

Additional research on the

# Farming Opportunity Matching Service

Prepared on behalf of the

## National Federation of Young Farmers' Clubs



by

Dr Steve Webster, Delta-innovation Ltd.

[www.delta-innovation.co.uk](http://www.delta-innovation.co.uk)

Project supported by



## Executive summary

- i. Potential funding and industry support both indicate that the Matching Service would be best established, in the first instance, as a project or series of projects with either or both of a regional and a sector specific focus.
  - ii. Until such time as there are sufficient opportunities being put forward for young farmers, and assuming that there will be the demand for opportunities to match to, there is no need to establish a 'formal body' between the NFYFC, NFU and CLA.
  - iii. The NFYFC remains ideally positioned to drive the Matching Service forwards.
  - iv. The demand for opportunities has been highlighted through a survey of business-minded young farmers at the Fertile Minds event and within Fresh Start Academies. This survey found that, 'Identifying and meeting existing farmers and land owners who would consider a joint business venture with me', was ranked as the most important element of a potential Matching Service offer, over and above accessing land and buildings, funding and investment, or business advice.
  - v. Existing support for young farmers includes local and regional initiatives as well as a handful of national and sector-specific projects such as the RABDF's Dairy Entrepreneurs. The promotion of joint ventures amongst existing farmers by DairyCo, the Dairy Development Centre in Wales and the Land Mobility Service in Ireland provide useful grounding. It should be noted that the CLA will be re-launching their guidance to members on share farming during the summer of 2014.
  - vi. Case studies of share farming highlight a number of common themes including the profit-focus and clear business thinking required of young farmers, the need for young farmers to raise their own profiles with their target audiences, the importance of communication and the need for scale.
  - vii. Existing farmers and landowners highlighted three distinct barriers to further joint ventures: young farmers need to demonstrate a suitable attitude towards hard work and business development, exiting farmers need to be shown the benefits (to themselves) of joint ventures and farm business consultants need to see joint ventures as a useful and necessary option to put to their clients for consideration.
  - viii. To take the Matching Service forward will require funding and potential options include commercial sponsorship, public sector and charitable grant-funding. For a project-based Matching Service then multiple funding routes are a necessity and provide some flexibility as to how the service might evolve.
  - ix. Commercial funding, whilst possibly the most difficult to secure, would demonstrate to other funders the 'perceived industry need'. Considering the relevance of share farming to dairying and its clear potential in this sector, a first approach to the dairy industry is recommended.
  - x. Public sector funding is to a large extent regionalised, in particular through the Local Economic Partnerships (LEPs) that exist on a county basis. Nevertheless, whilst the majority of land-based colleges will be bidding for LEP funding over the coming months it would be feasible to piggy-back Matching Service projects onto some if not all of these, depending on the willingness of colleges to co-operate. Furthermore, bids could be targeted towards those counties in which the Matching Service would add value to ongoing work to drive up opportunities, or to drive up the skills and abilities of the cohort of young farmers. An approach to selected colleges is recommended.
-

- xi. For charitable funding the Prince's Countryside Fund stands out as the most likely supporter of Matching Service projects. The next funding window will be in the autumn of 2014 and it is recommended that a bid be submitted at that time.

## Contents

---

	Page no.
1. Introduction	2
2. Key project partners	3
3. Operational detail	4
4. Existing support for young farmers	7
5. Case studies	11
6. Project funding	17
Appendix 1. Survey form	
Appendix 2. Summary of the Matching Service for sponsors	
Appendix 3. Summary of MS benefits for sponsors	

---

## Acknowledgements

---

This study was made possible through the direct support of Defra, to whom we would like to express our sincere gratitude. We would also like to thank the numerous people who shared their time and their thoughts with us during the study. I hope we have captured most of what we were told! In particular, but in no particular order, I would like to thank:

- Jo Wyles and Christina Evans at the National Federation of Young Farmers' Clubs and Francesca Broom of Norfolk YFC
- David Wynne Finch, Philip Feenan and Robert Bostock, John Henderson, Mike and Laura Trayte and Oliver Hall (Evolution Farming) and Helen Woodcock (Kindling Trust)
- Austin Finn of the Land Mobility Service and Dafydd Thomas of Gelli Aur
- Ed Barker of the CLA and Lee Osborne of the NFU
- Rachael Chamberlayne at DairyCo and Emily Rowley at the RABDF
- Catherine Nakielny at KN Consulting
- Jacqui Stoddart (CLA North) and William White (NFU South East)
- Alison Rickett at Fresh Start, William Frazer of Farmers Weekly and Michael Mack of Smiths Gore
- The NFYFC Agriculture and Rural Affairs Steering Group members, most especially Duncan Howie, Charlotte Johnston and Chris Manley,

## 1. Introduction

---

- 1.1 The challenges faced by young people wanting to start out in farming are widely recognised and were well described in the Future of Farming Review. In particular, this review noted that, “Given that opportunities to own land and find a tenancy are becoming increasingly scarce, we need to consider alternative ways to separate farm businesses from the land ownership that may allow a more flexible, less capital intensive enterprise to thrive.” (Future of Farming Review, para 5.28).
- 1.2 UK agriculture is in a relatively healthy condition and the outlook for individual sectors is positive. For dairying, the sector most usually associated with share farming, there are significant growth opportunities apparent in the net trade deficit between UK and the EU and dairy farmers are generally optimistic about the future. The counter to this, for new entrants and young farmers, is that relatively few dairy farmers now intend to leave the sector. If young farmers want to become established in dairying they will increasingly need to think of alternative routes in, be they taking over their family farm or starting completely from scratch.
- 1.3 Sheep meat production in the UK has been steady since 2010, imports from major competitors have been reduced because of lower production volumes and increased demand from in particular the Chinese market, hence providing a more stable platform for sheep producers to operate from. Beef production remains stable with domestic demand for assured beef and native bred cattle underpinning the market and pig industry confidence is higher than it has been for some years, with producers seeing their competitiveness improve against others in the EU.
- 1.4 A healthy agricultural industry should be attracting and retaining the best new entrants to the workforce; as self-employed businessmen and women in their own right or as employees. If we want to attract the entrepreneurs who will best capture and exploit this positive outlook then we need to encourage farmers towards working with them, through joint ventures and other means, and so providing these young farmers with a first step on the farming ladder.
- 1.5 At the same time, there has been continued pressure on the support available from the public sector and a trend towards regional and sub-regional allocations of funding. Whilst this has no direct impact on farming it has a very real impact on the ways in which any matching service might be established.
- 1.6 This project has been funded through the Defra grant to the National Federation of Young Farmers’ Clubs 2013-14. It follows on from a previous Defra-supported feasibility study into a Farm Opportunity Matching Service that was completed in 2012.
- 1.7 This project was intended to investigate further the options for a Farming Opportunity Matching Service and in particular (i) how key project partners might work together, (ii) what the operational detail of the service should be, (iii) what other support exists for young farmers starting out in the industry, (iv) what case studies of joint ventures can tell us and (v) where funding might be available from, and for what elements of the matching service. The project was given the go-ahead in August 2013 and ran until April 2014.

