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Farming in the South West Uplands

Matt Lobley, Michael Winter, Allan Butler and Rob Fish

CRPR Research Paper No 33



Sustainable Rural Futures Research Programme

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The views expressed in this report are those of the authors and are not necessarily shared by other members of the University or by the University as a whole.

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1. Introduction

The main purpose of this paper is to report on the findings of a survey of upland farmers undertaken as part of the Sustainable Rural Futures Research Programme. However, it is important to provide some policy context at the outset. The past three years has seen an unprecedented policy and academic¹ focus on the uplands. In policy terms this started with the Rural Advocate and chair of the Commission for Rural Communities (Stuart Burgess) highlighting to the then Prime Minister Gordon Brown) the particular concerns he had picked up in his visits to upland areas. As a result of this the PM invited the CRC to undertake a wide ranging inquiry into the social, economic, environmental and agricultural challenges besetting the English upland areas. The CRC (2010) report was published soon after the change of government in 2010. Notwithstanding a commitment by the Coalition Government to abolish the CRC, and a major reduction of its budget in the interim, the Coalition gave early signals that it intended to pursue the uplands agenda and encouraged the CRC inquiry members² and other stakeholders to engage in a policy review process in the autumn and winter of 2010-11. This led in March 2011 to the publication of Defra's own policy review (Defra 2011) and a continuing policy dialogue in the subsequent period. Defra has rejected the CRC's recommendation of a new integrated strategy for the uplands and is seeking to reflect the needs and potential of the uplands in national and local policy-making and delivery.

In the case of uplands agriculture, the subject of this report, objectives identified by both the CRC and Government will therefore be pursued through a diverse set of measures and initiatives such as CAP reform and the development of markets for ecosystem services. Thus the policy context relevant to uplands farming must also include the natural Environment White Paper presented to Parliament in June 2011 (Defra 2011) which places great emphasis on the ecosystems approach. Only time will tell whether a combination of CAP reform, new policies for nature and changing commodity markets, will combine to alter fundamentally the lives and livelihoods of upland farmers. This report examines some of the key characteristics of the upland farming community in the South West to provide a range of data against which the impact of subsequent policy changes may be measured.

¹ Academic publications of note include: Bonn et al 2009 and Rodgers et al 2011.

² One of the authors of this report, Michael Winter, was a member of the inquiry.

2. Methodology and overview of the sample

The CRPR South West farm survey, undertaken in April 2010, used a postal questionnaire sent to 4182 farmers in the region. The sample was drawn from commercial directories, such as Yellow Pages and Thomson Local and a database of organic farmers. After a number of adjustments to exclude ‘farms’ with no evidence of business activity, the final number of useable responses to the survey was 1543. Overall, this represents a response rate of 39%, although this varies (see Table 1). For example, the response rate of upland farmers was 36%. The majority of the upland farmers responding were located on Dartmoor and Exmoor (83 and 40 respectively) with only 4 farmers from Bodmin Moor returning a completed questionnaire. Nevertheless, overall this provides a reasonably sized upland sample, although it must be noted that in the analysis below reference to the SW uplands largely equates to Dartmoor and Exmoor due to the limited response from Bodmin. Overall, the farmers responding to the survey account for 5% of all farm *holdings* in the SW and 11% (211,855 ha) of farmland.³ The upland farms cover some 16,970 ha.

Table 1 Overall response and response by upland/lowland

	Number in sample (N)*	Responses	Response rate (%)
Overall	3931	1542	39.2
Lowland	3576	1416	39.6
Upland	355	127	35.8
<i>Dartmoor</i>	202	83	41.1
<i>Exmoor</i>	134	40	29.9
<i>Bodmin Moor</i>	19	4	21.1

*N has been adjusted to reflect postal errors and farms no longer actively farm that have been removed from the original sample.

