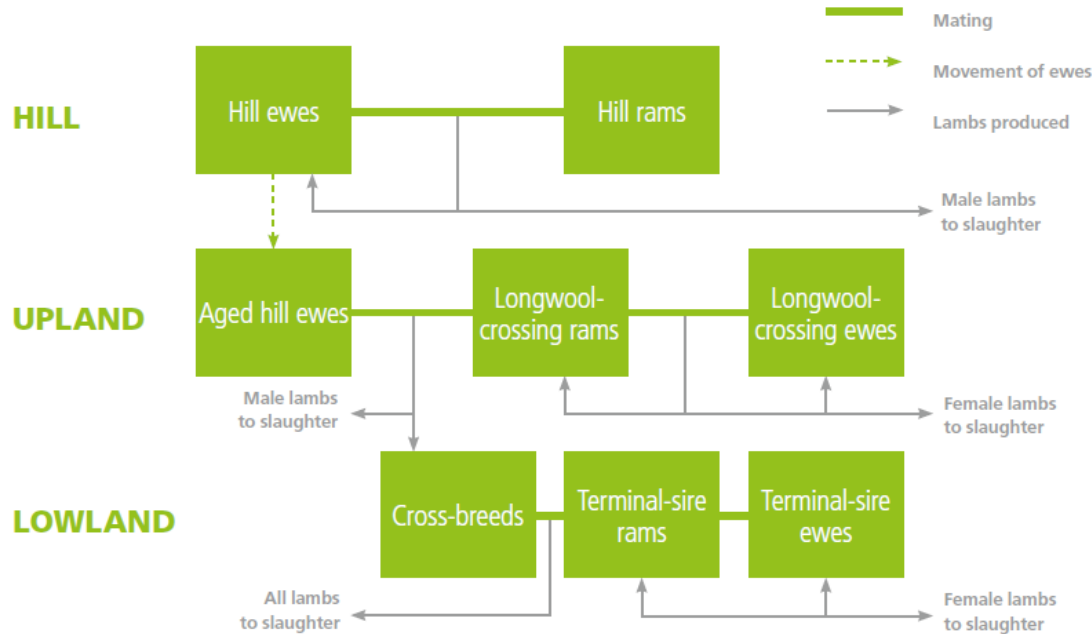
Upland Farming

- Grazing livestock (predominantly sheep) accounts for 89 % of commercial farms in Severely Disadvantaged Areas (SDAs)
- There is an approximate 50:50 split of land on LFA farms that is owner-occupied or rented on tenancies



Livestock

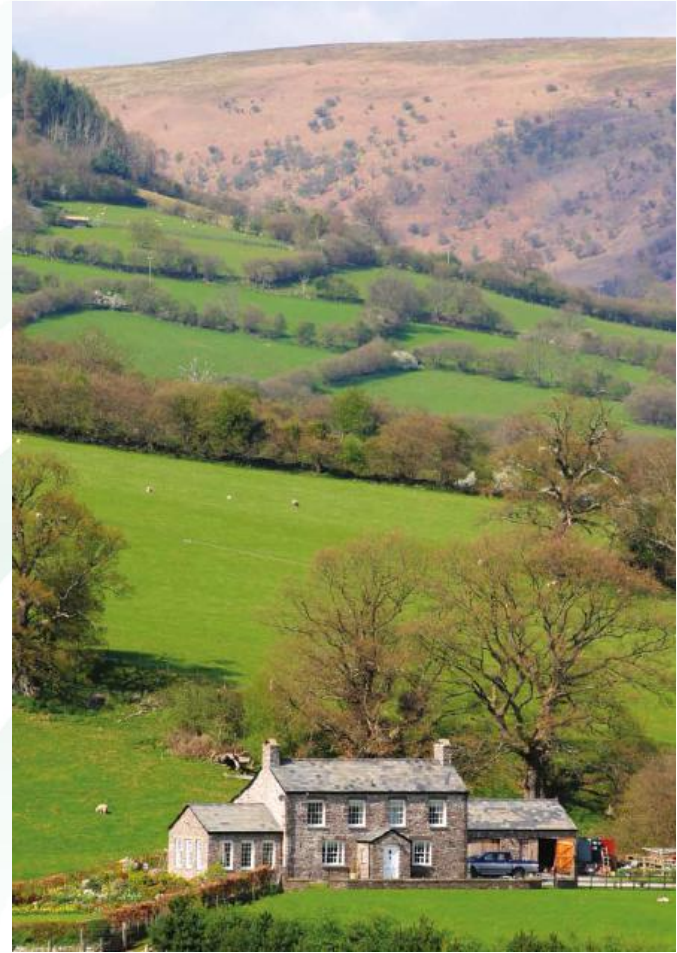
Sheep Industry Stratification (9)