## 2. Key project partners

---

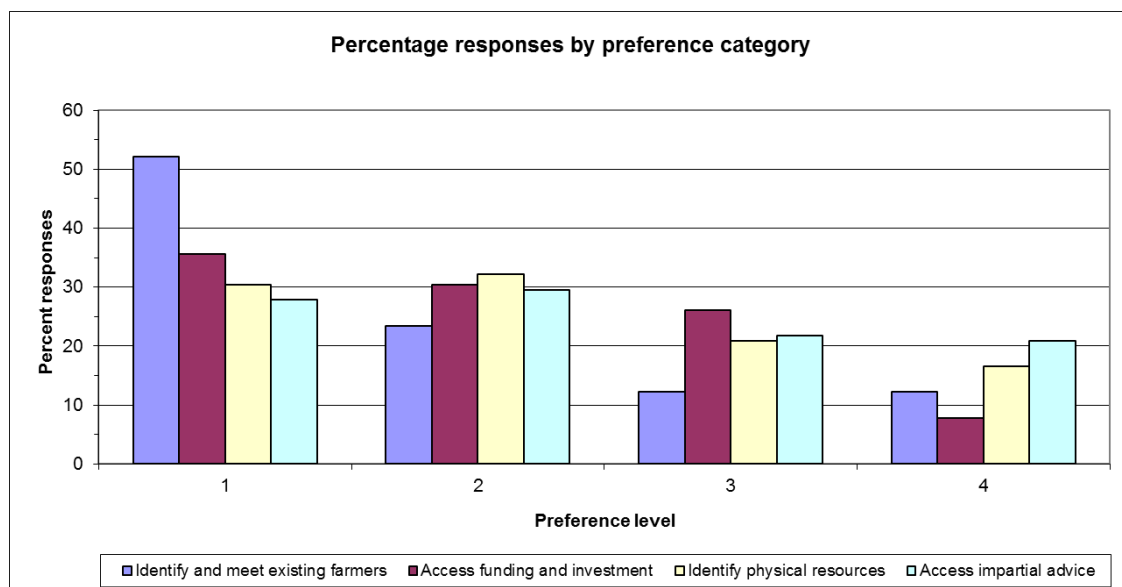
- 2.1 The 2012 feasibility study identified the CLA and the NFU as key partners with whom the NFYFC would most usefully work to bring a matching service to fruition. Specifically, these two organisations have a large farming membership and might be regarded as the first point of reference for farmers wishing to to share a farming opportunity with a young farmer.
- 2.2 A meeting with the CLA and NFU was held in October 2013, and subsequent discussions were held by telephone. The outcomes of these discussions can be summarised as follows;
- i. The Matching Service need not be created in the first instance as fully-fledged, operating on a national basis and across all sectors, but might instead develop through one or more projects aiming to deliver specific elements.
  - ii. In consequence the Matching Service need not establish a new organisation but might instead be led by a single organisation. In fact, whilst any such project will necessarily draw together a number of partners, it will for funding purposes require a single organisation to act as the responsible lead-partner.
  - iii. By working on a project-basis, how the partners work together is much simplified; there is less of a need for any formal, structured agreement between them, but more simply a commitment to work together. For project purposes the *regional* representatives of the three bodies may be particularly important.
- 2.3 The CLA have been re-writing their guidance for members on the business of joint ventures, and were able to help with identifying case-studies of where these have been successful. There is some momentum within the sector towards initiatives which encourage entrepreneurship and help the business of farming.
- 2.4 Whilst a number of bodies have expressed an interest in being associated with the Matching Service, none have in their own right attempted to create or deliver such a service. In part this may be due to the 'idea of a matching service' being distant from an understanding of the needs and of the necessary operational detail.
- 2.5 With the CLA and NFU both supportive of a project-approach to stimulate the different elements of the Matching Service, the NFYFC remains ideally positioned to drive this forward. That is not to say that the NFYFC should necessarily act as the delivery body for any project; more simply that they should take a controlling role in the instigation of delivery to ensure that YFC members are able to benefit.
- 2.6 From an industry-political perspective, the location of any Matching Service project is less important than would be the location of a fully-fledged Matching Service. Whilst the latter would be usefully centred round the agri-business hub at Stoneleigh, each individual Matching Service project would be better placed to fit with the best opportunities for delivery e.g. against a backdrop of the dairy / livestock sector and of similar projects that are driving demand and/or opportunities.

### 3. Operational detail

---

- 3.1 Scoping the operational detail of the Matching Service; what it should look like, what information it should contain, who might be able to access it and so on, allows potential barriers to success to be isolated and it allows the Matching Service 'product' to be more easily shared with interested parties.
- 3.2 A Working Group was established to help scope this operational detail, chaired by Alison Rickett and comprised of NFYFC Agricultural and Rural Affairs Steering Group members and invited guests. Meetings of the Working Group held in November 2013 and February 2014 have helped to develop the draft 'outline detail' for the Matching Service. These have focused on the information needed by the farmer of the young farmer, and vice versa; on the additional support that might be delivered by the Matching Service and on the means of communicating with young farmers and existing farmers.
- 3.3 A survey of attendees at the Fertile Minds event was suggested at the first of the Working Group meetings and this was undertaken and extended to include attendees at the Fresh Start Academies in November and December 2013. A copy of the survey is attached at Appendix 1. A total of 115 responses were received.
- 3.4 Respondents were asked to rank from 1 (most important) to 4 (least important) four elements of the matching service offer; helping to identify and meet existing farmers and landowners who would consider a joint venture, helping to access sources of funding and investment, helping to identify physical resources and helping to access impartial business advice. The percentage of responses by preference category is shown in Figure 1.
- 3.5 The most striking finding from this survey was the importance assigned to 'identifying and meeting existing farmers' over and above other services that could be offered, including 'identifying physical resources'. Put another way, meeting and matching with *the right farmer* was seen as more important, overall, than finding the right land or buildings.
- 3.6 Respondents were also asked of their awareness of non-tenancy business relationships such as share farming and joint ventures. Around 29% of respondents thought themselves to be 'not very aware' of non-tenancy farm business relationships; 62% 'somewhat aware but might like to know more' and 10% 'very aware'.