The survey captured a range of farming situations in the region’s uplands. As would be expected, most respondents in the upland sample (81.9%) described their farm as cattle and sheep. In terms of farm size, 58% of upland respondents operate farms of less than 100 ha, although 23% operate farms of 200 ha or greater. It is these larger farms that account for the majority of the land on surveyed farms.

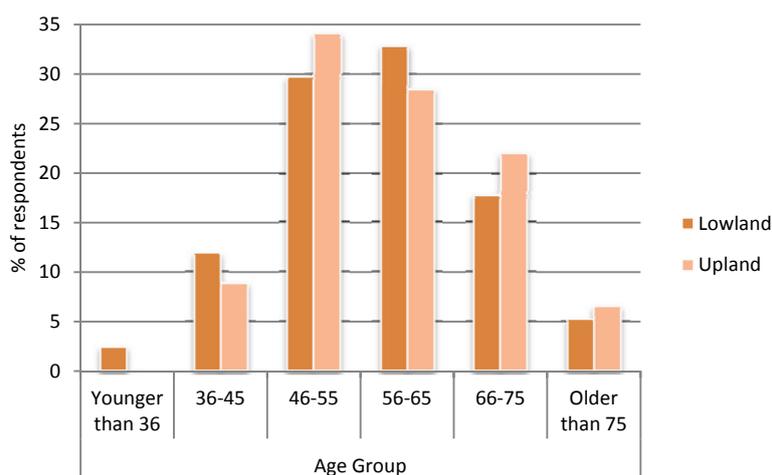
³ The Defra June survey records the number of *holdings*. The SW survey data records farm *businesses*. It is likely that some businesses consist of more than one holding.

Table 2 Farm size distribution of SW upland farms

Farm Size	Number of farms	% in each category	Total area farmed	% of total upland sample area
Less than 25 hectares	18	14.3%	220	1.3%
Between 25 and 49 hectares	21	16.7%	799	4.7%
Between 50 and 99 hectares	34	27.0%	2501	14.7%
Between 100 and 199 hectares	24	19.0%	3277	19.3%
200 hectares or greater	29	23.0%	10165	59.9%
Total	126	100.0%	16970	100.0%

Turning to the farmers themselves, the results of the survey indicate that although SW upland farmers are older, they are not notably any more aged than their lowland counterparts. Indeed, with a mean age of 58.7 in the uplands compared to 57.2 in the lowlands, there is little difference between the two groups of farmers. That said, as Figure 1 indicates, the SW uplands contains a larger proportion of farmers in their mid-60s and older.

Figure 1 Age structure of SW upland & lowland farmers



Leaving aside academic debate about the definition and nature of family farming, in practical terms most SW upland farms can be considered to be family farmers. 62% operate the business as some form of family partnership, while 33% described themselves as sole proprietors. Fewer than 2% described their role as being either

Director or Manager. The vast majority (76%) of the upland respondents came from established farming families (i.e. the current farmer is at least the 2nd generation of the family to farm the current farm or to be farming in the general area). However, 24.4% indicated that they were the first generation of their family to farm in this part of the country (compared to 19% for lowland farmers). Of those, 61% had not previously farmed elsewhere and can be considered to be genuine new entrants to farming. In total, 15% of the upland sample were new entrants in this sense and although this figure is relatively low, it compares favourably with just 9.2% in the SW lowlands. That said, upland farming families tend to have very long connections to their farm, with 26.1% of upland respondents reporting that their family had been operating the current farm (or one in the immediate vicinity) since before 1900. This compares to 17.2% for lowland farmers.

