

FARMER SURVEY RESULTS

Title of report:	Farmer survey results
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This report is submitted to Defra as part of the ELM Test and Trial programme	

EXECUTIVE SUMMARY

This element of the project aimed to gather broad-brush information about farmers and their willingness to take part in the land management plan process as well as gain insight into the following:

- What are farmers' experiences of agri-environment to date?
- What understanding do farmers have about the financial aspect of their business?
- What understanding do farmers have about natural capital?
- Would farmers prefer a national or locally led scheme?
- Would farmers prefer separate contracts for different funding sources or blended funding in a single contract?

Key learning points:

- There are a large number of relatively small farm holdings in the survey area
- The majority of farms in the survey area are livestock only
- Two thirds of respondents either did not have a business plan or have limited knowledge about their profit and loss account
- 80% of respondents feel that the loss of BPS will negatively affect their business
- Most of the respondents said they do not understand the meaning of Natural Capital
- 57% of respondents would prefer ELM to be locally delivered and administrated
- 52% would prefer funding from other sources, e.g. net gain and water company, to be blended into a single contract.

FARM BUSINESS AND PAYMENT LEVELS. Many farmers do not have an exact financial understanding of their present business – a quarter have no business plan of any kind and a fifth don't know what their profits are. For farmers who had been in agri-environment scheme before, although payments were a strong motive for taking part in agri-environment this was not viewed necessarily as a direct trade-off with more intensive farming because they also strongly valued the environmental gain they had seen delivered by their schemes.

RECOMMENDATION: Farm business support will be necessary, particularly in areas where farm business is likely to be challenging post Brexit, e.g. small holdings and livestock farming.

RECOMMENDATION: Is there scope of ELMS payment rates to be on a range which can be set higher or lower depending on local priorities and circumstances?

LANDHOLDING SIZE. The size of landholdings reflects our current understanding of the area from the Customer Land Database. There are a large number of relatively small holdings and very few holdings over 500ha. Schemes need to cater for both these and other categories of land owner.

RECOMMENDATION: ELMS format should be able to adapt to holding size and landowner capability. The format should be elastic so it can be used quickly and easily by smaller land managers and in a more complex way by those with the resources and inclination.

SIMPLICITY, FLEXIBILITY, CHOICE. . .and BEING PAID ON TIME. Respondents disliked tightly prescriptive schemes and paperwork/bureaucracy. It should be noted that tightly prescriptive schemes require

more paperwork – for evidence, amendments and derogations and detailed applications and agreements. Inspection regimes were also seen as punitive and unfair.

RECOMMENDATION: A more open, flexible ELMS scheme would require greater trust, perhaps supported by advice. Qualitative analysis would be required and could be linked to local accountability – see the recommendation of local body involvement below.

NATURAL CAPITAL TERMINOLOGY. Most respondents were not confident with the term ‘natural capital’ and, if this kind of terminology is to be introduced, would require training. Present schemes deliver natural capital in terms of biodiversity, access, water and air quality but do not use this terminology.

RECOMMENDATION: Land managers have become accustomed to agri-environment delivery as it presently stands (and has developed over the last 25 year) so care should be taken to recognise what step changes in knowledge/processes are required for the next scheme and ensure land managers are supported in the transition.

LOCAL DELIVERY BODY. The majority of respondents were in favour ELMS delivery being undertaken through a local body. Those in favour of a local body felt it would reflect local priorities, understand both the land and the local farming community better and be more accountable. This accountability could cut both ways between the farming community and the delivery body. It was also suggested that funding might be more effectively used at a local level with less bureaucracy. Some saw the local body acting within a national framework.

RECOMMENDATION: The next stage of the project will explore how a local board could potentially operate.

BLENDED FUNDING. Respondents preferred a single contractual arrangement which would deliver different funding sources. The reasons given for a single contract focused on simplicity, ease of application and management and a reduction in bureaucracy.

RECOMMENDATION: The next stage of the project will explore how blended funding could operate.

SETTING LOCAL PRIORITIES. Respondents found it difficult to weigh different 25 year plan priorities against each other in the abstract. They tended to value priorities which were relevant to land management, ie water, air and soil. Biodiversity and climate change also featured highly. Public access, unsurprisingly, scored the lowest because of the problems it presents particularly for livestock farmers. Some respondents pointed out how difficult it is to rank priorities in the abstract. *“I think this is a silly question! They are all so interrelated and work off each other.”*

RECOMMENDATION: We will explore how different priorities can be weighed and determined on a holding level during the land management plan delivery.

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INTRODUCTION

BACKGROUND AND SUMMARY OF THE TEST AND TRIAL

Cuckmere and Pevensey's Environmental Land Management trial has three objectives:

Objective 1: Identify priorities for an Environmental Land Management Scheme in the catchment. We will work collaboratively with local bodies, organisations and communities. The priorities will attempt to join up natural capital, spatial planning and issues affecting local people and reflect the aims of Defra's 25 Year Plan.

Objective 2: We will identify and work with 20 local farmers to develop land management plans that deliver ELM priorities. We will engage with farmers and farm advisors to devise holding plans which record the potential of the farm business, how the farm could contribute to local priorities and how they think this should be done. During this process we will seek the views of farmers and farm advisors to understand the skills, knowledge and advice that is required to deliver ELMS.

Objective 3. We will consider how a locally led organisation, like a Catchment Partnership, could deliver ELMS. We will ask farmers and farm advisors what their preferences are for delivery. We will identify potential funding streams, for example water companies, charitable trusts, developer contribution including net gain and district licensing, and investigate the potential for delivering this funding coherently alongside or within ELMS.

THE CUCKMERE AND PEVENSEY LEVELS CATCHMENT PARTNERSHIP

The trial will be delivered by the Catchment Partnership. The Cuckmere and Pevensey Levels Catchment Partnership is a strong collaborative group which has developed over five years. Membership includes: local authorities, water companies, national agencies such as Environment Agency and Natural England, the local Wildlife Trust, Rivers Trust and ornithological trust, community groups, farmer groups, interest groups such as anglers and local artists. The group has strong attendance at quarterly meetings. The test and trial proposal has been developed by the partnership group.

<http://www.cplcp.org.uk/>

THE PROJECT AREA: CUCKMERE AND PEVENSEY CATCHMENT

The Cuckmere and Pevensey Levels catchment covers about 50,000 ha and covers land within Wealden, Rother and Eastbourne districts. At the centre of the area is the Pevensey Levels Site of Scientific Interest – one of the most significant wetland sites in the UK. Recent assessment of the economic value of the area for the local community concluded that it delivers £17 million of benefit to the local community through biodiversity, food production, recreation and protecting the main road and train transport links from flood risk (Environment Agency and Natural England, 2014).

The catchment around the site provides water to the local community and also presents flood risk and resilience opportunities – particularly in the face of climate change. Outside of the Pevensey Levels SSSI

there are also significant areas of important habitats including species rich grassland, woodland, wet grassland and open water. 150,000 people live in the area and many more visit.

Approximately 20,000 new houses are planned in the area – 11,000 in Wealden, 5000 in Eastbourne and 3000 in Rother. All three Local Plans focus on sustainable water use and drainage, public access to greenspace and linking up and enhancing existing areas of biodiversity.