**Figure 1.**





- 3.7 It was felt by the Working Group that a prospective farmer might look in two stages at a new entrant:
- i. A suitability test, akin to a recruitment exercise, for which basic information might include a CV, background experience, knowledge, personal skills and an assessment of practical ability.
  - ii. A conformity test, assessing the ability of the young farmer to match the aims and objectives of the farmer, for which basic information might include capital input and access to capital, equity share, attitude to risk and decision making ability.
- 3.8 The first of these could be made immediately available, whilst the second could be made available in response to initial enquiries, or after an initial sift of candidates. The second stage is where facilitation of the relationship between farmer and young farmer will likely be of most use.
- 3.9 Turning to what prospective young farmers might wish to know of the farmers with whom they might match-up, the following were noted;
- History and background of the farmer, including farm ownership and the situation with the farmer's family i.e. are there likely to be offspring who would wish to succeed the farmer?
  - Current farming practices and facilities, including technology and machinery on the holding, its state of repair and efficiency of use.
  - The state of the farm and its land and the need for repair and remedy.
  - Aims and ambitions of the farmer for the future including time to retirement, plans for investment, and openness to ideas.
  - Who they currently work with, including relationships with neighbours.
  - Who they use for advice, including land agents, agronomists, vets and so on.
  - Finances and profitability: is there room for a new entrant?
  - Current suppliers and markets.
- 3.10 Whilst broad descriptive data may be available for all of these points, the more detailed and private farm data, including farm finances, might be more suited to sharing after the initial sift of candidates i.e. when there are only a handful of applicants and confidentiality can be controlled.
- 3.11 The means of sharing this information between farmer and young farmer will depend most of all on the scale of the Matching Service, or of any Matching Service projects that are supported. Whilst a website would provide the broadest coverage, it would only be necessary and efficient once the numbers of farming opportunities and of prospective young farmers have reached sufficiently high levels. As such, any website created for the Matching Service need not in the first instance include a matching element; it might focus instead on highlighting key sources of information, case studies of success, and perhaps providing the profiles of a selection of young farmers to showcase the range, enthusiasm, skills and potential of this cohort.
- 3.12 There will in some if not all cases be benefit to be gained from ongoing mentoring after the match between farmer and young farmer has been made. Whilst the Matching Service will not necessarily provide this mentoring as a core deliverable, it would usefully tie-in with programmes that arrange and deliver mentoring for businesses. During the course of this study a SFEDI-led mentoring programme for rural businesses has been in development, of which more details are provided in the following section.
- 3.13 At this point in time the NFYFC should not be proposing that any other specific organisations are designated as media partners / web developers or service deliverers. As noted in the

previous section, the essential elements of delivery that are required at this point in time may be delivered on a project basis. As such, the most suitable partners and deliverer bodies will be defined by the individual projects rather than by the overarching ambition for a Matching Service.

- 3.14 The Working Group agreed that whilst charges could be made to young farmers, as a means of filtering for the most interested, farmers offering opportunities should not be charged for using the site. However, the site would necessarily comply with data protection regulations and might usefully include a registration process to access any information other than that which is anonymised.
- 3.15 The Working Group also highlighted that matching opportunities exist where farmers want their farm unit to carry on *in its own right* and that there is a need to highlight to land agents in particular the different models for succession and how opportunities might be brought about. The distinction between acting as a letting agency and acting as a matching service needs to be made clear: this might be most easily achieved through descriptions on the site / documentation of what the Matching Service doesn't do as well as what it does do.

#### 4. Existing support for young farmers

- 4.1 The 2012 feasibility study noted that there is a number of initiatives acting at a local or regional basis which offer some or all of the supporting services seen as necessary for the Matching Service.
- 4.2 In October 2013 YFC county organisers and a selection of 28 agricultural industry bodies (livestock associations, show societies, NFU and CLA regional offices and farmer networks) were written to asking for details of the any activities or projects of which they were aware that provided support to new entrants or young farmers starting out on the farming ladder.
- 4.3 Responses were limited, although it was noted that the RABDF have been active in addressing routes into farming for new entrants and young farmers (see Dairy Entrepreneurs project, below). The work of Norfolk YFC in supporting new entrants was highlighted and from previous studies we know that other projects deliver excellent work 'under the radar'. *However, that the response rate was so low would indicate that these projects are fewer in number than might be preferred; there are significant gaps in provision of support that remain to be addressed.*

**Table 1. Programmes of support for new entrants and young farmers**

Programme	Description
Norfolk YFC's Farming & Business Forum	Training & development for new entrants intending to start a career in the land based industries (see text below)
Norfolk YFC's Growing Business Award	A business planning competition with a £5,000 start-up award for the winner (see text below)
Regional Trusts (e.g. the Chadacre Agricultural Trust)	Regional Trusts such as the Chadacre Agricultural Trust, the Ken Thomas Charitable Trust and the Felix Cobbald Trust provide funding for educational purposes on a regional basis.
Nuffield Farming Scholarships Trust	Travel scholarships and support for those involved in and around agriculture <a href="http://www.nuffield scholar.org">www.nuffield scholar.org</a>
The Jason Kanabus Trust	Run through the Prince's Trust <a href="http://www.princes-trust.org.uk">www.princes-trust.org.uk</a> , The Jason Kanabus Fund supports development awards to help purchase tools or equipment or to pay for training, and enterprise awards which include loans, grants, mentoring and business support.
Dairy Futures	Training and business support, mentoring and access to a business loan scheme <a href="http://www.dairyfutures.org.uk">www.dairyfutures.org.uk</a> .
Henry Plum Foundation	Providing grants, travel scholarships and support to young people to learn about land-based industries and to develop their entrepreneurial skills <a href="http://www.thehenryplumbfoundation.org.uk">www.thehenryplumbfoundation.org.uk</a>
NSA Next Generation Ambassador Group	Training for technical and personal development for 10 young people per year focusing on technical and business skills for profitable sheep production <a href="http://www.nationalsheep.org.uk/nextgeneration">www.nationalsheep.org.uk/nextgeneration</a>
Fresh Start	Training programmes for individual farming sectors (see text below)
Entrepreneurs in Dairying	Training, business support and mentoring for those wanting to start their own dairy farming business (see text below)
SFEDI mentoring	Mentoring across all land-based industries (see text below)