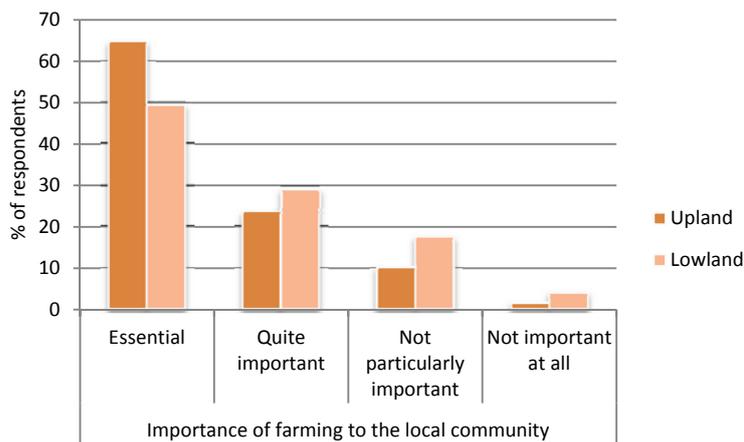
The majority (60.5%) of upland respondents have diversified their activities (compared to 63% of lowland farmers), with the most commonly occurring diversified enterprises being tourist accommodation and long term residential lets. As a result of diversification and other sources of income, agriculture contributes an average of 66% to the household income of respondents (compared to 67% for lowland farm households). Interestingly (and somewhat contrary to expectations), the respondents from the uplands are slightly more positive about the future economic prospects for their business. 25.4% described their future prospects as good/excellent compared to 25.9% of lowland farmers but only 12.7% described their prospects as poor/bad compared to 18.9% of lowland farmers.

3. Contribution to the community and indicators of personal well-being

Concerns over the high suicide rate in farming, problems with social and cultural isolation and a disconnection from non-farmers (including consumers!) has led to increased interest in farmers attempts to 'reconnect' and in understanding aspects of their well-being (or 'happiness' to use the coalition government's new phraseology). Much of this is necessarily subjective (although there are standardised measures of mental well-being that are employed by the medical profession) but it does offer an interesting insight into respondents perceptions of community and quality of life.

As Figure 2 indicates, upland farmers are much more likely than their lowland counterparts to feel that farming is important to the local community.

Figure 2 Perceived importance of farming to the local community



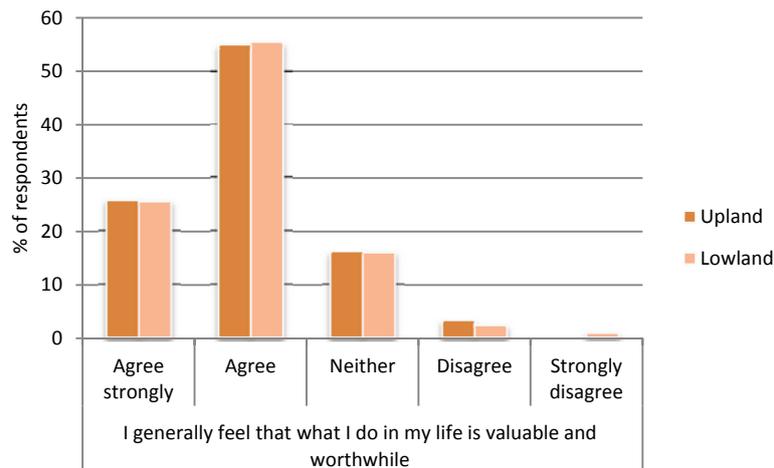
This may be partly linked to upland farmers greater propensity to serve local markets, with 51.6% saying that the main focus of their sales is on the local market compared to 33.5% for lowland farmers. It might also be a reflection of the nature of upland areas where, with a more sparse population, farmers account for a greater proportion of the community, as the following quotes from upland farmers illustrate:

“In this valley it is 100% farm land. At least 50% of the people in the valley are farmers”

“Even with modern, low labour farming, the environment and rural community depend crucially on the farming industry.”

Interestingly, both upland and lowland farmers were equally likely to feel that what they do in their life is valuable and worthwhile (see Figure 3). This is in contrast to the situation only a few years ago when many farmers felt unvalued (Lobley et al 2005) and may be a reflection of re-connection between farmers and consumers, greater recognition of the role of farmers in providing environmental goods and services and the general rehabilitation of the image of farmers.