QUESTIONS THIS RESEARCH AIMS TO ADDRESS AND THEIR CONTEXT IN THE PROJECT

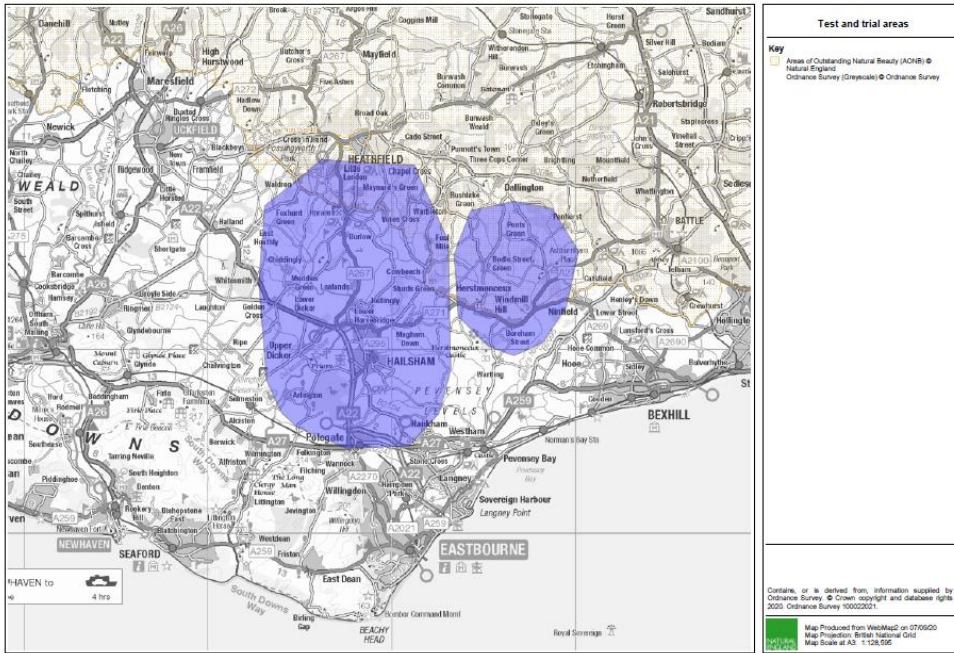
This element of the project aimed to gather broadbrush information about farmers and their willingness to take part in the land management plan process as well as gain insight into the following:

- What are farmers' experiences of agri-environment to date and what elements could inform the land management plan?
- What understanding do farmers have about the financial aspect of their business?
- What understanding do farmers have about natural capital?
- Would farmers prefer a national or locally led scheme?
- Would farmers prefer separate contracts for different funding sources or blended funding in a single contract?

METHODOLOGY

We had originally planned to engage with farmers through a series of workshops. The Covid pandemic made this unworkable so instead we devised a questionnaire (see appendix 1) which we tested on a small group of farmers before mailing out more widely. ADAS made suggestions and comments to the draft questionnaire.

We sent the questionnaire to land managers from Natural England's Customer Land database. The database was clipped to the following area and all holdings – whatever the size - were included. The survey was sent in paper form and included a reply paid envelope.



The questionnaire featured closed and open ended questions and would have taken a minimum of 20 mins to an hour to fill out.

On balance, while a workshop would have facilitated debate and discussion between farmers, the survey allowed individuals to offer detailed thoughts. The analysis of the survey was more time consuming than a workshop write-up but the insights offered were more detailed and allowed people who may have hesitated to speak in an open forum to express their opinions.

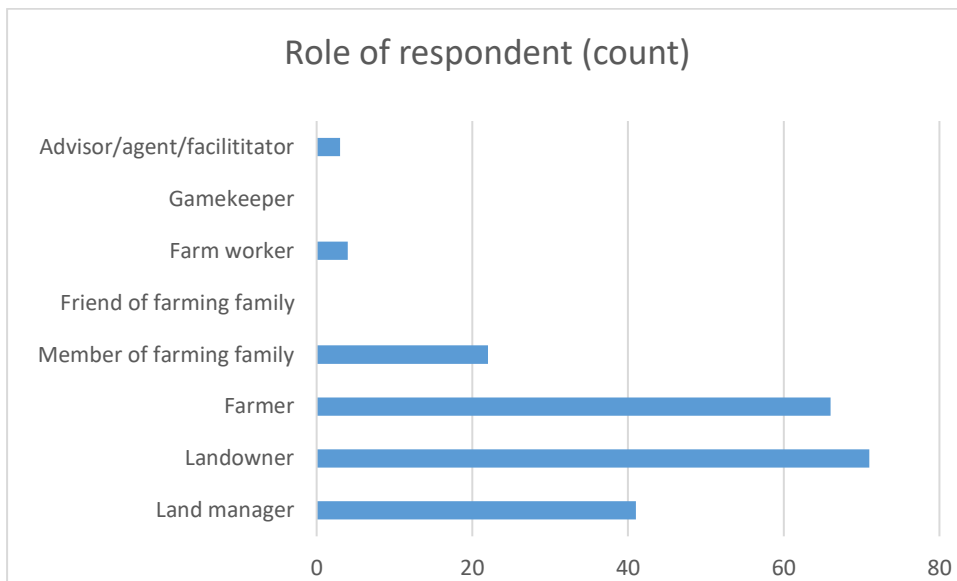
RESULTS AND DISCUSSION

All results are available in Appendix 2 anonymised.

The survey was sent to 616 farmers and 85 responded which was an approx. 14% return rate.

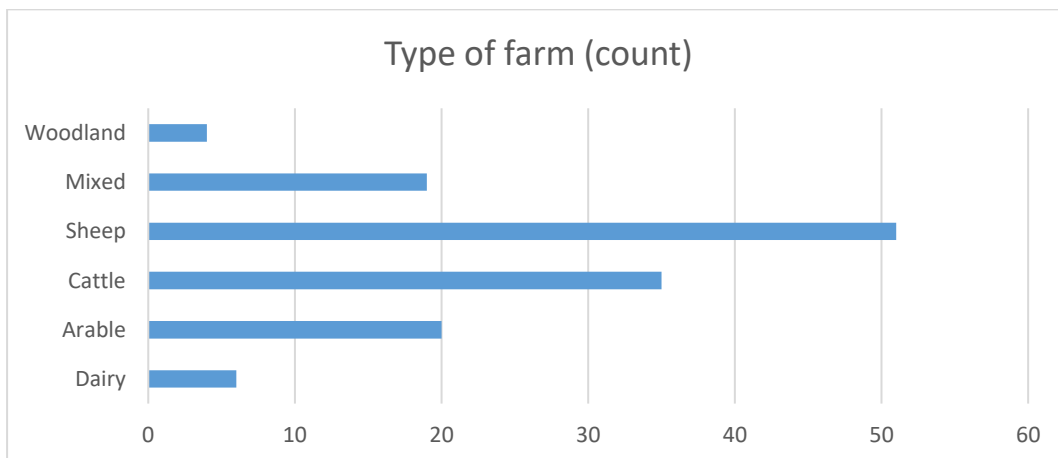
Respondents did not answer all questions – results are given as a count or percentage of those who answered that question, not all respondents.

