

# DELIVERING FOR BRITAIN

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THE ROLE OF UPLAND AND TENANT FARMERS  
AND THE FUTURE OF AGRICULTURE IN  
THE NORTH OF ENGLAND

The logo for the National Farmers' Union (NFU), featuring a stylized rainbow arc to the left of the letters 'NFU' in a bold, white, sans-serif font.





# FORREWORD

The North of England is home to some of the country's most spectacular landscapes, farmed and managed by generations of farming families. In total more than 2.5m ha of land is farmed across the North. Much of it is remote and challenging terrain, but the local farming community specialises in producing high quality, climate-friendly food alongside delivering a world-famous environment.

The North of England is home to all sectors of farming, from producing local breeds of sheep to the famous rhubarb triangle. A large proportion of farmers across this vast area are tenant farmers or farm in the uplands. At a time of so much change for the industry, the challenges are particularly acute for these farm businesses that face unique financial and practical constraints.

Traditionally, direct farm support has contributed up to 75% and 62% of tenant and upland farm business incomes respectively. With support being removed as part of the Agricultural Transition Plan, it is vital that new policies are accessible and workable for those businesses most at risk. If they are left behind, it will be at the expense of our rural culture, communities and economy.

Our farmers are perfectly placed to provide environmental benefits while feeding our growing population, but hill farmers and tenants across the North are also at the heart of thriving rural communities. They are significant economically, socially and culturally - something policy makers must understand.

At the end of 2022 a survey of our tenant and upland members sought to explore the issues they are facing on the ground. Nearly 500 responses were received, reflecting the widespread concern that people feel. I would like to thank everyone who took the time to complete this survey, it has provided important data that will inform our policy advocacy and engagement at county, regional and national level.

**Minette Batters**  
NFU President



# VIEWS

“ Landlords put up the rent on marginal land that's in an environmental scheme thinking that our income has increased.

“ All the current government schemes favour land owners as opposed to tenant farmers.

“ As a tenant on short term FBT, we cannot enter into a lot of the government's future schemes.

“ Upland farming makes our market towns





# THE SURVEY

## **RESPONDENTS**

494 NFU members responded

### **OF WHICH**

55.9% were tenants | 43% were landowners  
33% were both tenant & landowner

48% farmed lowland farms | 33% farmed  
upland farms & 14% farmed both

52% were livestock farms | 20% were arable  
farms and 13% were dairy farms

43% farmed up to 100ha | 24% farmed 101-  
200ha & 31% farmed more than 200ha

49% were employing people on the farm



# RESULTS

## **BARRIERS FOR TENANTS**

51% of respondents feel that the length of the tenancy restricts investment

Only 21% of respondents have a tenancy lasting to at least 2028

63% of Farm Business Tenancies are six years or shorter

11% have no formal agreement for their primary tenancy

## **BARRIERS IN THE UPLANDS**

On average in 2021/2 BPS made up 61% of farm business income for LFA livestock farmers\*

Lack of accessible options under ELMs

\* Farm Business Income by type of farm in England 2021/22 - GOV.UK ([www.gov.uk](http://www.gov.uk))



## **BARRIERS TO SUCCESS**

The precarious nature of many tenancies is a major barrier for tenant farmers. There is significant change in the tenanted sector with an increase in shorter tenancies, land being taken back in-hand by estates and a move by some to embark on extensive tree planting. As a result, many tenants feel restricted in their ability to invest in the farm business.

Defra has recently altered the terms of the Sustainable Farming Incentive, the public money for public goods model that replaces direct payments, to allow tenants to enter into an agreement if they expect to have control of the land for three years. However, those on shorter tenancies or without formal agreements are still prevented from joining. The post-CAP support schemes do not provide equal access for farmers who do not own the land that they farm.

The Basic Payment Scheme, which makes up a large proportion of upland incomes, is being removed without sufficient meaningful options within the Sustainable Farming Incentive or a viable alternative income stream. In January 2023, a maintenance payment of £20/ha up to £1,000 was announced for those entering into new agreements. However, moorland was excluded from access to this, with no reason given.

## **FUTURE FOOD SECURITY**

All survey respondents were asked how they are planning to mitigate high input costs. The most popular responses were to invest in efficiency or technology (31%) and to increase production (21%).

While it is interesting to note the percentage of members planning to increase production, 18% indicated that they are planning to retire or semi-retire and a further 3% are planning to exit farming. If this is replicated across the country we may see the loss of a significant number of farming businesses.

