Considerations for a future
British Agricultural Policy

Agriculture and Rural Issues (AGRI) Policy Position Paper
Introduction

The next generation’s opinion for a future domestic agricultural policy has obvious significance. This position paper offers a range of collaborative opinions to underpin a sustainable and robust rural environment.

These ideas are based on research and consultation and include: negotiating a better deal for young farmers; future farm business culture; employment skills and training; farming regulations; building farm businesses and farming support.

The National Federation of Young Farmers’ Clubs (NFYFC) is the head of a nationwide body of nearly 700 Young Farmers’ Clubs (YFCs) located throughout England and Wales dedicated to supporting young people in agriculture and the countryside. Their memberships comprise approximately 25,000 young people aged between 10 and 26 years from a variety of backgrounds, who live or work in rural areas.

Members of the YFC organisation play an important role in current (and future) social and economic aspects of the rural community. They play a key role in the sustainability of rural environments and therefore have a great interest in maintaining viable conditions in which to live and work.
What does Brexit and our position paper mean for our YFC members?

The EU Referendum happened in June 2016 – so where are we now with Brexit and how does this affect you? Many YFC members will have been discussing their thoughts, opinions and ideas about Brexit and what the outcome might mean for their rural or farming future. So how do you get to have a say and what has your organisation done on your behalf?

What’s happened so far?
NFYFC staff and office holders have been representing your views at government and industry roundtable meetings and continue to do so whilst the negotiating and future policy-making takes place. NFYFC held a Brexit survey, presented findings to Defra and industry as well as staging various topical events and forums since the EU Referendum result.

How do I have a say?
To ensure that everyone has the opportunity to have their voice heard on a regional level, discussion groups with Defra are scheduled for this November. These will be chaired by a YFC AGRI representative and facilitated by Defra with an open invitation to all YFC members. You can find out more by visiting the NFYFC AGRI page of the website.

What happens next?
As the UK will be leaving the EU, this means that agriculture will need a new domestic agricultural policy because it currently operates under the EU’s Common Agricultural Policy. You may already be aware of many agricultural and rural EU rules, regulations, grants and opportunities that we operate under or are available. In preparation for a new domestic policy, organisations put forward their considerations to help policy makers understand what’s important and relevant for the future. A sort of ‘wish list’ but backed up with evidence.

How does AGRI help?
Your AGRI steering group made up of regional YFC representatives has clearly defined objectives and giving YFC members a national voice on industry-related matters, including considerations for a post-Brexit agricultural policy and collaborating with industry organisations are just a few. As the next generation of rural and agricultural workers, entrepreneurs, consumers and rural dwellers, you have a very important part to play in future decisions.

Do we have European representation?
NFYFC AGRI has a long history of ensuring that young farmers’ voices are heard. NFYFC is a member of the European Council of Young Farmers (CEJA), a European group of young farmers that works to highlight and improve opportunities for young farmers. Your YFC CEJA representatives take part in working groups, seminars and projects and are represented at European Parliament. European Parliament determines the Common Agricultural Policy but this is now time-limited. Whilst we still operate under the Common Agricultural Policy, a new domestic agricultural policy is being formed. You are being represented in this process.
Considerations for a future British Agricultural Policy

On behalf of YFC members, the NFYFC Agriculture and Rural Issues steering group (AGRI) offers next generation experience, thoughts and ideas from: those currently farming or working in rural businesses; those who will follow farming careers and those who will be industry advocates.

Next generation contributions are intended to help sustain future farm incomes, stimulate growth in agri-entrepreneurship and rural employment, whilst maintaining forward-thinking environmental conditions. These considerations reflect components for future ‘success’ which include the farmer, the consumer, future trade and the environment.

NFYFC and its members have determined aims and objectives to support the considerations offered from research, discussion groups and forums as well as collaborating with relevant next generation groups and relevant industry bodies.
What do our members say?

There are many agreed generic positions for future policy points such as a robust trade deal, future labour and support, a sustainable environment and relevant regulation. Young farmers share the request for policies that encourage productivity, profitability and help to mitigate market volatility.

YFC members have been widely consulted and YFC representatives have fed into various industry and government roundtable farming groups to ensure that a next generation voice has been heard. Considerations have been raised that are deemed essential for developing and growing thriving businesses.

