Understanding the Impact of the CAP: Farming in Northumberland National Park, England

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Structure

Overall aim: take ‘the long view’ on the impact of the CAP on Northumberland National Park

- Context: Northumberland National Park and its management.


- Present: Impacts of the CAP

- Future: Implications of trends in EU and national policy.
English National Park purposes:

- To conserve and enhance the natural beauty, wildlife and cultural heritage; and

- To promote opportunities for the understanding and enjoyment of the special qualities by the public.

National Park Authorities have an additional statutory duty

- In pursuing the purposes, the Authority should seek to foster the economic and social well being of local communities within the National Park.
The National Park

- 104,700 ha
- 1,936 residents (but with several larger settlements just outside boundary)
- 800 homes (and with increasing pressure for more)
- 57% moor, heath and unenclosed grassland
- 22% woodland

(Northumberland National Park Authority, State of the Park 2009/10)
Managing Northumberland National Park

• Park established in 1956

• Freestanding National Park Authority since 1997

• Action Area approach

“The daily decisions of those living in, working in or visiting the National Park continue to shape the quality, attractiveness and resilience of the environment, its settlements and its recreational infrastructure.”

• Management Plan 2009 – 2014
Five Strategic Aims

• A Welcoming Park

• A Distinctive Place

• A Living, Working Landscape for Now and the Future

• Thriving Communities

• A Valued Asset
A Vision for Northumberland National Park

‘Northumberland National Park will be a truly welcoming and distinctive place, easily accessible to all.

Its inspiring and changing landscapes, characterised by open spaces, tranquility, diverse habitats, geology and rich cultural heritage, will be widely recognised and valued.

The living, working landscape will contribute positively to the well-being of the thriving and vibrant communities in and around the Park.’
Farming in the National Park
1973 and 2000 surveys
1973 The Basis of Future Management

• 1960s hill farming had been in serious economic difficulty

• 1970s saw significant increases in livestock prices

• Concern that the national park landscape was highly dependent on the fortunes of agriculture
1951 - 1971

Substantial increase in productivity of hill farming

- 57% decrease in labour force
- 38% decrease in total number of farm holdings
The Survey

• 193 (out of 225) responses

• Based on land cover 65% tenanted, 35% owner occupied

• Average farm size 1,189 acres but median 725 acres due to many small farms in south

• Overall optimism: “the majority of hill farmers in the Park seem assured of a profitable livelihood in farming at least for the foreseeable future”
Concerns

- Low level of diversification (only 9% had some sort of recreation facility)

- Depopulation and quality of services

- Economic assessment: 17.5% too small, 32.2% at risk
• Close (and vulnerable) relationship between upland and lowland farming

• Effects of hill sheep subsidy on grazing levels and hence on vegetation type
‘Improvement’

- 80% of holdings had some form of capital improvement between 1960 and 1972.
- 56% new buildings
- 43% drainage improvement
- 31% land improvement
- 49% planning improvements

Improving rough grazing depicted as a positive development in the survey report.
Joining the EEC

“There is virtual unanimity amongst hill farmers and the people connected with the industry that they will benefit from joining the community”
The 1999/2000 Farm Survey

- 164 farmers interviewed, covered 85% of land area of Park
- Average farm size 1,387 acres
- 56.8% of total holdings tenanted
- 30% decline in workforce since 1973 but age profile of farmers remained consistent
Since 1973….

• 22% increase in stocking densities

• 16% increase in lambing percentage

• 90% of farmers finishing some of their lambs and 30% finishing at least some cattle
Major shift in economic conditions

• Two thirds had at least one source of non-agricultural income

• Profitability falling, many not making any profit

• 75% estimated that subsidies contributed at least half of their overall family income

• Four out of five receiving a conservation grant of some sort
Concerns

- Economic conditions meant focus on survival, not many actively planning future. Strategy of ‘hope prices improve’

- Succession – 42% thought this was at least fairly likely

- Scepticism about diversification potential
Current Impacts of the CAP in Northumberland National Park
Figure 2: The evolution of the CAP – the full picture.

Source: DG Agriculture and Rural Development.
CAP Pillar One

• Major significance of single farm payment to national park farm incomes but no role for NPA in administration etc

• Dynamic Hybrid system in England

2005 – 90% historic payment, 10% land area
2012 – 100% land area
Hill farming in England 2008/09

- Average total farm revenue

  59% farming
  24% SFP
  13% agri-environment

  Balance made up of non farm or diversified income
  (source Harvey and Scott, 2010)
With Single Farm Payment, agri-environment payments and income from diversification the average LFA farm business income in 2008/09 was £17,137

Average agricultural business income loss of £8,347

Conclusion: LFA farms in England depend to a substantial extent on public payments
And also....