Figure 3 I generally feel that what I do in my life is valuable and worthwhile



Across a range of other indicators of well-being and satisfaction the survey revealed little difference between upland farmers and their lowland counterparts. For instance, as can be see in Figure 4, broadly similar proportions of upland and lowland farmers take a holiday either more than once a year, once a year or less than once a year. The greater propensity for lowland farmers to have one or more annual holiday may be a reflection of differences in farm type (i.e. a greater proportion of arable farms in the lowland sample). Significant proportions of both upland and lowland farmers reported that they never take a holiday. The greater number of upland farmers reporting this may again be due to the nature of livestock farming which can make it difficult to get away if relief labour is not available.

Although it is generally thought that it is important to take a break from work it should not be assumed that all of those farmers who never take a holiday are dissatisfied. Indeed, as Figure 5 indicates, large numbers of farmers in the uplands and lowlands reported that they are satisfied with the amount of leisure time they have, although for both groups a larger proportion reported that they are less than satisfied or not at all satisfied with the amount of leisure time they have. Further analysis revealed that

43.3% of upland farmers and 57.5% of lowland farmers who stated that they never take a holiday also reported that they are less than satisfied/not at all satisfied with the amount of leisure time they have.

Figure 4 Frequency of taking a holiday

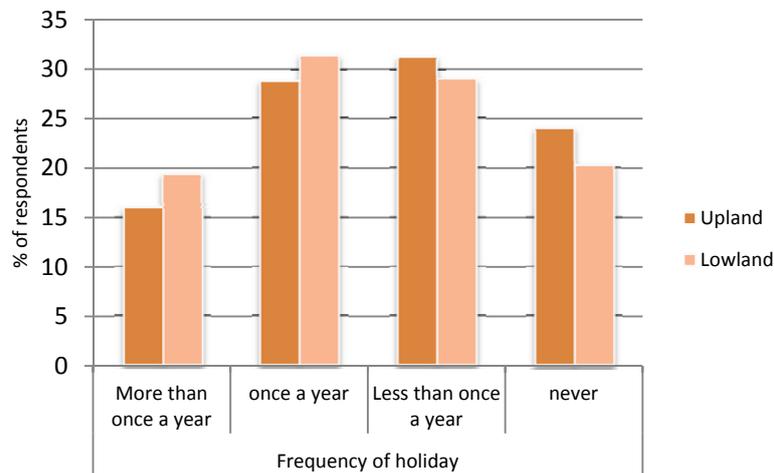
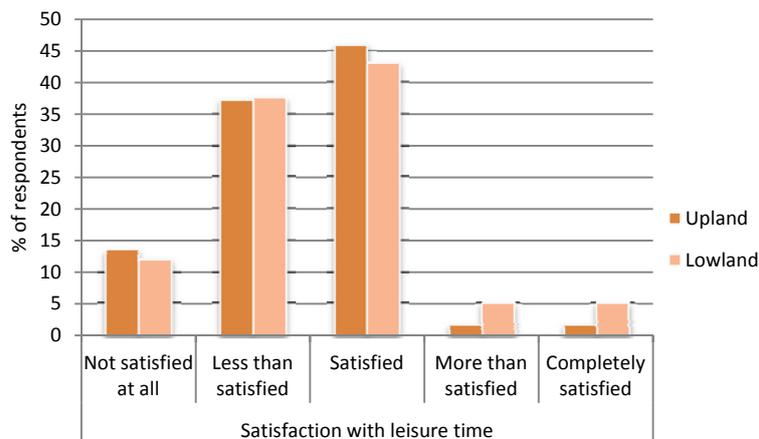


Figure 5 Satisfaction with amount of leisure time



Finally in this section, respondents to the survey were asked how satisfied they are with life generally and how this compares to 12 months ago. As Figure 6 indicates, there is again little difference between upland and lowland farmers, with a majority of both groups reporting that they are 'satisfied'. The results presented in Figure 7 indicate that there has been relatively little change over the last 12 months, although approximately a fifth of both upland and lowland farmers report being less satisfied with their lives now than they were 12 months ago.

