



How do upland farmers earn a living and is their situation sustainable?

Most farmers in the uplands of England cannot make ends meet through production alone; does hill farming have a sustainable economic future?

What are the research findings?

- The average net farm income for upland farms in England was £13,251 in 2010/2011.
- The trend is towards fewer and larger hill farms but also an increase in small non-commercial holdings.
- Annual income varies substantially: one quarter earns nothing while the top quarter earns £40K or more.
- In the Lake District and Northumberland National Parks, which were studied in detail, a minority of farms were making a loss, with considerable reliance on agri-environment and direct payments, but this varies by farm and year.
- On average public payments account for one third of total revenue.
- Earning a living in the uplands relies on willingness to work hard and family labour, as well as grants and direct payments.
- Upland farmers are generally determined to carry on their business but less sure about succession.

What are the policy implications?

- Economic sustainability of upland farms relies on the tenacity and resilience of the farmers.
- Farmers see the major threats to economic survival as: rises in output prices and input costs; policy change; lack of capital.
- While there is substantial variation in the commercial performance of upland farms most could not survive without public payments.
- Farmers and other stakeholders recognise agri-environment schemes as critical to the economic sustainability of individual farms within the national parks but also recognise the need to change the detail of the schemes to better meet local circumstances and conserve the character of landscapes.
- Any reform at the European level should be implemented gradually to allow time for adaptation and mitigation.

Further information:

Research was conducted by the Farm Business Survey and Centre for Rural Economy at Newcastle University in partnership with key organisations seeking to secure the future management of the uplands provides insight into how upland farmers make a living.

- Harvey, D., Thompson, N., Scott, C. and Hubbard, C. (2013) *Farming and Farm Forestry in the Lake District: A report for the Lake District National Park Partnership, Farming and Forestry Task Force.*
- Harvey, D. and Scott, C. (2012) [Hill farming in England 2010/11](#), Farm Business Survey, Newcastle University
- Harvey, D., Scott, C. and Thompson, N. (2011) *Northumberland National Park Farming Situation and Outlook, 2011*, Northumberland National Park Authority and School of Agriculture, Food and Rural Development, Newcastle University.

Contact: Charles Scott, email charles.scott@ncl.ac.uk

CRE Policy Brief No 14

November 2013