- Other income sources to maintain a commitment to staying in farming and continuing the tradition of the family farm

- Or, to buying land and farming for lifestyle reasons

- Or, to expand and becoming more efficient
Farming in NNP 2009

The number of farms operating in the National Park has reduced by 9% in 16 years. The decrease has been in farms between 5 - 100 hectares (40%), with increases in farms less than 5 hectares (156%); and greater than 100 hectares (351%).

(source NNPA management plan)
The ‘second pillar’
Rural Development Programme for England 2007 - 2013

• ‘Regionalised’ delivery in England (for now)

• Northumberland NP in North East region

• £22.8 million pa allocated to RDPE in the NE region
North East RDPE priorities

i. Micro-enterprise development

ii. Natural & Cultural Assets

iii. Bioenergy

iv. Sustainable Communities

v. Sustainable Farming & Forestry

vi. Tourism & Recreation
RDPE in the National Park

- Role of NPA in facilitation and administration

- Agri-environment and forestry schemes (e.g. Uplands Entry level stewardship, higher level stewardship) [http://www.naturalengland.org.uk/ourwork/farming/funding/es/uplandsels/default.aspx](http://www.naturalengland.org.uk/ourwork/farming/funding/es/uplandsels/default.aspx)

- Hill farming traineeship scheme

- Northumberland Uplands LEADER
RDPE Impact on National Park

• 10% of the National Park is covered by Higher Level Stewardship Schemes compared to 5% in England.

• Stewardship Schemes attracted around £2 million to the National Park in 2007/08.

• 60% of farms in Northumberland National Park have part of their land managed under environmental/conservation schemes.

(source NNPA management plan)
RDPE in the National Park

• Role of NPA in facilitation and administration

• Agri-environment and forestry schemes (e.g. Uplands Entry level stewardship, higher level stewardship)  

• Hill farming traineeship scheme

• Northumberland Uplands LEADER
NULAG in the National Park

- Northumberland National Park Authority lead partner and staff base
- About £350,000 pa to allocate
- Funding AND facilitation
The Rural Economy in the Northumberland Uplands

- The Uplands sample is mainly distributed across five industrial sectors: Agriculture, forestry and fishing (18%), Wholesale and retail; repair of motor vehicles (15%), Accommodation and food service activities (15%), Professional, scientific and technical activities (13%) and Manufacturing (10%). Both the Agriculture, forestry and fishing and Manufacturing sectors were more important in the Uplands area than in the rural North East (10.1% and 8.6% respectively).

- Just over 50% of respondents in the Uplands area reported that their business had a secondary activity (45% in the rural North East) with 19% having a tertiary activity. The degree of diversification or multiple activity amongst Uplands businesses is higher than in the rural North East.
• Nearly 58% of Uplands area businesses were over 10 years old (56% in the rural North East) with 29% (25%) in the business age range of 20 to 50 years.

• The Uplands area has a greater percentage of microbusinesses (1 to 9 employees) at 95% compared to the rural North East (88%).

• The Uplands area has higher levels of home working with 53% of respondents having business premises that were part of or attached to their residential property (48% in the rural North East). This figure is especially high when it is considered that businesses in which the main activity was farming are classified separately.
• Just over 65% of Uplands business owners are over 50 years old, slightly more than the 60% in the rural North East as a whole.

• Almost 73% of Uplands business owners are male and 50% of all owners have degrees and post graduate qualifications. The rural North East figures are very similar. The qualifications of business owners show a marked increase since 1999 rising from 22.9% of respondents having degrees and post graduate qualifications.

• 39% of Uplands respondents were locals, 9% had returned to the area as an adult and 52% were newcomers to the Uplands area. This suggests that in-migrants form an important and growing component of the business community in the Uplands.
The Future
Direct Payments Post 2013

• EU level signs

• Potential risks:
  - longer term environment impacts of area based payment
  - Reliance on public funding highly dependent on political support at national and European levels

A sticking plaster rather than a long term strategy?
Agri-environment and Rural Development Post 2013

- Radical or incremental reform?

- Balance between farm environment and rural development measures

- Importance of flexibility and local differentiation

- How to give farmers and communities within the national park power to actively shape the future and not simply be subject to ‘top down’ policy interventions.
Acknowledgements

• All images courtesy of Northumberland National Park Authority

• CAP table courtesy of David Harvey