Figure 6 Satisfaction with life generally

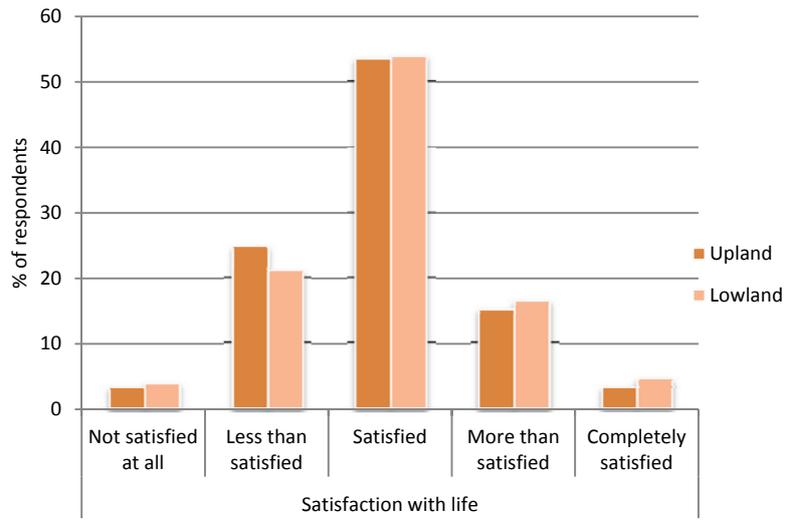
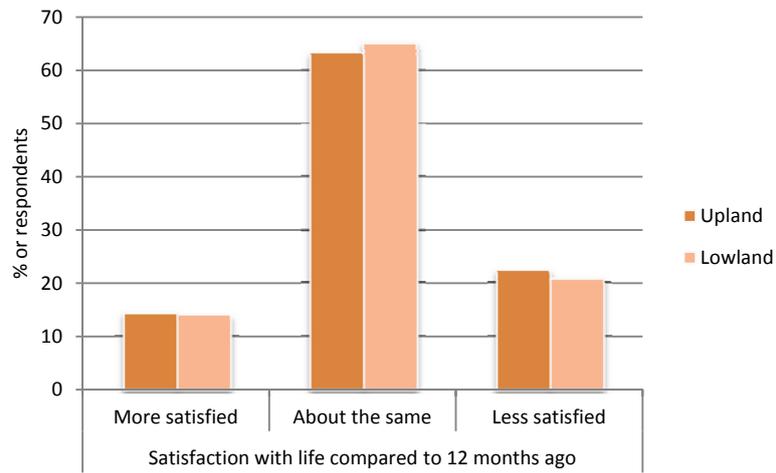


Figure 7 Satisfaction with life compared to 12 months ago



4. Plans for the future

There is a common perception that agriculture in the uplands is on the verge of precipitous decline. For instance, at the time of the debate over the implementation over the last round of CAP reforms it was argued that decoupling could trigger structural change through a mass exodus of farmers, with consequent abandonment or ranching of large swathes of countryside, enterprise change and labour shedding (e.g. Tranter et al., 2007; National Trust, 2005). Defra's own commissioned work assumed that 'dynamic adjustment' would take place, resulting in a smaller farm population although our own analysis indicated that "far from ushering in a period of rapid restructuring ... CAP reform appears to be reinforcing many existing trends in agricultural restructuring" (Lobley and Butler, 2010 p. 346). Turning to the current survey, the results presented in Table 3 indicate that only a minority of farmers claim that their farming activities have been unaffected by CAP reform. Upland farmers are significantly more likely to report that their farming activities have been 'largely influenced' by CAP reform⁴.