ABOUT THE RESPONDENTS

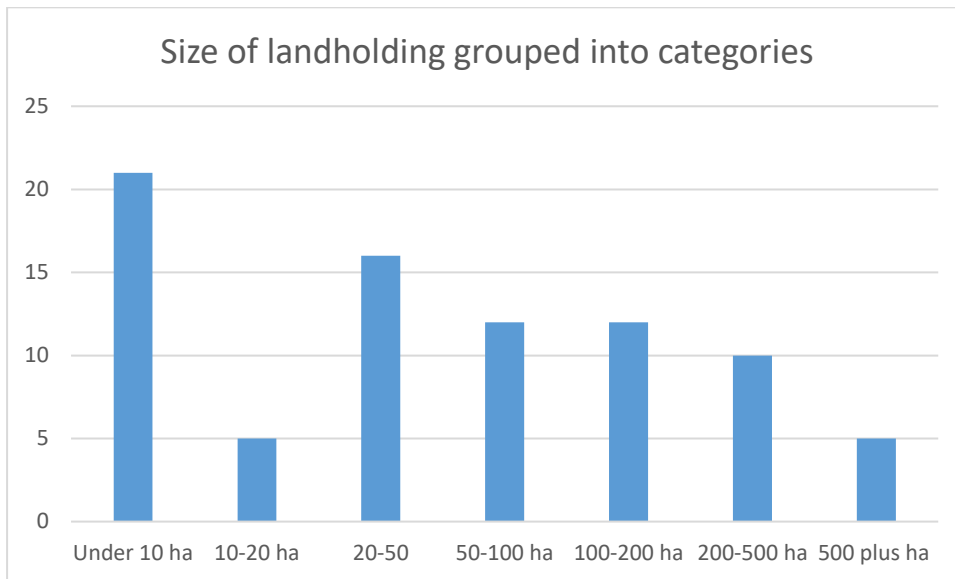


As the above figure shows – the majority of the respondents described themselves as farmers or landowners or both.

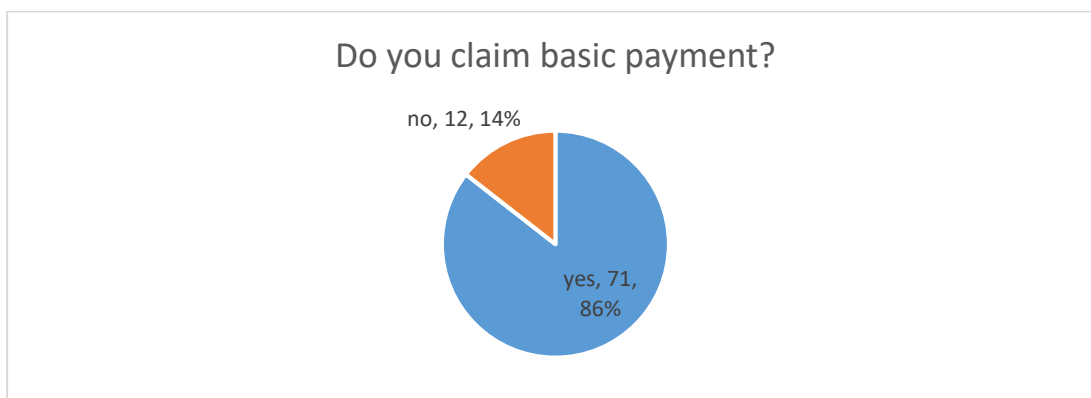
Most farmers were livestock only farms with sheep more commonly farmed than cattle, with some arable and comparatively few dairy farms.



About a quarter of respondents had landholdings under 10 ha. Another quarter had holdings between 10 and 50 ha which means half the respondents had holdings under 50 ha. Less than 5 respondents had holdings over 500 ha.



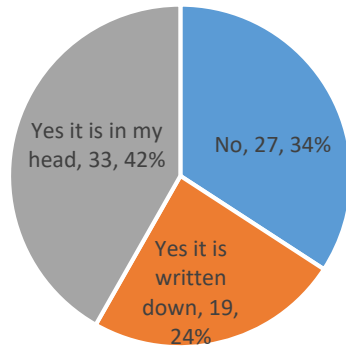
Most respondents – almost 90% - presently receive basic payment. Some of those who did not claim basic payment mentioned that they were not eligible because of the small size of their land holding.



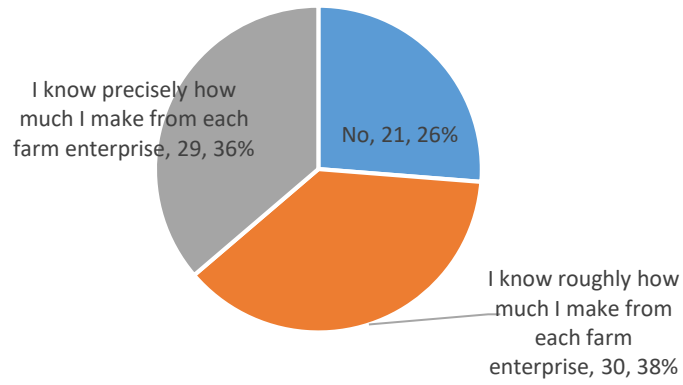
FARM BUSINESS PLANNING

- Three quarters of respondents did not have a written business plan.
- A quarter did not know how much profits they made.
- The majority had not undertaken benchmarking against other farms.
- The majority who answered the question about basic payment question felt that the loss of basic payment would have a negative impact on their business. Those who didn't claim basic payment did not answer this question.

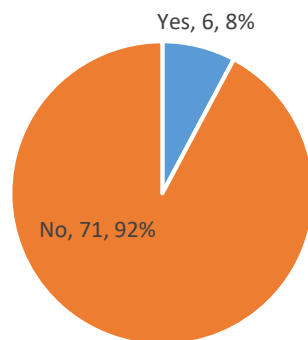
Do you have a business plan?



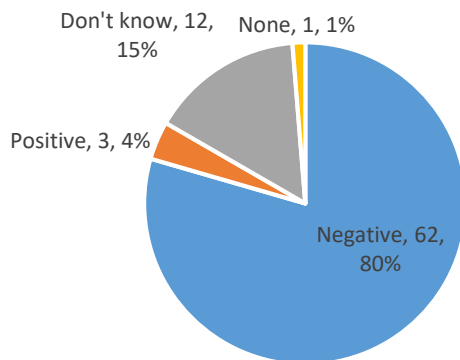
Do you know how much profit you make?



Have you ever benchmarked your farm?



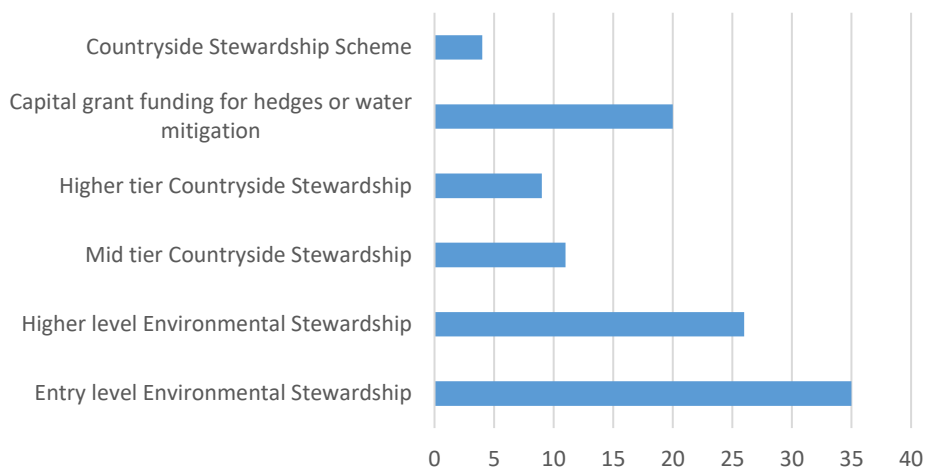
What financial impact is the loss of basic payment going to make for you and your business?