What is our evidence, what are our suggestions?

- An AGRI manifesto and associated research represents YFC members’ on-going issues and concerns for their farming and rural future.
- NFYFC’s post-Brexit survey highlights considerations from the next generation following the 2016 European Referendum result.
- Joint membership (with the NFU Next Generation Forum) of the European Council of Young Farmers (CEJA) and subsequent input to future Common Agricultural Policy considerations.

Collaboration with the NFU Next Generation Forum and next generation groups emphasises the opportunity to discuss and reflect conditions needed for a ‘successful’ farming future for different categories of next generation farmers. Collaboration with industry and government provides a forum to discuss, reflect and propose effective measures to enhance conditions for all.

General views
- Robust Trade Deal
- Future source of labour
- Sustainable rural environment
- Future support mechanisms
- Strong British brand
- Effective, relevant regulation
- Skills and training
- Food and farming education
- Advisory and innovation service

Next generation views
- Negotiating a better deal for young farmers
- Future farm business culture
- Employment skills and training
- Farming regulations
- Building farm businesses
- Farming support
NFYFC Post-Brexit survey

The NFYFC post Brexit survey - ‘Considerations for a Future British Agricultural Policy’ - gathered views from young people involved in farming following the decision in 2016 for Britain to leave the European Union.

Topics included future farm business culture; employment skills and training; farming regulations; building farm businesses; and farming support. A desire for parity with the EU on animal welfare legislation and maintenance of effective environmental conditions were key considerations for future farming.

The two biggest barriers for young farmers are access to land and to credit.

Suggestions have included funding for national or regional organisations engaged in promoting and facilitating matching services. (The Welsh Government’s Farming Connect Venture Programme provides financial support for some of the professional fees incurred in the matched business arrangement. There are also schemes in Ireland and one emerging in Northern Ireland.) These organisations should be tasked with actively promoting succession planning, facilitating and encouraging various sustainable collaborative arrangements such as partnerships, share farming, contract rearing and leasing between farmers. (Source: Young Farmers are key in the Future CAP).

We refer back to the two NFYFC Defra-funded feasibility studies and the current Land Partnerships Service pilot. NFYFC has supported the national pilot work with Defra-funded research projects and a Defra-funded Smart Farming Guide for business development advice. There is wide acknowledgement of the need for robust business skills, but also with additional measures to enable development of farming and rural business and establish progressive business cultures.

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<tr>
<th>Future farm culture</th>
<th>What’s needed?</th>
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<tbody>
<tr>
<td>A future trade deal is as yet unknown, but heightens the necessity for a future business culture that offers options for start-ups, business growth, joint ventures and share farming</td>
<td>Awareness and adoption of good business practice - NFYFC Smart Farming Guide through to industry and government advisory services</td>
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<tr>
<td>79% of respondents stated that UK Government and negotiators should focus on controlling the costs of production</td>
<td>Available advisory services for start-ups, supported by effective R&amp;D and knowledge exchange</td>
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<tr>
<td>78% of respondents that farming bodies should focus on consumer confidence.</td>
<td>Support for Land Partnership Service business opportunity matching service.</td>
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### Employment skills and training

| Diversity of skills are needed but in particular business skills and incorporating continuous professional development (CPD) and business development | Access to and promotion of business advice and development  
Succession advice and implementation  
Supporting and promoting AgriSkills Progress |
|---|---|
| Where there is no available national labour, the ability to source necessary skilled labour. | Supporting and promoting the National Land Based College  
A new Seasonal Agricultural Workers (SAWS) scheme. |

### Regulation

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<th>Animal welfare policy - 68% of respondents chose to maintain current (EU) standards, 23% to enhance, 8% to repeal</th>
<th>Exploit ‘higher’ welfare standards and maintain consumer confidence or compete with exports from outside EU – dependent on trade deal</th>
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<td>Environment - 49% chose to maintain, 16% chose to enhance, 35% chose to repeal.</td>
<td>Continue and promote high animal health, welfare and environmental practice.</td>
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### Farming support

| 40% of respondents chose support for the foreseeable future  
46% chose support but for a limited time  
14% chose to remove as soon as possible. | The most popular choice from the survey is the reduction or removal of the area-based subsidy and for support instead through grants or loans for farm business investments. |