Table 3 Influence of CAP reform on farming activities

	Upland farms	Lowland farms
Not at all influenced	19.5	26.1
Slightly influenced	30.1	38.4
Largely influenced	39.0	26.8
Completely influenced	11.4	8.7
Total	100.0%	100.0%

Looking forward, Table 4 suggests that there will be little radical change in the short term (next 5 years). In both the uplands and lowlands the most common strategic plans are for no significant changes and very few farmers plan to exit agriculture in order to do something else or to fully retire. On the other hand, semi-retirement is a frequently occurring intention for upland and lowland farmers. The main difference to

⁴ The nature of this influence has yet to be analysed.

emerge between the intentions of upland and lowland farmers relates to the likely future 'scale' of their farming operations. Compared to their lowland counterparts upland farmers are considerably less likely to plan to increase the size of their farm. They are also almost twice as likely than lowland farmers to be intending to reduce their farming activity in the coming five years (although the numbers of farmers involved is small).

Table 4 Strategic intentions for the next five years

	Upland	Lowland
Continue farming & increase scale	9.8%	19.8%
Continue farming & increase diversification	15.4%	14.5%
No significant changes	31.7%	35.5%
Reduce farming activity	11.4%	6.4%
Leave farming	2.4%	0.8%
Semi-retire	22.8%	19.4%
Fully-retire	6.5%	3.5%

In terms of more specific management actions that will be taken to realise the broader strategic intentions discussed above, Table 5 points to a distinct pattern of future change in the South West's farmed uplands. For many management actions there is little difference between the responses of upland and lowland farmers but it is clear that upland farmers are less likely to plan to increase overall output and are indeed, significantly more likely to plan to reduce overall output. Much of this is likely to be associated with extensification of existing enterprises, with 27.3% of upland farmers indicating that they plan to reduce their livestock numbers over the coming five years. Upland farmers are also more likely to expect to increase the amount of environmental management they engage in. Whether or not the sort of livestock extensification hinted at here will have positive or negative repercussions for the environment will depend very much on the starting point (i.e. the stocking rates of the farms concerned), although following a period of reduced grazing pressure and

concerns about semi-abandonment of some upland areas, it is possible that undergrazing will become more of a problem.

Table 5 Management actions for the next five years

	Change	Upland farmers	Lowland farmers
Change area farmed	Increase	25.6	27.2
	Decrease	7.7	5.2
	No change	66.7	67.6
Change total output from the farm*	Increase	39.7	51.0
	Decrease	19.2	9.4
	No change	41.0	39.6
Change in livestock numbers***	Increase	30.1	45.8
	Decrease	28.8	12.0
	No change	41.1	42.2
Change in employed labour	Increase	16.4	17.3
	Decrease	8.2	6.7
	No change	75.3	76.0
Change in family labour	Increase	17.1	11.0
	Decrease	14.5	11.9
	No change	68.4	77.1
Change in use of contractors	Increase	19.2	20.5
	Decrease	10.3	7.0
	No change	70.5	72.5
Change in diversification	Increase	33.8	33.5
	Decrease	1.4	1.5
	No change	64.8	65.0
Change in off-farm work	Increase	24.6	21.4
	Decrease	3.1	4.0
	No change	72.3	74.6
Change in environmental management	Increase	48.7	40.3
	Decrease	3.9	3.0
	No change	47.4	56.8

(Statistical significant associations *p<0.5, *** p<0.001)

5. Intergenerational Succession

Another issue of long standing concern in the uplands is the supposed lack of willing successors. Much of this however, is based on anecdotal evidence and although there are no doubt upland areas where succession is an issue, the results of our survey suggest that rates of succession in the uplands and lowlands of SW England are broadly similar. Just under a third (31.6%) of lowland farmers claimed to have currently identified a successor compared to 38.8% of upland farmers (See Figure 8). Of those who said that it was 'too early' to know if they would have a successor the majority (71.7% of upland farmers and 72.1% of lowland farmers) stated that they expected to have a successor. Together these figures suggest a considerable continuing commitment to the intergenerational transfer of farms in the SW lowlands and uplands.