Recent months have highlighted how fragile the food supply chain is, so we need a policy framework that promotes British food production to improve our food security as a nation.

## **COHERENT POLICY DEVELOPMENT**

We need an agricultural policy transition that is accessible for all farmers, including those who do not own the land they farm and those farming in areas with environmental constraints. If participation in ELMs does not make business sense, it is unlikely they will get involved. Agricultural policy is not coherent and viable if a significant percentage of farmers and growers are unable to access it.

It is crucial that new policies do not result in tenant farmers being forced from their farms as they offer a valuable route for new entrants – so important during a time of change. New policies must also be accessible to upland farmers to ensure their businesses remain viable and so allow them to deliver the ecosystem services that government desires.



# RESULTS

## **ENVIRONMENTAL DELIVERY**

68% of respondents were already involved in one or more environmental agreements

## **LONG TERM IMPACTS**

39% of respondents operate one or more diversified businesses

48% farmed lowland farms | 33% farmed upland farms & 14% farmed both

42% of respondents have between 1 & 5 employees

27% of respondents support 11 or more local businesses





# ANALYSIS

## DELIVERING ENVIRONMENTAL CHANGE

As the people who already manage our countryside, farmers and growers are uniquely placed to deliver environmental benefits. The uplands are at the heart of many of our National Parks, Sites of Special Scientific Interest and designated landscapes. More than 67% of land across the North of England is farmed, and is therefore central to the government's environmental objectives, while still producing food.

The NFU has already set a goal for British agriculture to achieve net zero by 2040, and many farmers are working hard to reduce GHG emissions and enhance the environment. Low input grasslands, covering much of the uplands, are key for carbon sequestration in the soil, and need managing by farmers to ensure this sequestration continues.

The environmental work that many NFU members are already doing demonstrates the clear desire to engage in such practices, but ELMs is not workable for many. Farmers need concrete support for environmental work, such as funding for soil health baselining and farm carbon audits.

Most upland farms already participate in agri-environment schemes such as Countryside Stewardship or Higher Level Stewardship. This land in existing schemes cannot be entered into the Sustainable Farming Incentive, meaning many upland farms are missing out on one of the streams of income that has been developed to replace the BPS on which they rely. HLS payment rates have also not been reviewed for many years or increased to account for inflation.

## LONG TERM IMPACTS

The potential impact of fewer farming businesses needs to be properly considered, with upland and tenant farms at the heart of thriving local communities and economies.

This inter-connectivity means that changes to agricultural policy have the potential to reach far beyond their remit and lead to land use and societal change as an unintended consequence. The NFU would like to see government conduct a thorough assessment of the social, cultural and environmental impacts of policy proposals in development.

This survey demonstrates the economic value of farm businesses to communities, highlighting the number of people they employ and diversity of businesses they support. Combined with the percentage of farmers that are planning to retire or leave the industry, it is clear that poorly devised agricultural policy could have irreversible impacts.





# QUICK STATS

## THE NORTH OF ENGLAND

2,581,107ha of farmed land accounts for  
67.75% of land area

33.76% of total farmable land is designated  
as Less Favoured Area/grazing livestock

74,738 people are employed in agriculture

## TENANT FARMING

'Whole or part tenant holdings' make up  
64% of the total farmable area in England

52% of North East members are tenants

41% of North West members are tenants

Across the North of England 4,864 tenants  
make up 43.8% of all farm businesses





## KEY RECOMMENDATIONS

Tenant and upland farmers are crucial to the rural fabric of the North of England, and government must ensure new agricultural policy supports rather than undermines these farming businesses.

Therefore, we ask for the following actions:

- **Accessible schemes:** ELMs must have options for all farmers, and these must be accessible regardless of length of tenure, in recognition of the increasingly short-term nature of many tenancies.
- **Reward the delivery of environmental goods:** Farmers and growers undertaking stewardship work must be properly rewarded for delivering the government's environmental targets.
- **Equal reward for all:** The value of the work done by upland and lowland farmers should be considered equally, and the SFI must have viable and accessible options for upland farmers.
- **Encouraging new entrants:** Sustainable tenancies need to be encouraged to bring new entrants into the industry.
- **Consideration of policy impacts:** Government needs to understand the potential cultural, economic, environmental and social impact that policies and land use change can have. Implementation of the recommendations made in the Rock Review will help to address some of these challenges.
- **Greater recognition:** Upland and tenant farmers play a crucial role in supporting the economic and social prosperity of rural communities, and this needs to be valued. Planning policy should support their business development and diversification to enable continued food production alongside the delivery of multiple benefits.





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