

Uplands Alliance

A network for England's Uplands

Creating a Brighter Future Project

**Meeting with
Hill Farmers from the Lake District & Northumberland
held at
Low Hullock Howe Farm, Bampton, Cumbria
on 10th July 2019**

Meeting Notes

1 Welcome & Introduction

- 1.1 An attendance list is at the end of these notes.
- 1.2 This was a meeting for the hill farmers but everyone was invited to engage in the discussion about the issues.

2 The Creating a Brighter Future Project

- 2.1 The objectives and outcomes of the first CABF meeting, held in London on 18th March 2019, were summarised:
 - 2.1.1 To enable hill farmers to contribute to the development of Defra's future farming policy and assess the likely impacts of emerging policy on upland farming, including consideration of the livestock production trade and the delivery of public benefits.
 - 2.1.2 To identify how hill farmers can best contribute to the development of ELMS.
 - 2.1.3 To assist the UA in reaching out to support hill farmers through this period of transition.
- 2.2 It was noted that the discussion had focussed on eight issues:
 - 2.2.1 Succession
 - 2.2.2 Financial pressures
 - 2.2.3 Landlord – Tenant
 - 2.2.4 Trends in the Tenanted Farm Sector
 - 2.2.5 BPS
 - 2.2.6 Other Schemes
 - 2.2.7 The Agricultural Bill
 - 2.2.8 Environmental Land Management Scheme
- 2.3 During the meeting, the idea had been developed to invite the hill farmers, who attended the meeting, to hold follow-up meetings in their local area. This was one of nine meetings that are being held throughout the English uplands in July.
- 2.4 Short notes will be taken from each meeting and circulated to those who attended.

2.5 All the notes will be collated into one report, which will be passed to Defra. Copies of this report will be circulated to everyone who attended the meeting and it will be made available through the Uplands Alliance network.

3 Hill Farmer Views - best hopes, worst fears,

Best Hope	Worst Fear
The new scheme will make agreed payments on time – monthly / quarterly payments will be considered.	Farmers will become ‘park keepers’.
Future payments will not be based on the area of land.	The campaign to encourage less consumption of meat will restrict the market.
The fact that every farm is different will be recognised.	There will be continuing pressure to reduce sheep numbers. This is not based on sound farming / environmental reasons.
The new scheme will be less prescriptive and will introduce more flexibility to adjust to local conditions and opportunities.	Restrictions will not allow farm management decisions to be made.
Farmers will no longer be painted as the villains.	Stress levels continue to rise.
The role that Commons play in delivering environmental benefits will be recognised.	No recognition is given to the value of hefted flocks, which is the result of development over many generations.
The next generation will be retained in farming and they will be able to run viable farming businesses.	There will be nothing to keep the next generation of farmers on the land.
The value that farmers and farming add to the countryside and its communities will be recognised.	A shift to ‘rewilding’ will remove a lot of good land from production, leaving only marginal land for farming.
There will be a route to obtain a second opinion, if there is disagreement about interpretation of scheme rules.	The turnover of staff in the agencies will continue so that there is no continuity or consistency of advice.
There will be a better connection with members of the public so that they understand what farmers do.	
The knowledge and skills of farmers will be respected.	
Farmers will work more closely with other interests in the countryside.	
Landlords will not be able to hold tenants / commoners to ransom over approval to enter schemes.	
Common sense will flourish.	