- 4.4 Additional information was gleaned from two projects outside of England; the Land Mobility Service in Ireland and Collaboration and Impact Groups in Wales. Both of these have been addressing the same issues that the Matching Service would be intended to address, and the details provided by each of them include many useful lessons to the focus and activities of any Matching Service project that might be established through the NFYFC.
- 4.5 **Norfolk YFC.** “Norfolk YFC has set up its own group to support new entrants. It is called Farming and Business Forum and is free to any YFC member. It is aimed at those wishing to develop a land-based career. The group have approximately 8 meetings a year. Events vary to the need but some of the areas covered have been: applying for farm tenancies, succession planning, starting in the pig business (with BQP), deer management, cheese making, anaerobic digestion plants and “behind the scenes” at an abattoir. The group has been operating for about 8 years.”
- 4.6 “For the past 6 years Norfolk YFC have run the Growing Business Award. Where members pitch a business idea or development of their existing business. They are then supported to write a business plan, put together a presentation and eventually one member will win the £5,000 to bring that idea to fruition. The process has supported 10 fledgling businesses to date. The fund is provided by local businesses and trusts.”
- 4.7 Norfolk YFC are also involved in the Edge Apprenticeship programme and have agreed to part fund (with Edge) an officer to promote agriculture careers within YFC and in schools. They are currently setting up a fund to support training of members, in particular the legislative training required for new entrants to be work ready. Norfolk YFC believes that many employers are put off employing young people due to the cost of getting them qualified for work and because the colleges cannot fund the legislative elements of training this is a real stumbling block for these young people, who need to gain all their training in a very short time.
- 4.8 **Fresh Start** is a national initiative working to provide business academies, networking and opportunities for entrepreneurs within the farming industry to start up or diversify businesses. The academies are open to anyone over 18 from a farming or non-farming background. Academies are sector specific (e.g. dairy, uplands, pigs etc.), they run for a total of ten sessions and use a mix of professional expertise to deliver farm business training.
- 4.9 **DairyCo.** Whilst not running any specific projects on matching or on the promotion of joint ventures, DairyCo have worked with Andersons to establish templates for share farming alongside a report on the tax and business implications of adopting a share farming approach<sup>1</sup>. It was noted in discussion with DairyCo that ***promotion of the ideas*** is seen to be the most important element at this time. DairyCo are working with Gelli Aur on the Collaboration and Impact Groups and with RABDF and others on the Dairy Entrepreneurs project.
- 4.10 **Entrepreneurs in Dairying.** Established by the RABDF with NFU, DairyCo and Andersons support and as a successor to Fresh Start Dairy Academies, Entrepreneurs in Dairying is to be a programme of business training and mentoring launching initially in Cumbria (Newton Rigg College), Somerset (Bridgewater College) and Wales (Dairy Development Centre, Coleg Sirgar, Gelli Aur). The project will effectively bring young farmers to a level where they could more easily be matched with existing farmers.
- 4.11 **Sector-specific mentoring for farming.** The Small Firms Enterprise Development Initiative (SFEDI) promotes mentoring for businesses and is working with Lantra and others, supported by a Sector Mentoring Challenge Fund Grant, to establish sector-specific mentoring for farming. The project is currently training mentors and will be looking to identify mentees in the second half of 2014.

---

<sup>1</sup> [http://www.dairyco.org.uk/technical-information/business-management/joint-ventures/#.U1YwM\\_lV8m](http://www.dairyco.org.uk/technical-information/business-management/joint-ventures/#.U1YwM_lV8m)

4.12 **The Land Mobility Service, Ireland.** The Land Mobility Service (LMS) has been established as a three year project run through Macra (the Irish equivalent of the NFYFC), aiming to encourage and facilitate collaborative arrangements. The LMS is run on a day to day basis by Austin Finn (AF). Beginning in August 2013, the project was fully operational by mid-November of that year.

[www.landmobility.ie](http://www.landmobility.ie)

Telephone discussions with AF in December 2013 highlighted the following points about the LMS:

- The service has received direct sponsorship from the FBD Trust (FBD being a major Irish farming insurance group), as well as from milk processors, and is operating in the first instance on 90-100 thousand Euros per year, for three years.
- The initial funding is paying for AF on a full time basis supported by part-time Macra staff. In the longer term AF envisages that the service will have three full time staff and a budget of 250-300 thousand Euros per year.
- Focus of the service is on 'matching for business relationships', for example by identifying blocks of land. Matching may include within-family relationships. Many farmers want to remain involved in farming rather than simply transferring their control to others for financial gain, and so share farming and farming partnerships remain very attractive.
- In the pilot phase, the LMS is concentrating on three areas, each about the size of a small UK county, to tie in with the dairy co-operatives and with government support. Although they will work with farmers and new entrants from outside these regions they will not directly attempt to engage with them.
- In the initial stages of the project they are mostly holding farmer meetings, looking at options individually or through workshops. Level of interest at December 2013 was that after a meeting or presentation to farmers the LMS would receive 2-3 calls looking for further information.
- The LMS is establishing a database of existing and potential farmers. Confidentiality is seen as key to this, and currently only AF and one other person within Macra have access to it.
- Although it is too early to ascertain sector-differences, AF suggests that the biggest opportunities might be in mixed farming in areas where the land is good, and so where a change in enterprise is more likely.

Further discussions in February 2014 provided a very positive update on activities and outcomes:

- By mid-February 2014 LMS had received approximately 80 firm enquiries from a mixture of landowners at a crossroads (40%), expanding operators (25%), new entrants, including some who already have land (25%) and farm managers/expert farmers looking to expand or duplicate their operations (10%). Of the total cohort, approximately 10% are looking to do things within their family units and the remainder are looking outside their family units.
- The LMS estimated that they had by mid-February 2014, 10-15 serious opportunities for young farmers to take up, mostly drawn from dairy farmers in their early 60's. The LMS estimates that around 4-5 young farmers will need to be offered to the average landowner, so that they can select and be matched with the most suitable for them. The bottleneck in Ireland has been the number of young farmers, of suitable quality and experience, coming forward and the LMS has made a serious effort to attract young, high

quality farmers with experience. In particular they have conducted workshops in collaboration with Teagasc to support young farmers and identify the particularly good ones. Information on these is passed back to the farmer groups.

- For 'Matching', serious landowners are visited to identify the options (share farming etc.) which they would / would not like to progress and their anonymised details are passed to interested young farmers. LMS experience thus far is that some farmers have definite ideas about how they want their businesses to progress, whilst others are less sure. The LMS tries to ensure they consider all options, although they note that in Ireland share farming is the current 'best option' because of tax implications and SFP entitlements.
- In discussions with farmers the LMS has not involved external professional advisors until agreements in principal have been made. The rationale for this is that the majority of advisors are considered to be highly conservative and likely to provide advice against any form of share farming.
- The LMS has noticed in its activities so far that landowners who have been good farmers tend to be the most positive, whilst those who have been less good farmers or who have never farmed tend to be least positive about any form of joint venture with a younger farmer.

4.13 **Gelli Aur's Collaboration and Impact Group.** "Collaboration and Impact Groups" is a module of the wider 'Improving the Welsh Dairy Supply Chain project' funded through the Supply Chain Efficiencies Scheme of the Rural Development Plan for Wales. The module is run on a day to day basis by Dafydd Thomas (DT) of the Dairy Development Centre (DDC), which is part of Coleg Sir Gar at Gelli Aur, Carmarthen. The project began in June 2010 and will conclude in the summer of 2015.

[www.ddc-wales.co.uk/collaboration-and-impact-groups/](http://www.ddc-wales.co.uk/collaboration-and-impact-groups/)

Telephone discussions with DT in March 2014 highlighted the following points about the project:

- The Collaboration module has been aimed primarily at promoting the ideas of joint ventures and share farming. The module has developed detailed booklets on legal and tax issues as well as overviews of different forms of collaboration (contract farming, partnership, contract stock rearing, cow hire and contract crop growing) and case studies, all of which have been made available on the DDC website.
- The project has hosted 12 farm visits and 12 workshops and 10 open meeting so far on the topic. Considerable interest has been shown, with between 10 and 15 at each event. It was noted that one of the main difficulties has been engaging the interest of current, older farmers.
- Experience of the project is that farmers take finance/business advice from their accountants and land agents and attention must be given to teaching this cohort about the potential benefits to clients and to themselves as professional advisers of a share farming approach. Some of the events organised have been aimed at educating the wider allied industries that influence the farmer on the benefits of Collaborative working.

