Yorkshire Dales and Moors Farm Innovation Project

Summary of Preliminary Findings

1. **Executive Summary**

This report summarises the findings of detailed work carried out on 30 farms in the Yorkshire Dales and 20 in the North York Moors between February 2015 and June 2015.

The aims of the project were to:

- Develop and deliver a training programme to the 50 farms, at Level 2
- Enable the participating farmers to produce integrated whole farm plans that focus on analysing their own farm businesses and which identify future needs and actions to improve the profitability of their businesses and the environment in which they operate
- Report the overall business investment and training needs of the sector, with skill gaps identified and training demand predicted
- Indicate how this should be offered and priority areas for diversification

In partnership with Newton Rigg College and the Yorkshire Dales Farmer Network, all four protected landscapes jointly submitted a successful bid to the York, North Yorkshire and East Riding Local Enterprise Partnership for a grant to support development of 50 combined business and environmental plans as part of a pilot project in 2014. This directly contributed to the LEP's Strategic Economic Plan and specifically to Objective 21 'Sustainable growth in the Dales, Moors and Wolds' and Annex C which sets out a A Local Growth Plan for the Yorkshire Dales National Park; North York Moors National Park; Nidderdale Area of Outstanding Natural Beauty; and Howardian Hills Area of Outstanding Natural Beauty, which was developed by the four protected landscapes in partnership with LEP officers.

Agriculture in the study area of the North York Moors and Yorkshire Dales National Parks and the Howardian Hills and Nidderdale Areas of Outstanding Natural Beauty is of fundamental importance to the economy of the area, contributing around £328m to the local economy.

The farms in the target area are responsible for the management of some of the most valuable environmental features in the country, many of which are of international importance. Land on many of the target holdings makes a significant contribution to carbon storage and flood risk mitigation, as well as producing high quality food and drinking water for the region.

The farmed landscape in the Dales and Moors contains a network of tourist attractions that are internationally renowned, attracting millions of visitors every year. These environmental attributes are of huge value to the rural economy and underline the importance of upland farming to the economy of York, North Yorkshire and the East Riding.

Current hill farming in the target area is under severe financial pressure with average profits of less than £20,000 per year, despite receiving average payment of over £47,000 per year from the public sector and this forecast to reduce over the next 5+ years.

Farms need to become better businesses with more efficient agricultural enterprises and non-farming enterprises. They need to be more resilient to market price volatility either through relying less on inputs by:

- Making better use of (and not just intensifying) their own farms
- Taking control of costs by collaborating better e.g. for items that are related to the farm enterprises such as feed and also for items that are fixed costs such as fuel and power

Farm businesses need to change but there are many barriers to overcome to enable this to happen and a danger that if not helped through this process, the changes could have a severely detrimental impact on the economy, environment, and iconic landscapes that many other sectors depend on. The most important barriers include:

- A lack of time by farmers to invest in making the changes needed
- The traditional farming systems and a reluctance to change
- A lack of the right skills, especially general business skills such as financial management, business monitoring and business planning, for both the farm and non-farming enterprises, but many do not see the benefits of this. They do also need some advanced farming technical skills, which they are interested in
- Farmers in the target area need help but they do not trust, feel isolated and let down by "Government" and are wary of outside help
- Significant changes to the main agri-environment support packages which will reduce the amount of grant available leading to potential fundament shifts in farming philosophy and the resulting need to change and adapt

Although a small proportion would respond to training offers in the areas needed, most would not. A more subtle approach is needed to engage farmers using trusted intermediaries to train and support them to help them to become more open to change and provide the new skills they need, working with relevant experts when needed.

Some capital investment on farms would help to stimulate engagement in training/knowledge exchange activity. This would not need to be for large amounts of money per farm but helping to pay for investments such as lime, small investments in equipment and perhaps an occasional building where it is seen as essential to maintaining that farm business in the community.