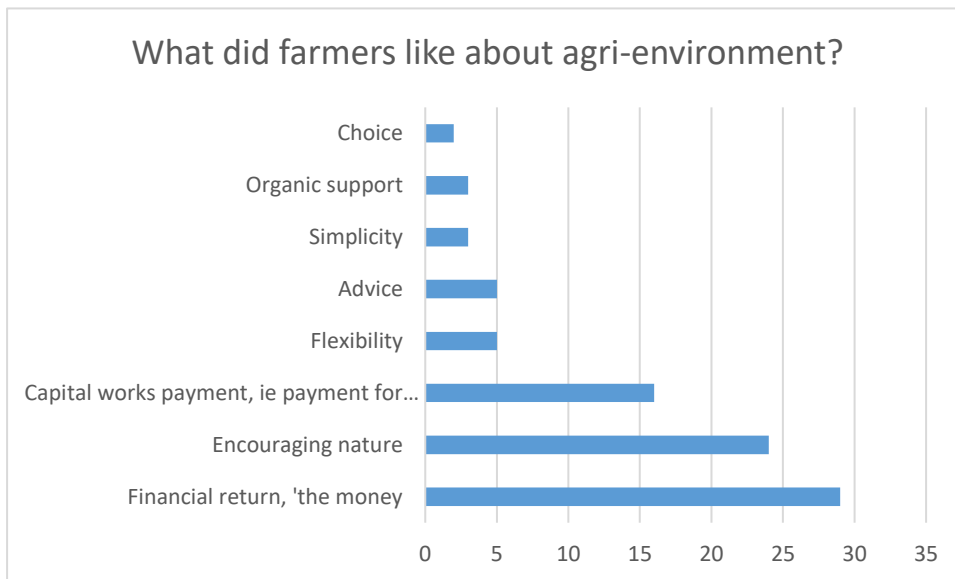
EXPERIENCE OF AGRI-ENVIRONMENT

More farmers had taken part in Entry Level Environmental Stewardship than any other scheme, followed by Higher Level Environmental Stewardship and capital works funding schemes.

Experience of agri-environment



WHAT FARMERS LIKED ABOUT AGRI-ENVIRONMENT



When asked to reflect on what they liked about previous schemes the majority stated financial support.

“Financial support for things we couldn’t otherwise do.”

“The money kept the farm going.”

They also value what the schemes delivered for nature/environmental gains/biodiversity and the countryside.

“Environmental schemes do seem to work, ie we have seen an increase in ecology on the farm.”

“Wildlife flora and fauna has improved.”

“It guided on what to focus on to protect the countryside.”

Capital works were frequently mentioned – hedging, fencing, yards and slurry covers. Although capital works deliver environmental outcomes, they do not generally require changes in land management practice but provide funding for farm infrastructure.

They also preferred schemes before Countryside Stewardship, which they felt allowed choice and flexibility.

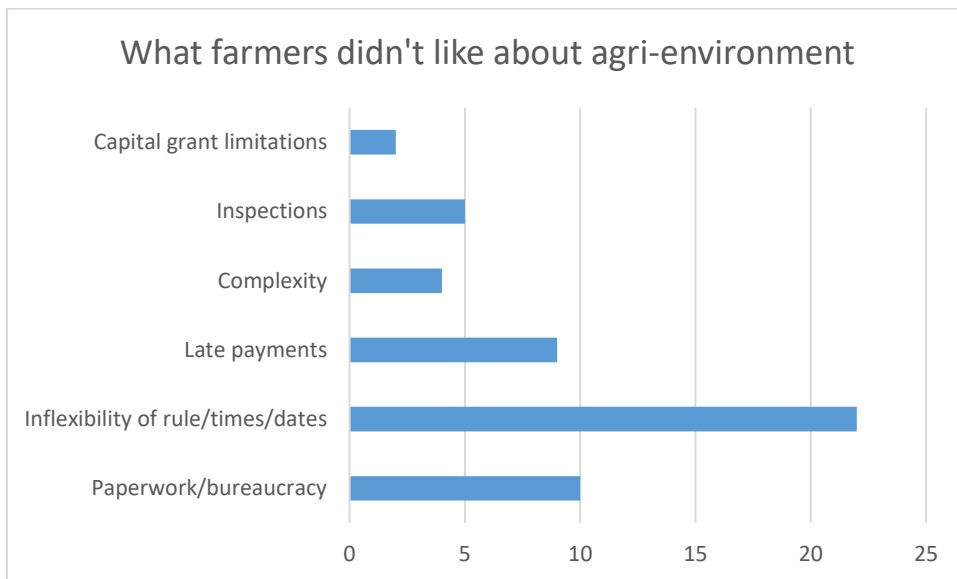
“A wide choice of environmental options to choose from the menu – to suit our farm and circumstances”

They also valued flexibility, ie the ability to change aspects of the agreement during its progression and felt that previous schemes were more flexible than Countryside Stewardship.

“HLS had flexibility to add a project during the agreement.”

“Originally Countryside Stewardship (from pre 2000 not the present scheme) was tailored to the farm with high levels of management advice. Prescriptions were relatively flexible.”

“Not too prescriptive in area not included in the scheme”



Lack of flexibility was the most significant issue.

“Being tied down to rules that aren’t flexible enough to change with the weather and different times of nature and the farming year. No two years are the same”

“Too prescriptive and doesn’t allow us to make decisions based on the current situation.”

“National prescriptions don’t always work on a local site.”

“One rule for the whole country, ie July is too late for cutting good hay in the South”

Late payments were also mentioned.

Paperwork/bureaucracy was also an issue but farmers did not describe what and how this was a problem.