4.14 It is worth noting that one of the advantages of the approach taken by the Land Mobility Service and by the Collaboration and Impact Groups is that the project deliverables are easy to identify and focus can be made within a tight geographical range so that impact can be monitored.

## 5. Case studies: farmers working in joint ventures with young farmers

---

5.1 During the first quarter of 2013 case study farms were visited to ascertain first-hand what it was about joint ventures that attracted new entrants and existing farmers alike. Three of these case studies were from dairy farming enterprises, whilst two were from beef and sheep units operating under the same farmer/landowner partner, but with different partners in each.

5.2 Across these case studies there were common themes, providing useful lessons for taking any matching service project forward. These are summarised below:

- All partners are entirely profit focused, with clear understanding of the business of farming, the importance of cash and the value of assets.
- The skills necessary from the incoming share farmer include technical skills but moreover include drive and determination and clear business thinking.
- For the young farmers and existing farmers alike, joint ventures were clearly viewed as win-win. Young farmers were willing to work hard to achieve success.
- Young farmers have to make themselves and their ambitions known, with their own farm employers and with the wider farming community.
- Regular, open communication between landowner and share farmer are essential.
- Agreements are dynamic, with the form of business agreement developing as the relationship matures.
- Discussions with landowner/existing farmers indicate that successful share farming has led to business growth.
- The 'young farmer' share farmers typically set up a limited company in order to achieve their goals. This allows them to undertake their PAYE obligations with employed staff, to reclaim VAT on certain capital expenditure and to formally separate business from personal expenditure.
- Farm enterprises need in the first instance to be large enough and sufficiently well run to allow both parties to be satisfied with a profit-share.
- Benefits to existing farmer include: retention and motivation of key staff members and commensurate improvements in business performance, and release of capital from the business if wanted.

5.3 The shortage of intermediaries actively promoting and facilitating joint ventures of this sort was apparent. Tony Evans at Andersons is clearly the most experienced and expert in this field and we might reasonably ask how much would have been achieved in his absence. Notwithstanding the team at Evolution Farming there appear to be very few others actively promulgating these forms of arrangement.

5.4 Three separate issues were noted by existing farmers as being barriers to more farmers and young farmers progressing into these forms of venture. In turn these were:

- Ensuring that young farmers demonstrate a suitable attitude towards hard work and business development.
- Encouraging exiting farmers to see the benefits of joint ventures.
- Getting existing farm business consultants to understand the benefits of share farming and to see this as a potential way forward for their own practices.

Mike and Laura Trayte are share milkers on a 400 acre, 350 breeding cow unit in Lincolnshire, where they farm in partnership with Evolution Farming.

[www.m-l dairying.co.uk](http://www.m-l dairying.co.uk) and [www.evolutionfarming.co.uk](http://www.evolutionfarming.co.uk)

Mike and Laura (M&L) first began at Grange Farm as farm managers in 2011. Grange Farm was in the control of Evolution Farming who Mike had previously worked for as a herdsman on a 600 cow unit through 2010. By 2013 M&L knew they had the skills and experience that could command a greater income, but Tom Rawson of Evolution knew that simply increasing their salaries would not present the best opportunities to the business. Tom opened the farm's accounts to M&L and proposed a share farming option.

M&L were part of the Profiteers discussion group, run by Tony Evans at Andersons.

TR's partner at Evolution Farming, Oliver Hall (previously of Andersons), sourced a draft contract and all four went through every point on this so that they were all happy with the content.

For M&L the share farming agreement has three distinct elements; labour, cow rental and calf rearing.

- a) M&L provide all of the labour needed for the dairy unit, including specialist labour such as foot trimming. They take no salary, but instead take a share (approximately 20%) of the milk cheque. M&L have trained for AI and have purchased a crush and trained for foot trimming to reduce operating costs. They outsource PD and employ two students as assistant milkers over the summer period.
- b) M&L initially purchased 15 heifers, and have subsequently purchased a further 50. Sexed semen is used and as soon as they have calved down they are rented to the farm for 49p/cow/day. To maintain a balance between the farm owners and M&L their ownership of cows is limited in the current agreement to one third of the total herd.
- c) The third element is that M&L are paid on a headage basis to rear calves from the herd.

'We have an agreed, strict budget set out at the start of the year and an agreed set of key performance indicators for areas such as the number of milking cows, yield, health and grass growth'

For M&L the fact that the share farming agreement allows them to invest in and manage their own cows means that they can build their asset base. The next stage would be to enter into a new agreement e.g. 50:50 share farming, wherein M&L provided all of the cows and the labour and the farmer provided land, infrastructure and machinery, or to move to a tenanted farm.

It was noted that many of the high street banks were unresponsive to M&L's needs, but that the agricultural bankers at Lloyds seemed to understand the business model and were supportive.

M&L suggest the following lessons on share milking;

- 'It works for dairying because it is relatively labour intensive'.
- 'It relies on having a long term relationship'.
- 'Getting your own cows into the herd focuses you on the share farm'.
- 'Providing machinery can be costly and it depreciates. If possible, try to provide only stock since it provides a positive return'.
- 'Do your homework and don't rush'.



David Wynne Finch is something of a share farming evangelist. Having been involved in his own share farming agreements and helping to establish his share-farming partners in their own farming careers, in 2013 David completed a Nuffield Farming Scholarship with the title 'Collaboration and People'. David's first share-farming partner, Rhys Williams, also completed a Nuffield Farming Scholarship, in 2011, entitled 'Wealth Creation in Dairy farming'. Both are well worth reading and together they provide an insight into what it is that has made share farming a success for them.

David Wynne Finch's (DWF's) first venture into share farming was 11 years ago when he invited Rhys Williams (RW) back to the UK from NZ to work as a contract farmer on a newly established 1,000+ cow unit. The intention had been that RW would work for a year on the farm before investing in the cows. In fact, RW purchased 8% of the herd immediately, with the intention of moving up to 20% of the herd. RW would be rewarded with 20% of the net profit, after charges for rent and capital depreciation. RW eventually built up his share of the herd to 50%.

After 3-4 years the opportunity arose to create a second dairy unit, with 450 cows. This was established as a 50:50 venture with RW through a jointly owned company, Padog Farms Ltd. Again, the land and infrastructure was owned by DWF, but in this case the cows were all owned by RW.

Subsequently, RW had the opportunity to purchase one of the farms that had been rented as part of the initial 1,000 cow herd. Taking this opportunity meant extracting his 50% of the 1,000 cow herd, although he remained as partner in Padog Farms.

After adjusting for this and for a commensurate loss in farm area, the original herd is now run as an 850 cow unit and has had two subsequent managers. The first of these was Matthew Jackson, who is now managing a third farm of 300 cows on a 50:50 basis, with DWF providing the land and infrastructure and Matthew providing the cows. Elgan, who was initially appointed as herd manager for Padog Farms, has subsequently moved to the 850 cow herd which he manages on a profit-share basis with the option to buy-in stock at 25 cows per year.