However, simply quoting a single figure for the rate of succession in a population of farmers of widely varying age can be misleading as the likelihood of having identified a successor is associated with the age of the principal farmer. Most successors are close family members. Indeed, most successors are sons (see below). Given that it is also not likely that the successor will be fully committed to the business until they are in their 20s it would be expected that rates of succession are higher for farmers in their 50s and over. This is clearly demonstrated in Figure 9 which shows that by the time they are in their mid-60s and over, over 60% of farmers in the uplands and 50% of lowland farmers have identified a successor.

Figure 8 The expectation of a successor

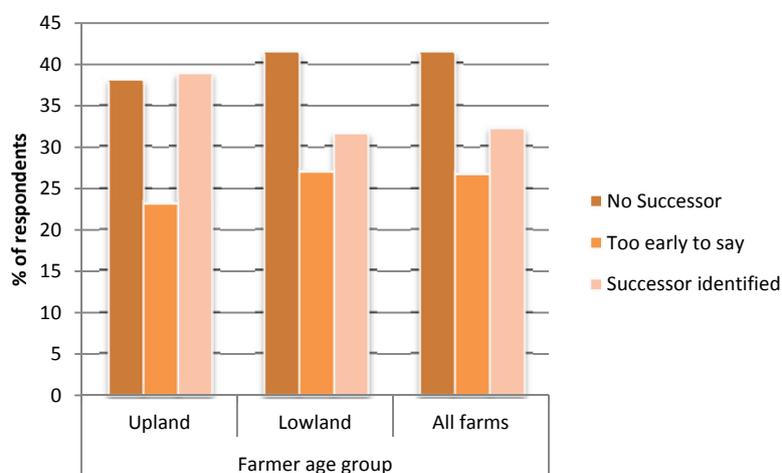
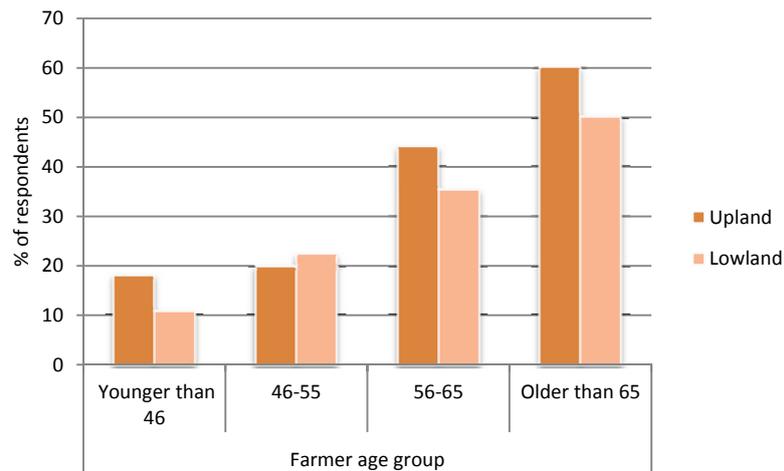


Figure 9 The association between farmer age and likelihood of a successor



In both the uplands and lowlands farms with a successor already identified tend to be larger than average and considerably larger than those farms where succession has been ruled out. For instance in the SW uplands the mean size of farms with an identified successor is 188 ha compared to 137 ha for the whole upland sample and 83 ha for upland farms without a successor (the equivalent figures for the lowlands are 158 ha, 138 ha and 108 ha respectively). As a consequence, succession has been ruled out on 23.2% of the upland area covered by the survey, while those upland farms with a successor account for some 52.6% of the upland area captured by the survey. Taking into account the 30.6% of the upland area farmed by farmers who say it is “too early” to be sure about succession, but who nevertheless expect that they will have a successor, means that a total of just over 83% of the upland area covered by the survey already has a successor associated with it or there is a strong expectation that there will be a successor. The implication of this is that the majority of upland farmed land will continued to be managed by many of the same families that have been farming the land for several generations already.