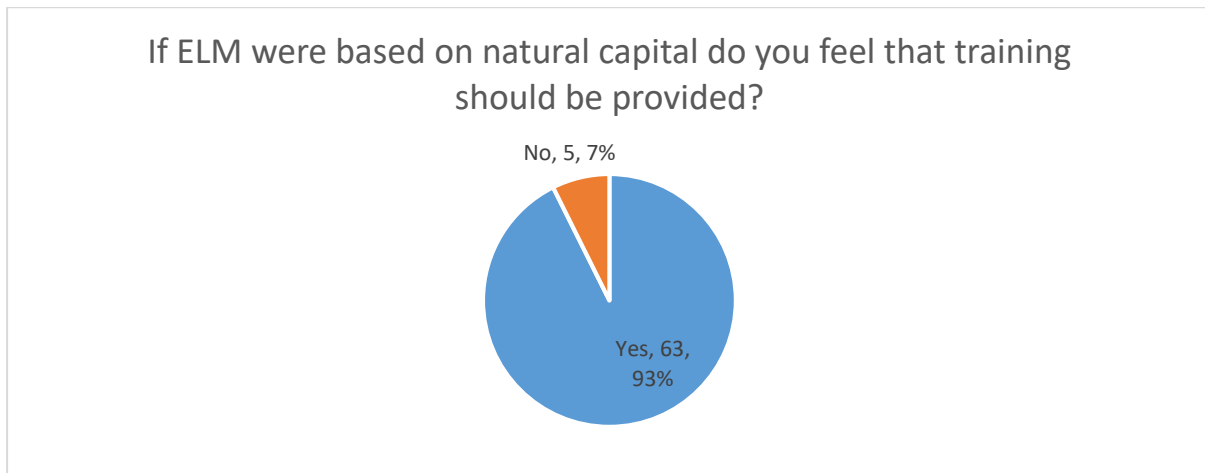
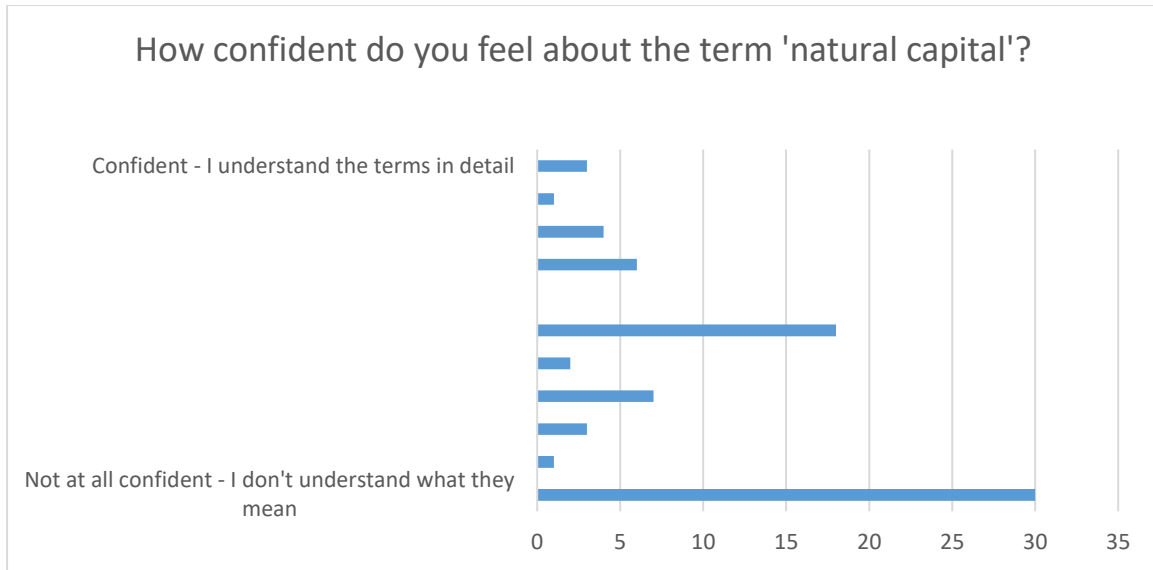
Inspections were seen as punitive and unfair.

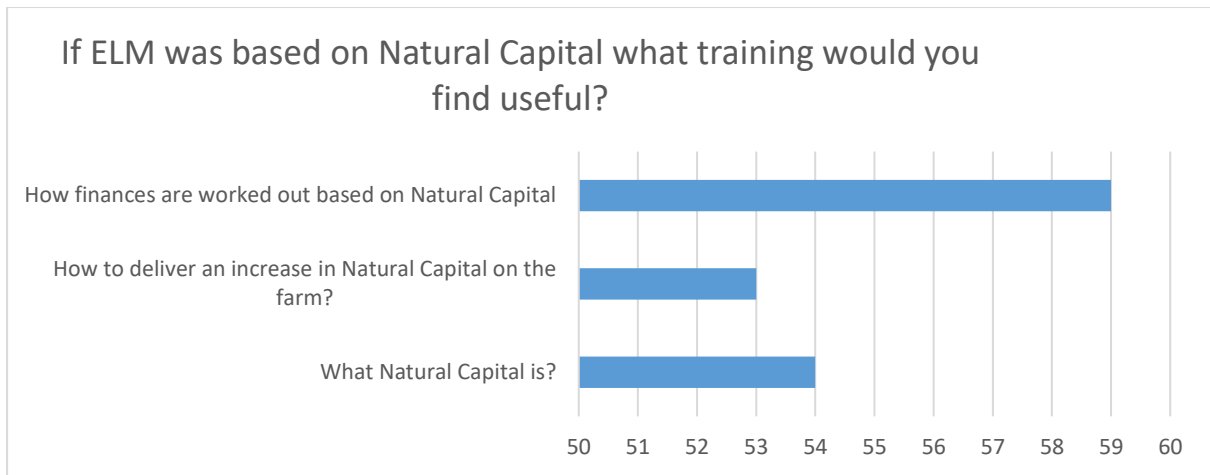
“Fear of minor infringements leading to large financial penalties. Particularly with field margins.”

“Hidden ways you can be fined even if it is not your fault.”

UNDERSTANDING/CONFIDENCE WITH NATURAL CAPITAL

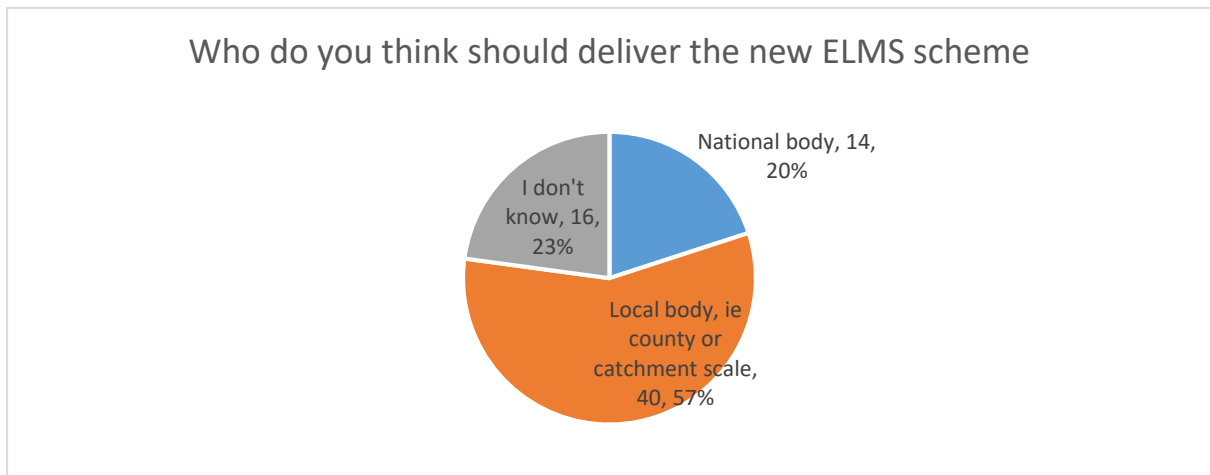
Most respondents were not confident with term 'natural capital' and most would like training. Respondents were asked to mark themselves on an unnumbered scale ranging from confident to not confident with the term Natural Capital. The bars represent a count of the numbers of respondents who marked themselves on this point on the scale, ie 30 respondents are not confident at all with the term.





ELMS DELIVERY – NATIONAL OR LOCAL

Over 50% of respondents would like a local body to be involved in ELMS delivery while 20% preferred a national body.



Those in favour of a local body felt it would reflect local priorities, understand both the land and the local farming community better and be more accountable. It was also suggested that funding might be more effectively used at a local level with less bureaucracy. Some saw the local body acting within a national framework.

“Better local knowledge, relevant scheme to the area understand personalities and build a rapport.”

“Local bodies would have more knowledge about the area and what the land could best be used for.”

“Funding may well be better utilised at local level with less bureaucracy.”

“A local body should be more familiar with local issues and make decisions quickly (within the national framework).”