- Livestock farming is the dominant enterprise of the uplands using 70% of the land and underpinning rural economies
- The uplands/upland fringe are home to 44% of breeding ewes and 40% of beef cows in England

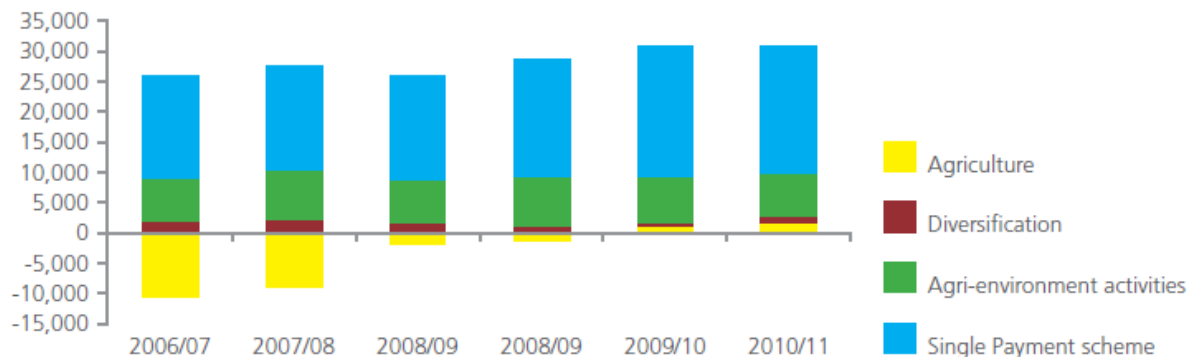
Upland Farming

- The majority of farms are small with 80 % of the 45,000 people employed in agriculture on Less Favoured Areas (LFAs) being responsible for the day-to-day operation of the farm
- There was a reduction of 17% in the number of medium sized farms between 2000 and 2010 and an increase in larger farms (CAP – Future?)

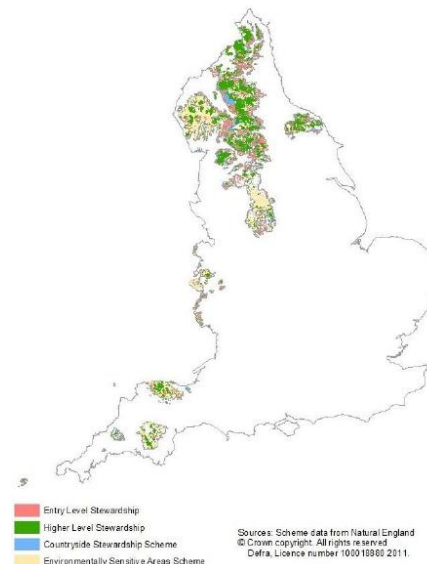


Economics

Average Farm Business Income for all farm types in Less Favoured Areas, 2006/07 to 2010/11



Agri-environment Scheme Uptake in Severely Disadvantaged Areas, Summer 2011



- Commercial farming continues to face sustained economic pressure, characterised by consistently low levels of profitability and a high dependency on agricultural and environmental payments
- Planning issues and restrictions
- Delivering money to the farm gate (diversification?)

Support Reform

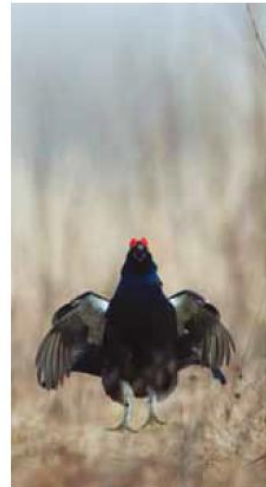
- Moving from Single Payment Scheme (SPS) to Basic Payment Scheme (BPS)
- Online System – Broadband?
- Limited change in the uplands under BPS rules compared to say a lowland arable farmer (greening etc.)

Support Reform

- Key points
 - Moorland and SDA entitlements will be increasing in value from 2015
 - No fundamental changes to basis of support – still decoupled etc.
- Areas of concern
 - Eligibility rules – limit of 100 trees / hectare
 - Common land is being remapped and ineligible areas are being interrogated
 - Active farmer test may be a challenge to some if they are operating certain diverse enterprises – more details on this test at the end of the month.

Support Reform

- New Environmental Land Management Schemes (NELMS)
 - Budget c. £3.1bn (most committed agreements) leaving **c. £900m** available for new NELMS agreements
 - Biodiversity should be the priority... will also make an important contribution to meeting our water quality and flooding benefits commitments
 - Top, Middle and Other (CSF, capital items, etc.) = %'s???



Future Ideas

- Increase productivity of livestock and land without negative impacts on the environment
- Increase diversification where the option is available
- Shared best practice
- Better management of the risk associated with the longer production cycle of upland farming (when compared to lowland farming)



Thank you

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