4 Environmental Land Management (ELM) Scheme

- 4.1 Louise Maguire is a member of the Tests & Trials Team working on the development of Environmental Land Management at Defra; she provided an update about the development of the scheme.
- 4.2 As the ELM scheme is still under development, some of the details were provided in confidence and are not included in these notes.
- 4.3 The fundamental principle of ELM is to provide public money for public goods, and Defra is seeking to co-design it with the farming community.
- 4.4 The objectives for ELM include:
 - 4.4.1 Transforming the role that agriculture and other land management activities play in delivering environmental goods.
 - 4.4.2 Generating public goods from public money and being a major component of the delivery of the 25yr Environment Plan.
 - Food production is not a public good, as it is rewarded by the market.
- 4.5 Under current plans, direct payments will be phased out and end in 2027. ELM will offer support with productivity, research & development, skills development, data collection and analysis and increasing resilience. A range of funding methods are being considered, such as: reverse auctions, use of net gain from development, payment by results, nature recovery networks and support from the private sector.
- 4.6 It is proposed that ELM will pay for the provision of six public goods:
 - 4.6.1 Clean and plentiful water
 - 4.6.2 Clean air
 - 4.6.3 Thriving plants and wildlife
 - 4.6.4 Reduction in and protection from environmental hazards
 - 4.6.5 Adaptation to and mitigation of climate change
 - 4.6.6 Beauty, heritage and engagement with the environment
- 4.7 To test the proposals for the new scheme, a series of pilots (Tests & Trials) will take place 2021-2024, with a view to the new arrangements starting to be implemented from 2024. The aim will be for payments to be linked to achieving agreed results (payments by results).
- 4.8 The tests and trials will feed into a National Pilot that will have the objectives of:
 - 4.8.1 Testing the scheme before it is launched to make sure it works,
 - 4.8.2 Increasing confidence that the scheme will work,
 - 4.8.3 Proving that it is able to work in different locations,
 - 4.8.4 Increasing collaboration to allow work to take place at a greater scale, and
 - 4.8.5 Providing more scope for innovation.
- 4.9 Direct production subsidies will no longer be paid but productivity support, in the form of grants or loans, may be available in the future.
- 4.10 Eligibility criteria are being reviewed. Funding may be available to anyone who can demonstrate the delivery of public goods.

5 Key issues for the future of Hill Farming in the Lake District

- 5.1 Late payments from RPA produce great financial pressures resulting from an inability to pay suppliers on time; late payment also places restrictions on farm business planning and development.
- 5.2 As a result of the payment delays, a very large amount of time is wasted chasing payments and juggling finances, which would be better spent running the farm.
- 5.3 When the basis of payment is Income Foregone, farmers are already out of pocket. Payments must be made to an agreed timetable, without slippage.
- 5.4 Overall farm incomes need to increase. 35yrs ago, it was possible to make a living on a farm in the area with 110 acres of land; this is no longer possible.
- 5.5 Farmers are an integral part of the local community. Many come from families that have been in the area for generations and they are a balancing force for all the more recent incomers, who often only live in the area part-time. As the number of farms declines, so the local community structures shrink.
- 5.6 Many farmers, the younger farmers in particular, are working off the farm, often in several different roles.
 - 5.6.1 This can be in farming related activity (e.g. silaging, wall repairs, hedging), but to be viable some farm businesses rely on income generated (often by spouses / partners) from unrelated activities.
 - 5.6.2 The time pressure that this generates increases stress on the farmer and on family life and restricts the amount of time available to manage and maintain the farm.
 - 5.6.3 It was reported that one young farmer worked full-time on his parent's farm and then full-time off the farm.
- 5.7 There are reports about Landlords wanting too large a slice of the income generated through grants / subsidies, leaving not enough to justify the farmer entering a scheme. This is a problem that should be addressed as part of the development of a new scheme.
- 5.8 There should be a way to assist new entrants into farming to get started. Also, there should be a way to encourage farmers to retire to make way for their successors.
 - 5.8.1 A problem area is housing. There are few places for new entrants or for retiring farmers to move into while staying within the community.
- 5.9 Farmers seeking to buy land, property or stock can face a timing problem.
 - 5.9.1 Support payments are made annually or biannually but these payments may not coincide with stock sales or when property or land is available to buy.
 - 5.9.2 Loans to bridge the gap are difficult to come by.
 - 5.9.3 The problems are further compounded by the timing of payments being unpredictable.
 - 5.9.4 Spreading the timing of payments and making them on time would ease these problems.