Those in favour of a national body valued the universal offer to all farmers.

“Elms should be available to all farmers irrespective of location as this will be the only form of support available.”

Some felt that costs of the scheme, ie the administration costs, would increase with a local body.

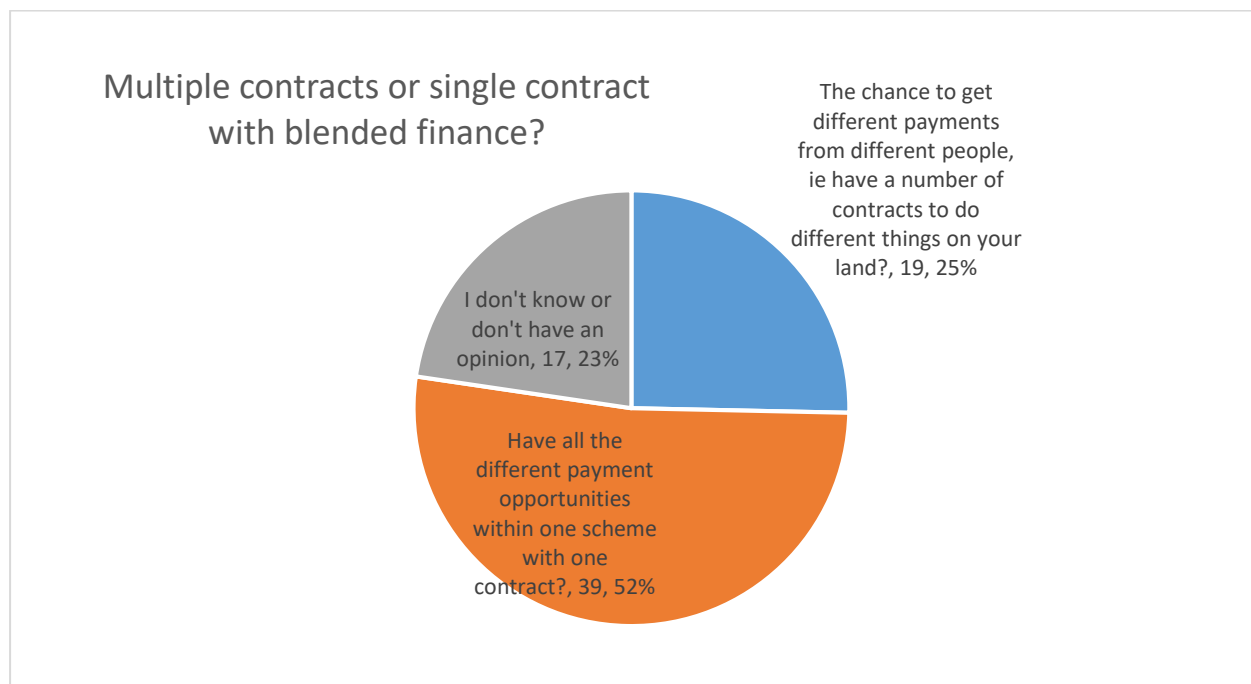
BLENDING FUNDING OR SEPARATE CONTRACT PREFERENCE

Respondents were given the following background:

“Various companies and bodies want to pay for environmental work on farmed land. For instance, water companies will support farmers who are reducing pesticide use, the Environment Agency will pay for natural flood management, housing developments may want to pay for mitigation for biodiversity. “

They were asked if they would prefer to have different contracts from different people or one single contract.

Over half preferred a blended finance/single contract approach.



The reasons given for a single contract focused on simplicity, ease of application and management and a reduction in bureaucracy.

“Avoiding red tape and only having one contract rather than continually negotiating individual contracts.”

“An integrated view of land management and hopefully fewer systems of paperwork.”

“Best way to keep local identity, although I do think it needs to have good communication and links.”

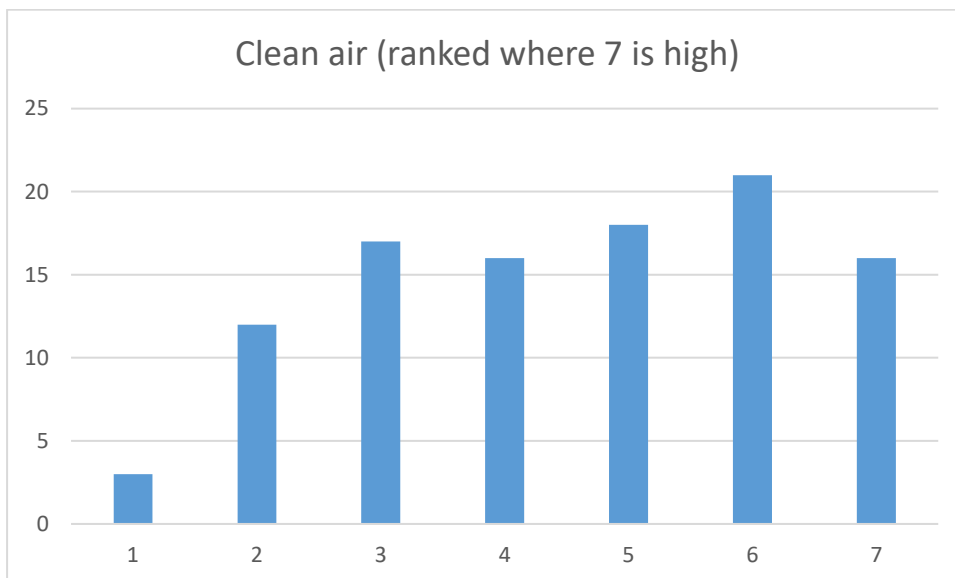
Those who preferred different contracts felt that they might offer a higher financial reward and encourage competition.