### Future support

| 17% of respondents chose to maintain area-based subsidy linked to cross-compliance  
18% chose to reduce or remove area-based payments but pay farmers based on the public benefits they provide  
27% chose to remove area-based payments and pay farmers based on farm output or productivity  
35% chose to remove area-based payments and support farmers through grants/loans for farm business investments  
2% chose to reduce or remove area-based payments. | Many young farmers recognise the unfairness of the current system of existing farmers given support, but those at the beginning of their career are not.  
The recognition of generational renewal and the subsequent mandatory ‘Young Farmers’ Scheme’ was welcomed but should now be interrogated and evaluated. |

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Next Generation collaboration

**CEJA - European Council of Young Farmers**
Acting as a forum for communication and dialogue between young farmers and European decision makers, CEJA’s main objective is to promote a younger and innovative agricultural sector across the EU 28 and to create good working and living conditions for young people setting up in farming and those who are already ‘Young Farmers’. NFYFC and NFU Next Generation Forum members represent young farmers at CEJA working groups and consultations.

**NFU Next Generation Forum**
The NFU believes the future of agriculture is dependent on good young farmers driving forward innovation and improving competitiveness in each sector. The Next Generation Policy Forum is a group of 13 younger farming members who put forward the next generation’s views on current policy developments. Many organisations work hard to support younger farmers, not least the NFYFC, an organisation which the NFU is proud to have a strong relationship with. YFC and Next Generation Forum members attend respective meetings and forums.

**NSA - National Sheep Association Next Generation**
The sheep sector into the UK needs innovative, enthusiastic and professional young people coming through in order to survive. NSA Next Generation is dedicated to encouraging and supporting the sheep farmers and service providers of the future. NFYFC recognises the sector’s new entrant route to establishing farming opportunities and businesses.
CEJA

CEJA’s recommendations for future Common Agricultural Policy (CAP) considerations include- start-up provision; investment aid; knowledge transfer and advisory services; skills and training; rural proofing and sustainable rural communities.

As an active member of the European Council of Young Farmers (CEJA), members of YFC have shared input and interest for future policy decisions with their European counterparts.

This membership and association continues to have significance despite the EU Referendum result. CEJA’s past lobbying was instrumental in mandatory measures to support young farmers and support generation renewal. It is hoped that this topic and considerations recently submitted for future Common Agricultural Policy (CAP) will help to underline ideas and evidence for a sustainable future British domestic agricultural policy.

Many of the measures outlined are cross cutting measures for active farmers and a précis of the consultation response below highlights various shared opinions of young farmers in the UK as well as Europe. There are obvious parallels to note in the response which should be considered for both the transitory period and a future British agricultural policy.

CEJA maintains (within its formal CAP Consultation response) that: “Young farmers are exposed not only to local risks, but also global risks linked to supply and demand in fast-changing global markets.

There is a need for new and innovative measures in order to help farmers’ competitiveness and resilience. To increase transparency and the trust of civil society, it is imperative that support measures for those are defined as active farmers. It is important to recognise the role that the CAP has in supporting farm incomes and stimulating growth in agri-entrepreneurship and rural employment.

However, the past has shown that the current measures are not sufficient to create enough stability for European farmers. Therefore, the future CAP must be reoriented to ensure the viability of EU family farms in all regions, territories and LFAs.” This situation is reflected in the UK and NFYFC hopes that areas such as the uplands and all LFAs are considered for future support [as well as small family enterprises] to play an important part in rural sustainability, and added value from diversification projects and productivity.

CEJA CAP Consultation response
NFU Next Generation Forum - Innovative Young Farmers’ Proposals

The NFU Next Generation Forum considers that a framework for success for a future domestic agricultural policy must include a blend of measures designed to drive agricultural productivity whilst empowering farmers to manage market risk. Such measures would complement a future farmed environment scheme providing farmers with the necessary tools to strengthen their efforts to enhance the farmed environment. In the area of market risk management, the development of a future domestic agricultural policy provides an opportunity to better target measures towards managing the inter-year volatility which has been increasingly observed in agricultural markets in the past 10 years, whilst also providing income resilience during sustained periods of poor returns.