DWF's success has been built on a dynamic flow of young people progressing through his farms as managers, taking increasing levels of ownership and moving on. As an expanding dairy farmer this has allowed DWF to tie the best people into his businesses; he has benefited from their commitment and drive and his business relationships with them have grown and prospered as they have progressed from share-milkers to business partners.

DWF suggested that young farmers must, above all things, learn to farm **profitably**, so that they have something to offer.

In 2007, with two daughters neither of whom was going into farming Robert was looking for ways to continue farming, but also to take a step back. Robert turned to Tony Evans (TE), a business adviser of Robert's for many years, and Tony suggested he might consider share farming. TE also came up with 5 couples/individuals from a variety of backgrounds for consideration.

Phil Feeney (PF) had come to England in 2003, having chosen to leave the family farm in Ireland, and had worked as a herdsman and herd manager on another Cheshire farm, implementing the same systems that Robert used on his own. PF participated in local discussion groups and by his own admission was 'not afraid to come forward'. He had been looking for a share farming opportunity and when RB's was offered he accepted. There were two deciding factors: (a) the business was strong and profitable, so that there was no immediate need for the incoming partner to inject capital and profit could be drawn immediately and (b) the business was of sufficient scale, and with room to grow, so that it could accommodate PF's as well as RB's ambitions.

Bringing PF into the farm allowed RB to step back slowly. PF started as a contract farmer, providing labour and machinery. Decisions were made equally between the two, requiring mutual respect and a degree of give and take. However, that PF was already experienced in running a similar system provided confidence.

IN 2008 PF first purchased 25% of the herd, which at that time was 80 of 320 cows. The intention then was that a further 25% would be purchased every two years so that in 2014 PF would have 100 ownership of the herd. However, whilst PF has in fact purchased 80 cows every two years, the herd has more than doubled in size to accommodate this and is now a 720 cow unit. In 2014 the contract farming arrangement that was first established will be moved to a 50:50 partnership.

RB outlined why more farmers don't take this 'share farming' option: "Farmers are traditionalist and risk-averse. We benefited from having TE as an honest-broker, someone who we trusted to help us. But farmers do look to what other farmers are doing and this was at the time unusual. And farmers have easier options; they can employ a farm manager or move to less demanding enterprises"

In the longer term PF may want more security and for that will need ownership or his own tenancy. Asked if he would consider taking on a share farmer to work with him at that stage he replied that they would need hunger, drive and competence if he was to take anybody on.

RB and PF highlighted the following points:

- We might be missing opportunities in not attracting some of the talented youngsters from within the urban population into farming.
- Farmers can dip their toe in the water of joint ventures by choosing the contract farming route with labour only, which could be fairly simply unravelled if it was not successful.
- Consultants and advisers need to recognise what the benefits are to them of recommending farmers look towards share farming and joint ventures.
- Whilst grassland dairying, if done right, is very profitable, the farm is not constrained by a single farming system and both PF and RB are constantly looking elsewhere for ideas and opportunities.

John Henderson has been share farming since the 1980's. Inspired whilst working with the CLA on guidance for share farmers, John set up a share farming agreement with the son of one of his tenant farmers, for another farm that was in need of close management. This share farming agreement was for a beef and sheep unit, dairying having been proven by previous tenants to be unsuccessful on this land. In the first instance John and his share farming partner made and agreed on a valuation of the contribution that each party would make, excluding livestock, and from this the proportion or share of each party was determined. Livestock was purchased with a contribution from both parties in these proportions and the profit was also shared between both parties in these proportions.

Whilst the holding on which this share farming agreement was made has since changed, as has the focus of the farm business itself, the basic form of share farming agreement has remained intact: the share of each party being determined by the valuation of each of their contributions.

John has subsequently entered into a share farming agreement on another of his farms. Again, this was a beef and sheep farm and again, the form of agreement was determined by each of their contributions. Interestingly, some five years ago John's share-farming partner on this unit proposed that they start dealing in livestock (cf. focusing on production) in order to improve the unit's profitability. This was agreed on and has been a success.

John suggests that young farmers going into share farming need to communicate regularly, be willing to ask questions, be trusting and make sure they understand the aims of the other party. Business skills are essential, as are simplicity and transparency. John recommends that parties to a share farming agreement don't contra- and off-set; that they should never share a bank account and that they put time aside for regular business meetings.

FarmStart Manchester is a collaborative venture between farmers Tim and Janet Harrison of Abbey Leys Farm in Cheshire on the one hand and the Kindling Trust (a not-for-profit social enterprise with charitable aims) on the other. FarmStart describes itself as a 'farm incubator unit' and it provides the means for new entrants to start in vegetable production without the need for large scale capital investment; essentially providing a bridge between hobbyists and field-scale farmers. FarmStart's development has been supported by the Prince's Countryside Fund.

Abbey Leys is an organically farmed holding in Cheshire producing potatoes and free range eggs. These are sold at farmers' markets and within their own farm shop, which also sells seasonal organic vegetables. A small part of the farm's land, just 2 acres, set apart from the main farmhouse, has been rented on a 5 year lease to the Kindling Trust. The Kindling Trust has divided this land into smaller plots of one-eighth and one-quarter acres and these are sub-let to interested new-entrants or 'TestCroppers'. However, the land is not simply handed over; field work requiring machinery is undertaken by Tim, tools and equipment are provided by the Kindling Trust and a package of training and advice comes through other organic producers from the area. TestCroppers pay a joining fee of £450 and if their business proves to be viable, TestCroppers can choose to expand by a quarter acre each year as 'FarmStarters'.

Launched in 2013, FarmStart was initially over-subscribed and the Kindling Trust were able to select new entrants to maintain a commercial rather than a hobbyist approach. It is accepted that this scale of farming is not going to be profitable once labour costs are accounted for, but participants should be producing vegetables for sale and not simply producing for themselves or for wider community groups. There are two routes to market provided: the farm shop (and the farmers markets it attends) and Manchester Veg People, a cooperative of organic growers, restaurants and caterers, including Abbey Leys Farm itself. Liaison with the farm shop is coordinated through the Kindling Trust so that it does not need to negotiate separately with 11 'sharecroppers'. TestCroppers and FarmStarters are asked to provide at least one crop for sale through Manchester Veg People to help underpin their supply base.

TestCroppers are this year being asked to record their inputs, including their time, so that their costs of production can be calculated. Whilst it is accepted that with labour included these costs will most likely be higher than the prices they achieve for the sale of their goods, it provides a baseline against which they can endeavour to recover their non-labour costs and, with labour excluded, make a small profit.

There is no profit-share or joint venture between the farmer and the Kindling Trust, but the land is only a small part of the much larger holding so this has little consequence for the farm as a whole. However, the land is not farmed at arms-length: the relationship between the farmer and the Kindling Trust is essential for this set-up to work. Not only does the farm provide a route to market through the farm shop and farmers markets, but the machinery work needed on the land can be provided by too. In practice, field work on this small area is needed at the same time as is field work on the remainder of the holding and so in time the Kindling Trust intend to invest in a small, second hand tractor. As the land is certified organic there are clearly boundaries to what new entrants are allowed to do, and the close relationship between the Kindling Trust and the farm should help to ensure these are maintained.