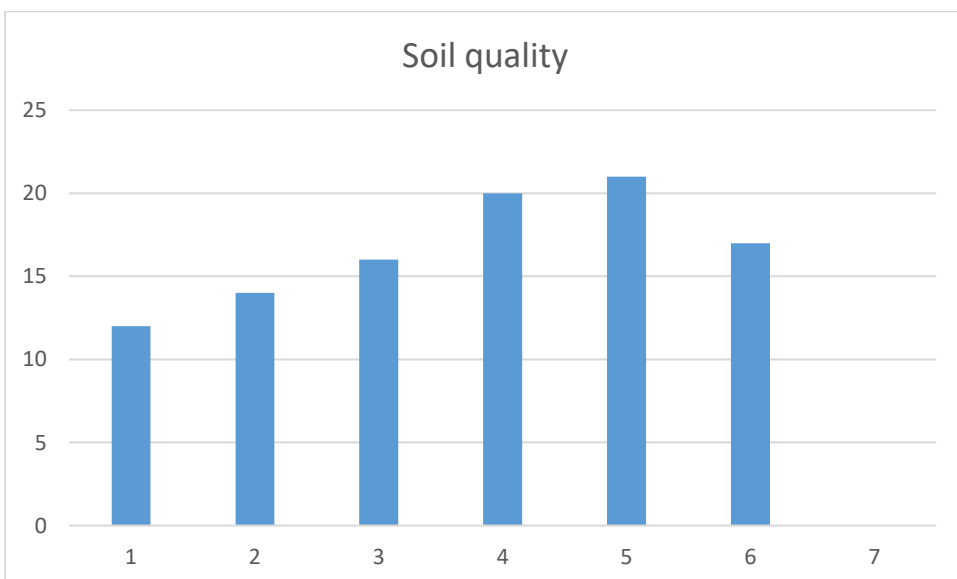
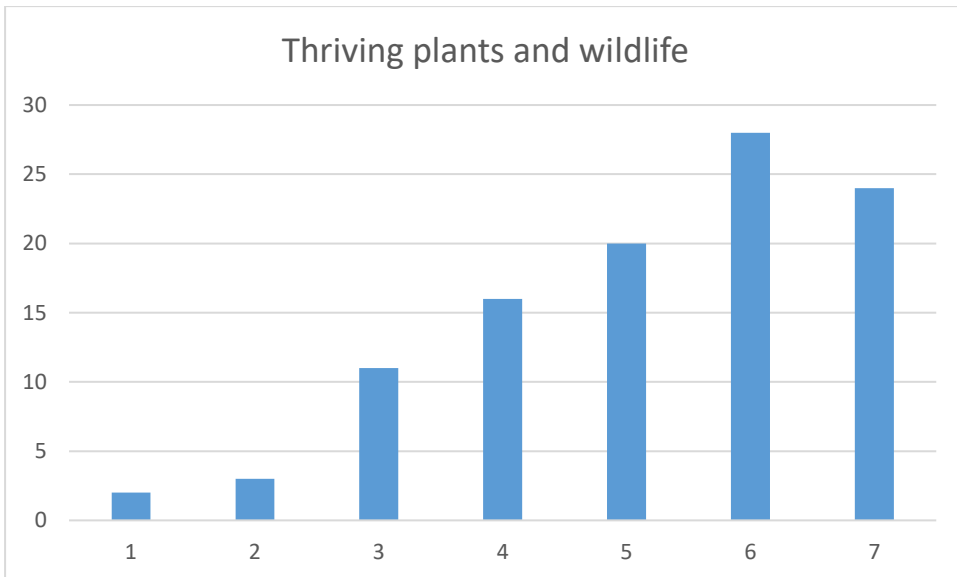
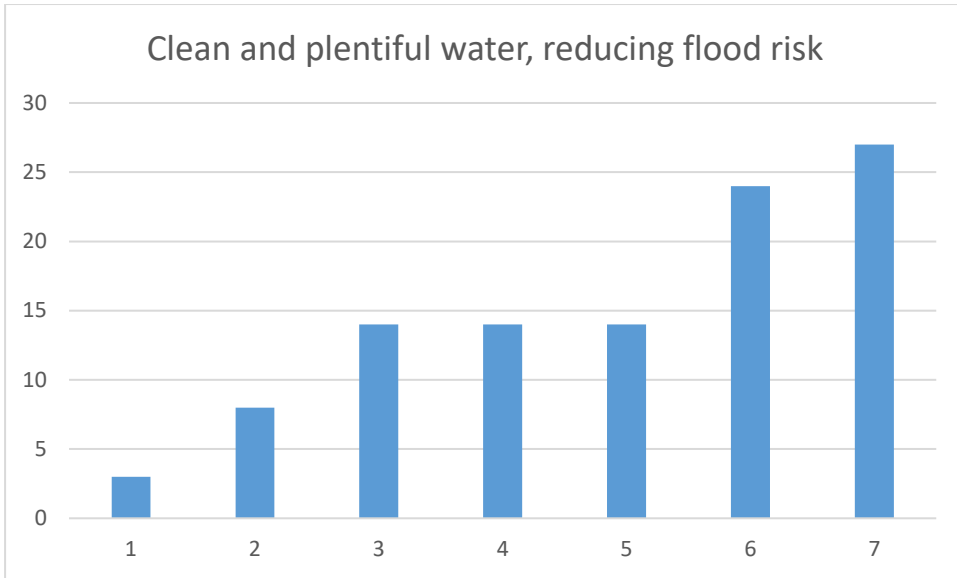
RANKING 25 YEAR PLAN PRIORITIES

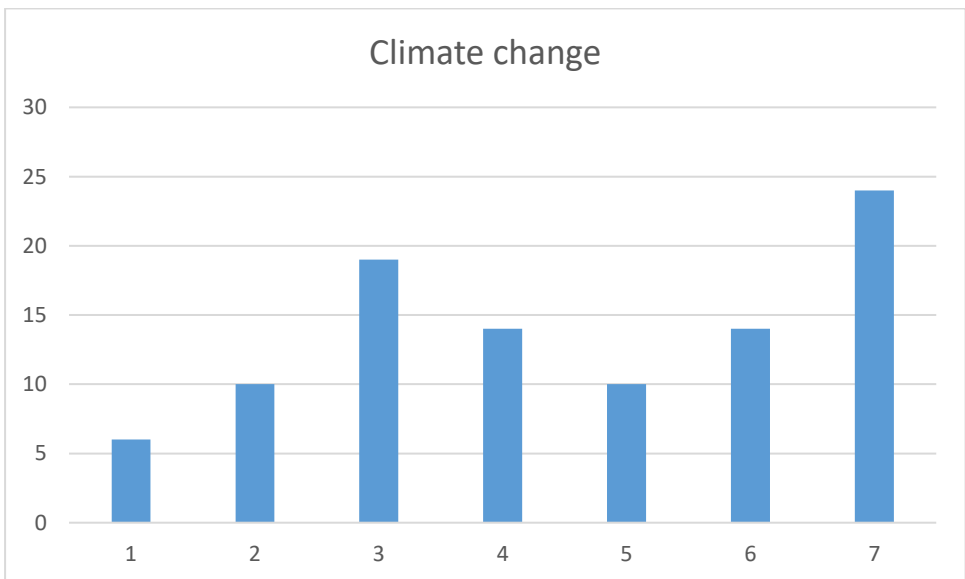
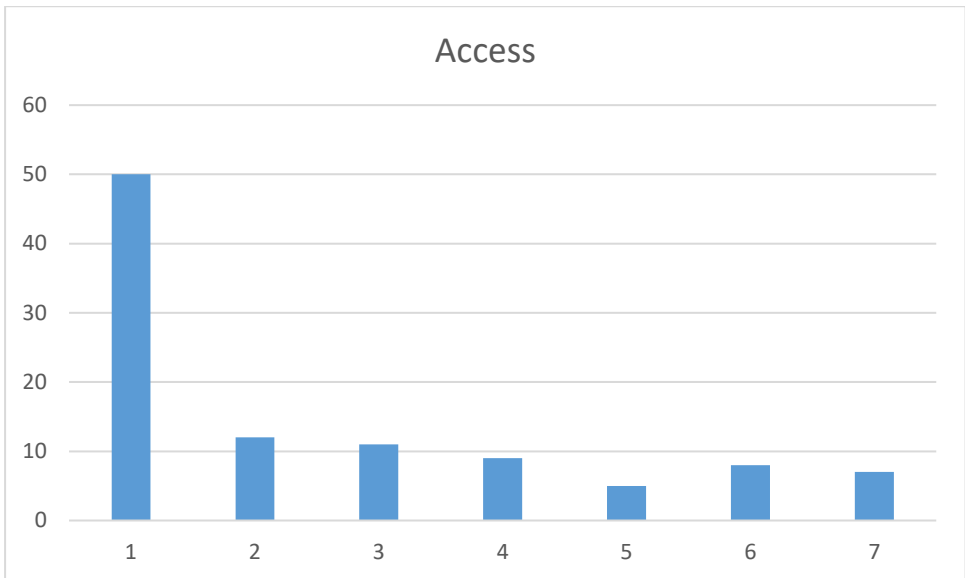
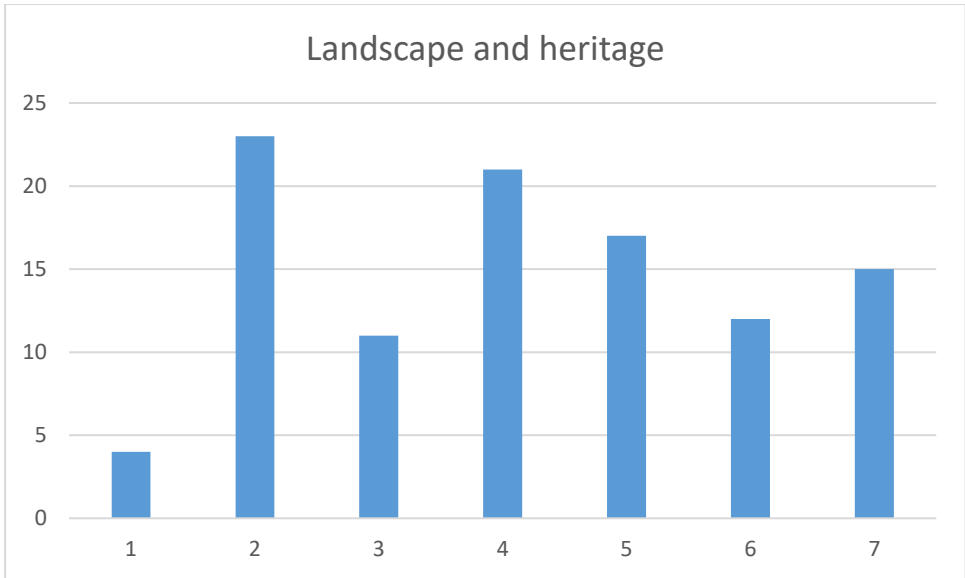
Respondents were asked to rank Defra's 25 year plan priorities. Respondents tended to value priorities which were relevant to land management, ie water, air and soil. Biodiversity and climate change also featured highly. Public access, unsurprisingly, scored the lowest because of the problems it presents particularly for livestock farmers. Some respondents pointed out how difficult it is to rank priorities in the abstract.