In order to develop market based risk management solutions there is an urgent need to improve the provisioning and reporting of market data. Improved market transparency across the supply-chain has the potential to provide the foundation for the development and piloting of more dynamic market-linked contracts, futures markets and revenue insurance offerings. The Forum is currently assessing how such measures would be best structured as part of a future domestic agricultural policy. On productivity, the Next Generation Forum believes there needs to be better targeting of grants and loans combined with an accessible advisory service which supports farmers in utilising funding streams to their optimal potential.

In this respect the Forum is exploring the potential of policies which drive knowledge exchange and crucially enhance the ability of farmers to grasp opportunities to enhance farm profitability in a sustainable manner. The Forum is also currently assessing the potential role of measures targeted at generational renewal such as the Young Farmers Scheme. The Forum supports such schemes but believes there is significant scope to improve the design, accessibility and relevance of schemes in order to ensure their efficacy in supporting the next generation of farmers.

National Sheep Association

The National Sheep Association’s (NSA) chief executive makes a notable point regarding the future of family farms which is also relevant for new entrants, next generation and start-ups. Whilst acknowledging the positives of large scale efficient flocks using the most modern of genetics and grassland management, he also discusses efficiency measures needing to be more widely evaluated than they currently are and the need to guard against unintended consequences.

He highlights the scenario of an unwanted business model where enterprises have to become of such size and structure that they struggle to relate to the public, fail to attract British labour to run them, or make the smaller family farm redundant.

NFYFC AGRI agrees with the sentiment that there will need to be a fine balancing act between business cultures. As previously mentioned, there are many components of future ‘success’ which include the consumer, the environment, the electorate and the farmer. We also refer to CPRE’s second Food and Farming Foresight paper which draws widely on the report to the Prince’s Countryside Fund report, Is there a future for the small family farm?
Future opportunities

Effective marketing of future and existing opportunities is essential. A more integrated approach from organisations including county councils regarding tenancy opportunities, matching services regarding innovative land and business opportunities and knowledge exchange is key.

Suggestions include incorporating existing industry/government advisory services and providing a dedicated portal of information. Business skills aligned with awareness of business opportunities and funding are components for future success.

The Association of Chief Estates Surveyors and Property Managers in the Public Sector (ACES) could play an integral part in providing good guidance for county councils regarding support for county estates as well as encouraging the marketing of future tenancy and business opportunities. If such guidance was replicated in the private landlord sector via associated membership bodies, this too would highlight the issue for next generation farmers seeking business opportunities.

There have been clear examples of private landowners and larger estates providing land and/or business opportunities for new entrants including the Clinton Devon Estate and the Fursdon Estate which is welcomed and will hopefully continue.

There is a recognised need for accurate data for those seeking opportunities to enter the industry. Various matching schemes could provide indications but the restricted funding and marketing is a barrier to awareness and ultimately of those participating in the schemes. The need for a portal of information also indicates the need for service links to the National Land Based College website.

**BPS Young Farmers Scheme** - RPA figures highlight the following results for the Young Farmer Top-Up element (source Defra):

- **2015:** 1,910 applications were made - 1,686 were paid a Young Farmer Top-Up
- **2016:** 2,121 applications were made - 1,567 were paid a Young Farmer Top-Up.

Whilst the precedent to provide mandatory support for generational renewal is welcomed, a future scheme or support should ensure optimum benefit. Rigorous examination of figures and impact of this funding should help determine past, current and future effectiveness of a dedicated scheme. Similarly, the current Groceries Code Adjudicator’s remit is welcomed but does not cover the entire supply chain. Again, a subject for further investigation.

The maintenance of uplands farming and encouragement for the next generation is a particular consideration. Farming and tourism businesses can be mutually dependent with the former relying on a landscape primarily maintained by farmers. It is considered that a form of support for upland farmers recognises this interdependence and a new policy should recognise a challenging area of farming and help to incentivise succession.
Conclusion

The considerations discussed in this position paper include input from opinions of a range of young people working or hoping to work in agri-businesses.

They highlight requests from the next generation for inclusion in a future domestic agricultural policy to ensure future ‘success’. A success that comprises: sustainable businesses and environment; targeted support where necessary; retention of those who will be future farmers and a plentiful, skilled and trained workforce who can produce high quality food for future markets.

NFYFC’s Agriculture and Rural Issues Steering Group (AGRI)
November 2017