For new entrants to farming the FarmStart project allows them to experience first-hand the realities of commercial crop production; from the vagaries of the weather, pests and diseases through to understanding customer needs and pricing. The FarmStart project does not hide producers from the commercial realities of small scale farming but exposes them to the intricacies of successful crop production, so that they themselves can decide whether and how they can develop their own farm businesses, at whatever scale.



## 6. Project funding

---

- 6.1 The primary need is not in the first instance 'matching' but is in fact to drive up demand; by farmers in particular but also by young farmers and by farm business advisers. To start with a 'reduced level' service is envisaged which would drive up demand using all the service attributes previously identified but with a lesser focus on core infrastructure such as website, database etc. Once demand has been stimulated then the matching element will come to the fore.
- 6.2 In effect the NFYFC could follow the Irish model; placing their major effort in farmer-facing activities and in the initial period, when the volume of farm opportunities and the number of candidate young farmers is low, conducting the 'matching' element off-line.
- 6.3 Following this model impacts directly on the way in which the project might develop:
- Timescales can be extended, to allow for the build-up of demand.  
For example, years 1-2: may be mostly focused on promotion and marketing with a lesser focus on developing the website and 'matching' whilst in years 3-4, as demand builds, the focus may shift to the matching service itself.
  - A regional focus can be introduced, allowing the service to fit in with other initiatives.  
There are potential funding streams e.g. LEP funding, that could be used to support matching service activities on a regional basis. Although these would not provide the ideal nation-wide coverage that the service would aspire to, they could nevertheless be used to kick start activities. Demonstrating success on a regional basis would provide a platform from which to approach other regions / sectors.
  - A sector-bias can be introduced, again allowing the service to fit with other initiatives.  
This would allow, for example, an initial focus on the dairy industry to match with other initiatives in this areas e.g. Dairy Entrepreneurs
- 6.4 **Outsourcing.** The question has been asked as to whether the whole project could be outsourced to one of the many farm business consultancies. Whilst this outsourcing model has been used successfully in some other projects, it does have limitations and can be open to abuse. However, there are more immediate reasons why this would not work for the matching service, in particular that there are only very few consultants who have worked on joint ventures with any volume of clients for any period of time and with any track record of success. The project would ideally be aimed, in part at least, at encouraging other consultants to be more open to joint ventures.
- 6.5 **Multiple funding routes.** Funding routes are not mutually exclusive and by aiming for more than one we might hope to build up support and activities according to demand and opportunity. For example, as stated above, whilst regional funding through a LEP might not provide the national coverage that is wanted, it would allow the MS to demonstrate a positive impact.
- 6.6 **Funding options.** A summary of the project in terms of the need, the service, timescale, resources and cost is provided in Appendix 2. An additional document summarising the benefits to sponsors is provided in Appendix 3. Given the possibility of different funding routes and uncertainty over the availability of funds, three 'levels of service' are presented in this brief i.e. a baseline service, an enhanced service and a full service.

- **Option 1. Commercial.** Commercial sponsorship will potentially come with ‘ties’, and whilst we are keen to avoid these wherever we can, some specific areas have been outlined as unacceptable e.g. only providing services to the sponsors’ own suppliers or direct customers. It is possible to envisage commercial sponsorship with very few ties (e.g. a dairy sponsor will want to see dairy farmers supported, but might not object if there is benefit also to beef and sheep farmers). If any one of the multiple retailers can be brought on board for support the benefits to them would be primarily in terms of PR and secondarily in terms of supporting the supply chain. In neither case would the sponsor necessarily want or need to specify that their suppliers only should be involved.

Kate Cross of DairyCo indicated that Mark Allen (Chair of Dairy Crest and Chair of the Prince’s Rural Action Programme) might usefully be approached to ascertain whether sponsorship would be available from within the dairy industry itself. Whilst dairy sponsors may prefer a clear dairy-focus, provided they are not the sole sponsor then this should not dictate sector specificity. The benefits to sponsors remain the same regardless of the number of commercial partners, although there is of course some dilution of attribution.

- **Option 2. Public sector.** Whilst not suitable for a national project, it would be feasible to bid for regional funds in partnership with one or more of the land-based colleges. In the first instance this may be possible with Newton Rigg College (Cumbria) and with Bridgwater College (Somerset) to tie-in with their involvement with the Dairy Entrepreneurs project. Whilst we are unlikely to achieve direct RDPE funding, this is not an impossibility depending on what specific activities we are aiming to deliver. Local Economic Partnership (LEP) funding bids are on a county by county basis, they are focused on GVA and jobs created, and are not suitable for small scale funding (which this would be, relatively speaking). However, where a college or other partner is already bidding for a programme of work then it may still be possible to piggy-back support for a local (county-wide) matching service programme.
- **Option 3. Charitable.** Whilst there are numerous large charities that could offer support to developing the matching service, the outputs and outcomes are directed very much towards better business development in the agricultural sector and as such they do not fit within the remits of the majority of these. The one charity that stands out is the Princes Countryside Fund (PCF), and whilst an application was not made for the 31<sup>st</sup> March deadline, it is suggested that an application should be made during the next funding window. This would not prevent applications to commercial sponsors and others in the interim period.

PCF funding is more likely to be achieved if we can demonstrate the support of industry partners and notwithstanding approaches made for direct sponsorship, the following might usefully be ‘lined up to support’ any funding bid;

- AHDB bodies, in particular DairyCo and Eblex
- Sector bodies: NSA, NBA and RABDF
- Landowner and farming bodies: CLA and NFU and NFUW
- Colleges: Landex

The written letter of support that is necessary for a PCF bid could come from any of these groups, but might most usefully be sought from a practicing joint-venture share farmer such as David Wynne Finch or John Henderson.

An approach to a separate charitable fund was made on behalf of the project by Fresh Start. This was, unfortunately, unsuccessful.



## NFYFC Matching Service Survey

The National Federation of Young Farmers' Clubs 'Matching Service' project is working alongside the NFU and the CLA, with support from Defra, to encourage joint ventures and other forms of formal business cooperation between young farmers hoping to start out in their farming career and existing farmers and landowners. We hope that such ventures will benefit farmers, landowners and young farmers alike.

As an attendee at the Fertile Minds business event, we'd like to ask you to take part in this brief survey. Please hand your completed form to Alison Rickett when it's completed. If you add your name and contact details we'll enter you into our prize-draw to win one of two prizes of £25 worth of iTunes vouchers.

1. Please rank the following four services that the Matching Service could offer in order of their importance to you, where 1 = most important and 4 = least important.

Helping me to identify and meet existing farmers and landowners who would consider a joint business venture with me.	①	②	③	④
Helping me to access sources of funding and investment.	①	②	③	④
Helping me to identify physical resources such as land, buildings and equipment.	①	②	③	④
Helping me to access impartial business advice.	①	②	③	④

*Circle each number only once!*

2. How aware are you of non-tenancy farm business relationships such as share farming and joint ventures?

Not very aware	<input type="checkbox"/>
Somewhat aware but I might like to know more	<input type="checkbox"/>
Very aware and with experiences to share	<input type="checkbox"/>

3. If you were looking for a farmer or land-owner to go into business with, what would you want to know about them or their business most of all?