"I think this is a silly question! They are all so interrelated and work off each other."

Others pointed out that food production should also be a priority.







DISCUSSION AND CONCLUSION

FARM BUSINESS AND PAYMENT LEVELS. Current agri-environment schemes use ‘income foregone’ from productive farming to calculate environmental options. The payments offers an incentive to reduce production assuming that farmers will weigh food production against scheme delivery. It is clear from this research that many farmers do not have an exact financial understanding of their present business – a quarter have no business plan of any kind and a fifth don’t know what their profits are. This is particularly worrying considering the range of changes farming is facing both to subsidy and available markets. One respondent remarked in relation to agri-environment farmers “need to have a profitable business to start” or they will lack the resilience and long term investment required to deliver natural capital. Although payments were a strong motive for taking part in agri-environment this was not viewed necessarily as a direct trade-off with more intensive farming because they also strongly valued the environmental gain they had seen delivered by their schemes.

RECOMMENDATION: Farm business support will be necessary particularly in areas where farm business is likely to be challenging post Brexit, eg small holdings and livestock farming. Princes Farm Resilience Trust have built a programme that could form part of a continuing professional development scheme which could run alongside ELMS to improve business management within farming.

RECOMMENDATION: ELMS payment levels need to comply with World Trade Organisations Greenbox rules however the use of income foregone is questionable. Is there scope of payment rates on a range which can be set higher or lower depending on local priorities?

LANDHOLDING SIZE. The size of landholdings reflects our current understanding of the area from the Customer Land Database. There are a large number of relatively small holdings and very few holdings over 500ha. Previous research (Winter and Lobley, 2016)¹ has shown that while there is not a direct relationship between size and profitability, small farms are more likely to be dependent on the Basic Payment Scheme for profitability. Land managers are also more likely to work part time off farm. Land managers of smaller holding may be time and cash poor in comparison with a large arable holding which may have a farm manager and administrator. Alternatively, as reported by the High Weald AONB, unit managers of smaller holdings could be ‘incidental’ landowners – who gain significant income from other employment and have bought properties in the countryside in the commuter belt. This category of landowner has relatively little experience of land management and is not necessarily financially motivated. Schemes need to cater for both these and other categories of land owner.

RECOMMENDATION: ELMS format should be able to adapt to holding size and landowner capability. The format should be elastic so it can be used quickly and easily by smaller land managers and in a more complex way by others.

¹ Winter, M. and Lobley, M. (2016) Is there a future for the small family farm in the UK? Report to The Prince’s Countryside Fund, London: Prince’s Countryside Fund. ISBN 978-902746-36-7 <https://www.princescountrysidefund.org.uk/downloads/research/is-there-a-future-for-the-small-family-farm-in-the-uk-report.pdf>

SIMPLICITY, FLEXIBILITY, CHOICE. . .and BEING PAID ON TIME. Respondents valued simplicity, flexibility and choice in past agri-environment schemes. They disliked tightly prescriptive schemes and paperwork/bureaucracy. It should be noted that tightly prescriptive schemes require more paperwork – for evidence, amendments and derogations and detailed applications and agreements. Respondents gave examples of how prescriptive rules within previous schemes, e.g. hedge and hay cutting, were unsuitable and did not achieve the outcome. Inspection regimes were also seen as punitive and unfair.

RECOMMENDATION: A more open, flexible ELMS scheme would require greater trust, perhaps supported by advice. This would require a significant change in the present ‘tick box’ approach adopted by the Rural Payment Agency where scheme processing goes through a series of checklists in order to be completed or payments made. Qualitative analysis would be required and could be linked to local accountability – see the recommendation of local body involvement below.

NATURAL CAPITAL TERMINOLOGY. Most respondents were not confident with the term natural capital and, if this kind of terminology is to be introduced, would require training. Present schemes deliver natural capital in terms of biodiversity, access, water and air quality but do not use this terminology.

RECOMMENDATION: Land managers have become accustomed to agri-environment delivery as it presently stands (and has developed over the last 25 year) so care should be taken to recognise what step changes in knowledge/processes are required for the next scheme and ensure land managers are supported in the transition.

LOCAL DELIVERY BODY. The majority of respondents were in favour ELMS delivery being undertaken through a local body. The nature of this local body, ie whether it would have budget and administrative responsibility, was not laid out within the survey. Those in favour of a local body felt it would reflect local priorities, understand both the land and the local farming community better and be more accountable. This accountability could cut both ways between the farming community and the delivery body. It was also suggested that funding might be more effectively used at a local level with less bureaucracy. Some saw the local body acting within a national framework.

RECOMMENDATION: The next stage of the project will explore how a local board could potentially operate.

BLENDED FUNDING. Respondents preferred a single contractual arrangements which would deliver different funding sources. The reasons given for a single contract focused on simplicity, ease of application and management and a reduction in bureaucracy.

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SETTING LOCAL PRIORITIES. Respondents found it difficult to weigh different 25 year plan priorities against each other in the abstract. They tended to value priorities which were relevant to land

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APPENDIX 1 – FARMER SURVEY



Farmer
questionnaire FINAL

APPENDIX 2 ALL DATA GATHERED ANONYMISED



Farmer
questionnaire anon