- 5.10 The ability to penalise farmers has been included in the schemes but this risks tarnishing everyone. A better system would be to tackle individual problems and not design schemes that assume there will be fraud / cheating.
- 5.11 Farmers in the uplands are already delivering a large amount of public goods.
 - 5.11.1 As a result, is there a danger that they will not be able to claim for the same level of enhancement, as other farms that provide fewer public goods.
 - 5.11.2 How will this be dealt with in the scheme?
- 5.12 It may be difficult to enhance the current delivery of public goods – the land and the farming business may already be at full capacity.
 - 5.12.1 Will the new scheme provide funding for maintenance work (required to maintain the delivery of public goods) as well as enhancement?
- 5.13 In view of the multiple occupancy, common land will be a particularly difficult area for the new scheme to address.
 - 5.13.1 For example, there may be 30 commoners but only a small proportion of these will be active.
 - 5.13.2 Commoners often have grazing rights only. How will any payments for public goods be shared with the landowner? For example, a landowner can retain carbon rights in new tenancy agreements in anticipation that payments may be made for carbon capture and storage.
 - 5.13.3 This may reduce the share of the overall funding available to farmers.
- 5.14 Collaborative working has some attractions but it is often difficult to make this work.
 - 5.14.1 Where there are different types of occupation of the land there will be different objectives.
- 5.15 The production of food is not a public good, as it has a market. However, as the food security element of local production is difficult to obtain additional value from, should it be considered as a public good?
- 5.16 There is agreement that some form of advice would be helpful to explain the new scheme and to guide farmers in the delivery of the scheme's objectives.
 - 5.16.1 The model of the ESA Scheme advisers could be used, but advisers could come from the private and/or the public sector.
 - 5.16.2 It would be better to have more than one adviser available so that farmers could appoint the one most suited to their needs.
 - 5.16.3 Advisers should be trained so that they can liaise between farmers and the agencies.
 - 5.16.4 The success of such an approach would depend on the capability of the advisor.
- 5.17 Resources should be allocated to allow advisors to monitor the delivery of the scheme.
 - 5.17.1 This would allow management plans to be adjusted to take account of changes in conditions or circumstances and maximise the delivery of public goods.

- 5.17.2 If advisers have a continuing role they may be able to intervene before any problems with delivery become irredeemable.
- 5.18 Causes of stress were identified:
 - 5.18.1 Uncertainty about the timing and size of payments.
 - 5.18.2 The threat of disproportionate penalties.
 - 5.18.3 Lack of accountability within the agencies.
 - 5.18.4 Inability to discuss any payment issues with someone who can answer questions / deal with any problems.
- 5.19 There is a need to establish better communications with the general public to explain the good work that farmers carry out as part of their daily activities.
 - 5.19.1 This will also help to dispel some of the myths about farming and farmers.
 - 5.19.2 The efforts to improve communications should start with school children.

6 Actions

- 6.1 These notes will be circulated to all who attended, or expressed interest in, the meeting.
- 6.2 The notes from all the nine CABF meetings will be combined into one document and submitted to Defra. This document will also be made available to everyone who has attended the meetings.
- 6.3 Farmers were asked to provide their e-mail addresses to allow contact to be maintained.
- 6.4 The Federation of Cumbria Commoners has applied for one of the ELM scheme Tests & Trials. If the application is successful, farmers may be able to support the delivery of this.

7 Recommendations & Conclusions

- 7.1 Defra should be asked to respond to the report from the CABF project and this feedback should be circulated to the farmers.
- 7.2 The farmers should consider further meetings and discussions to include others who were not present at this meeting. If a further meeting(s) takes place, additional input from Defra should be requested.
- 7.3 Based on the length of time that the support schemes under the CAP took to develop, the new arrangements that are put in place as we leave the EU will be influencing agriculture for many years. Therefore, this is a once in a generation opportunity to contribute to setting up arrangements that work; hill farmers are encouraged to keep up to date with developments and discuss the options and opportunities with other farmers.

8 Thanks

- 8.1 Carl Walters was thanked for hosting the meeting in the very appropriate, agricultural setting, and Ruth Walters was thanked especially for providing an excellent lunch. The efforts of John Atkinson and Viv Lewis to organise the attendance at the meeting were gratefully acknowledged.
- 8.2 Special thanks were given to Louise Maguire for the ELM presentation and her input to the discussion during the meeting. The farmers valued the opportunity to talk directly to someone from Defra about these pressing matters.
- 8.3 Delegates were thanked for their attendance. The input from the younger farmers was appreciated in particular.

Attendance List

Name	Surname	Area / Organisation
Farmers		
Jonny	Archer	Allendale
John	Atkinson	Coniston / FCC
Will	Benson	Grasmere
Tony	Booth	Kentmere
Craig	Fearon	Borrowdale
Tom	Iredale	Patterdale
Viv	Lewis	FCC
Charles	Raine	YoungsRPS / FCC
Dave	Smith	Matterdale
Carl	Walters	Bampton / FCC
Ruth	Walters	Bampton
Other Attendees		
Louise	Maguire	Defra
Simon	Thorp	CABF
Apologies		
Jim	Campbell	FCC
Jack	Cartmel	Matterdale
Rachel	Cartmel	Matterdale
Mark	Curr	Ravenstondale
Stephen	Ivinson	East Fellside
Sam	Rawling	Kinniside
Johnny	Toppin	East Fellside

FCC – Federation of Cumbrian Commoners