.....

.....

.....

.....

4. Please tell us, very briefly, what type of business venture you are considering

.....

.....

.....



5. Please provide your name and an email address so that we can enter you into our iTunes prize-draw

.....  
.....

Your responses will be treated in confidence and personal details will not be shared with third parties. The information you provide will be used only for the purpose of identifying factors relevant to Matching Service.

If you are happy to be contacted in the future by the NFYFC Matching Service team, for the purpose of developing the Matching Service (e.g. to ask further questions on your experiences of getting established in a farming business), please tick here.

## **The Farming Opportunity Matching Service**

*An initiative of the National Federation of Young Farmers' Clubs*

### **The need**

The Farming Opportunity Matching Service will encourage farmers and land owners to work with and alongside young farmers to establish new businesses; it will help to match aspiring new entrants with these farmers and landowners, and it will provide coaching and mentoring so that these partnerships are given the best chances of success.

We know from the YFC membership that identifying farms and farmers is a barrier to entry for some, and we know that there are increasing numbers of young farmers who are adopting a share-farming approach to starting in business, as happens in New Zealand and elsewhere.

In the UK a number of regional initiatives have encouraged and supported new entrants. What is now needed is a programme to increase the number and quality of opportunities that are available to young people to start their own farm business enterprises and to provide support and guidance so that partnerships with existing farmers are a success. This is what the Farming Opportunity Matching Service will deliver.

### **Matching Service Activity**

There will be four main strands of activity:

- Identifying and highlighting the opportunities that exist within farming
- Promoting joint ventures as a suitable way into farming for young people
- Coaching and mentoring young farmers and farmers alike
- Bringing together farmers and young farmers

Where specific advice is required, e.g. as to business formation, tax liabilities etc, this will be delivered using the small body of professionals operating in this area so as to encourage the development of relevant advisory services.

### **Matching Service Website**

The Matching Service website will promote individual young farmers and their ambitions, it will highlight the opportunities that are available, it will present case studies of how young farmers have started working with existing farmers and it will provide information and guidance for young farmers on establishing farm businesses.

### **Project partners**

The Matching Service will be led by the NFYFC. The CLA and the NFU are both supportive, and between them these three organisations have the widest access to farmer, land-owner and young farmer memberships. The service will take an inclusive approach to working with others.

### **Timescales**

The Matching Service will take time to establish. In particular, there will be a lag between the project starting and any formal business partnerships being founded. Moreover, many of these partnerships will take more than a year to become concrete as young farmers and existing farmers learn to know and trust each other. As such, a minimum term for setting up and delivering success with the Matching Service would be estimated at three years, and this is the period for which funding is sought.

## Resources

Staffing of the service will require in the first instance (i) a full time project manager who is capable of driving the project i.e. promoting the service and the concept, overseeing the creation of the website, liaising with the many industry partners and speaking knowledgably to farmer and young farmer audiences and b) administrative support. It is envisaged that the manager should suitably qualified and experienced in working with farmers as they make decisions over their business futures.

## Outline costs:

Item	YEAR 1	YEAR 2	YEAR 3
Staff member, full time, with professional qualifications and 5-10 years' experience (including on-costs @ 18%)	£41,300	£41,300	£41,300
Administrative support, part time (0.6)	£16,000	£16,000	£16,000
Office costs - rental, heat, light, insurance	£12,000	£12,000	£12,000
Office costs - computing and communications	£1,000	£1,000	£1,000
Travel and subsistence	£12,000	£12,000	£12,000
Marketing and promotion, including PR and attendance at shows and events.	£9,000	£9,000	£9,000
Professional services including mentoring, coaching and business/accounting and taxation advisory expertise.	£9,000	£9,000	£9,000
Website - design, refine and build (yr 1)	£10,000	-	-
<b>TOTAL</b>	<b>£110,300</b>	<b>£100,300</b>	<b>£100,300</b>

## The Farming Opportunity Matching Service

*Please read with the accompanying background document*

### Overview

The Farming Opportunity Matching Service will promote joint ventures and other ways of working together as a means to get young farmers established in their own farm businesses and to encourage an entrepreneurial approach amongst new and existing farmers. In the long term we envisage the Farming Opportunity Matching Service working across England and Wales.

The Service will be relevant to all agricultural industries, although we recommend a particular focus on the dairy, beef and sheep livestock sectors. For dairy farming, joint ventures are an accepted way of starting and developing businesses in New Zealand and Australia. There are examples in all three sectors of where they have been successful in the UK, but for all three there is a 'cultural shift' needed to stimulate uptake.

There is some momentum towards making this cultural shift and there are examples of similar projects proving to be a success; in Ireland the Land Mobility Service is encouraging landowners and farmers towards joint ventures and lining them up with young farmers who are keen to make a start in their own farming business, or to develop their promising businesses further.

### Benefits to the farming industry

- Young farmers: opportunities to start in their own farming businesses, to benefit from the experience and expertise of existing farmers and landowners, and to get themselves onto the farming ladder.
- Existing farmers: opportunities to benefit from the enthusiasm and ideas of younger farmers, to take a step back from day-to-day farming but to remain within vibrant farming businesses.
- The farming industry: opportunities to bring in new blood and fresh ideas, to stimulate a more dynamic, business focused, profitable and sustainable farming industry.

### Benefits to sponsors

- Seen to be supporting the next generation whilst providing business-friendly ways for succession to take place.
- The majority of activity in the first 1-2 years will be outward-facing i.e. meetings and events for farmers and young farmers.
- Could be tied-in with supply chain management (i.e. producer groups) so that outputs were focused on progressive/successful farmers.

### Options

#### 1. 'Baseline service', providing for a *part time* professional with administrative support.

Key outputs: (i) a series of farmer group meetings hosted by the project officer and bringing in, as necessary, specific professional support, (ii) one to one meetings with interested farmers showing a definite interest and (iii) information on potential young farmers collected directly and indirectly. The project could focus on just one region (i.e. 2-3 counties).

\*\*Estimated annual cost: £50,150\*\*

#### 2. 'Enhanced service', providing for a *full time* professional with administrative support.

Key outputs as for the baseline service, with additional promotion targeted at the existing cohort of farm business consultants to encourage them to incorporate joint ventures within

their portfolio of business strategies advised to farmers. The project would not be constrained by regional boundaries, although some regional focus would be recommended.

\*\*Estimated annual cost: £100,300\*\*

3. 'Full service', **providing for a *full time* professional with administrative support along with a dedicated website**

Key outputs as for the enhanced service, with the addition of an interactive website on which users can register and advertise their interest in joint ventures and view the opportunities that are available.

\*\*Estimated annual cost: £100,300, **plus** initial website setup costs of approx. £10,000\*\*

**03 April 2013**