Turning briefly to the successors themselves, very few instances (15) of non-familial succession were identified across the entire sample of upland and lowland farms. In the majority of cases (75.0% of upland farms and 77.9% of lowland farmers) the person most likely to succeed to the management of the farm is the son of the current principal farmer. The equivalent figures for daughters are 10.3% and 12.1% respectively. Many farmers however, have multiple successors: in the uplands 48.5% of farmers had more than one successor and the equivalent figure for the

lowlands is 40.9%. In such cases of multiple succession the gender balance is more even. For example, in the uplands 39.4% of 'second' successors are sons of the principal farmer and 30.3% are daughters.

6. Change in the South West uplands 2006-2010

The 2010 survey included a group of 42 upland farms that had also taken part in a previous survey in 2006. Analysis of this sub-sample indicates that very little has altered in terms of farm structures during the intervening period. For example, average farm size has increased marginally from 109 ha to 110 ha. Within this, there are small changes in tenure with approximately three ha more rented out and a similar amount rented in. On the other hand more farmers described their income as “good” when taking all their sources of income in to account (24% in 2010 compared to 10% in 2006) and fewer described their income as poor (12% in 2010 compared to 22% in 2006). This is probably a reflection of the relative improvement in hill farm incomes since 2006 but it may also be connected to a reduced dependency on agriculture as an income source: in 2006 31% of this sub-sample relied solely on agriculture to provide all of their household income. By 2010 this figure had fallen to 21%.

Other changes identified are largely those that would be expected with the passing of time (even just a few years). As would be expected, the average age of the sub-sample of upland farmers has increased from 55 years to 59 years old. With increasing age, farmers are more likely to consider semi or full retirement from farming. Indeed, in 2006 22% of farmers were considering semi-retiring from farming but this increased to 32% in the 2010 sub-sample. Reflected in this change is a corresponding reduction in the number of farmers expecting to continue farming over the next five years. As age increases and retirement intentions become clearer, succession of the farm also becomes clearer, with 34% of farmers in the sub-sample identifying a successor in 2010 compared to 26% in 2006.

Finally in this section, evidence from the 2006 and 2010 surveys indicate that the impact of the 2005 CAP reform policies on farming plans have receded over the period between the two surveys. In 2006, only 10% suggested that CAP reform had not influenced their farming plans and 50% suggested it had had a slight influence. However, in 2010 this had changed to 28% and 30% respectively. The results of this analysis must be treated with caution given that the sample is so small (just 42 farmers) but it is interesting to note that a set of policy reforms that were widely seen as radical and perceived to be momentous for the farming community have been

largely absorbed by this group of farmers. It also raises the question of just how radical policy change needs to be for it to have a significant impact on the way farmers approach their business.

7. Conclusions

The analysis presented here indicates that across a range of characteristics there are often no significant differences between upland and lowland farmers. The uplands emerge as no more aged than lowlands of the South West and there are indications that upland farmers are just as 'satisfied' with their lives as their lowland counterparts. That said, significant proportions of both upland and lowland farmers are dissatisfied with the amount of leisure time they experience. In terms of the data collected by the farm survey relatively little has changed in the south west uplands since 2006 although movements in agricultural income levels (not reported here) are associated with a more sanguine outlook for some farmers compared to their responses in 2006.

Based on the evidence from the survey the uplands of the south west are yet to reach a 'tipping point' but future policy change may be major driver. In terms of future intentions, the survey has revealed a strong and continuing commitment to upland agriculture. A number of upland farmers intend to attempt to expand their farm in terms of both area and output. However, there is also widespread evidence of plans for extensification which, in some instances, may create challenges for effective environmental management. This strong commitment to the future is also reflected in high rates of succession and indications that much of the land in the South West's uplands will continue to be farmed by members of the same families that have often farmed in the area for generations. Just how that land will be farmed will be the subject of future investigations.

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