

EXMOOR NATIONAL PARK AUTHORITY**16 NOVEMBER 2004****THE STATE OF FARMING ON EXMOOR 2004****Report of the Head of Conservation and Land Management****Purpose of Report:**

To inform Members of the imminent completion of the report that the Authority commissioned into the state of farming on Exmoor 2004 and to obtain approval for actions to discuss and disseminate the report's findings.

Legal Implications:

S65 Environment Act 1995 gives the Authority the general power to do anything which is calculated to facilitate the accomplishment of National Park purposes or the carrying out of its functions. S37 of Countryside Act, 1968 (applied to National Park Authority by S65 (2) Environment Act 1995) imposes a duty on the Authority to have regard to needs of agriculture and S62 Environment Act 1995 requires the Authority to seek to foster the economic and social well-being of local communities within the National Park.

Financial Implications:

There are no new financial implications for the Authority. The cost of the report will be met from funds allocated for this purpose in the 2003/04 revenue budget.

National Park Purposes:

The report provides a baseline against which to monitor any changes in agriculture which may have consequences for the achievement of National Park purposes.

RECOMMENDATION:

It is recommended that the Authority:

RECEIVES the State of Farming on Exmoor 2004 report that it commissioned from the Centre for Rural Research at the University of Exeter;

REFERS the report to a meeting of the Food, Farming and Land Management Panel for more detailed consideration and discussion, which will be reported back to a future meeting of the Authority; and

AUTHORISES officers to work with the National Farmers Union and others to draw the report's findings and conclusions to the attention of those working in the agricultural industry or with an interest in its activities.

1. INTRODUCTION

- 1.1 Farming dominates land use on Exmoor, underpins the landscape and biodiversity and continues to play a vital role in the local economy. However, farming on Exmoor has faced significant challenges in recent years; BSE, Foot and Mouth Disease, Bovine TB and changes in the exchange rate with the Euro have all had an impact both on morale and farm incomes. Very fundamental changes are taking place in the support for agriculture with the decoupling of support from production beginning in 2005. Furthermore a new agri-environment scheme will also be launched next year to replace the Environmentally Sensitive Area scheme.

- 1.2 It has long been recognised by policy makers that the maintenance of a viable farming population in upland areas requires specific support to compensate for the ‘natural handicaps’ faced by upland farming. However, despite sixty years of support, in various forms, medium sized farms on Exmoor are in decline, agricultural employment continues to fall and dairy farming is becoming increasingly marginalised. Although farm incomes are now rising, this is from a very low base and farm income remains both relatively low and highly dependant on Common Agricultural Policy (CAP) support payments, including agri-environmental schemes. These trends have important implications beyond the immediate impact on farmers and their families.
- 1.3 In addition to the commercial commodities produced by Exmoor farmers, hill farms play a vital role in managing the environment, providing recreational opportunities and supporting the social environment of the moor. Acknowledgement of the multifunctional role played by farming on Exmoor coupled with recognition of powerful drivers of change, means that it is timely in the 50th anniversary year of Exmoor National Park to take stock of the current state of farming on Exmoor and to consider its future. The Authority has therefore commissioned the Centre for Rural Research at the University of Exeter to carry out a thorough study of the state of farming on Exmoor.

2. AIMS AND OBJECTIVES

- 2.1 The main aim of this project was to provide a sound evidence base in order to describe and evaluate the current state of farming on Exmoor and outline likely future trends. On the eve of the implementation of the most radical reforms to the CAP to date, the data collected for the project provides an important reference point from which to monitor and measure future change. The information gathered will provide important background information for the review of the National Park Management Plan which will commence in earnest next year.
- 2.2 In pursuing these aims, the research focused on a number of specific objectives:
- to identify key trends affecting farming on Exmoor in the recent past
 - To evaluate the current state of farm businesses on Exmoor
 - To identify key aspects of farm household demographics – age structure, succession plans, etc
 - To establish the type, extent and significance of farm and income diversification
 - To identify key trends in land management practices
 - To examine likely responses to CAP reform and identify farmers’ future intentions.
- 2.3 The project paid particular attention to the relationship between farming activity and national park purposes, including the significance of agri-environment schemes and the particular circumstances of those who farm moorland areas.
- 2.4 The research had three components:
- A desk review of recent studies relating to hill farming, policy developments and drivers of change
 - An analysis of Farm Business Survey data and DEFRA census data
 - A postal survey of 407 Exmoor farmers

3. THE CURRENT POSITION

- 3.1 The final report of this project is due to be received on 15 November so copies can be distributed at the Authority’s meeting. Members and officers will clearly not have had an

opportunity to examine the study's findings and so it is recommended that the report is referred to a meeting of the Food, Farming and Land Management Panel for more detailed consideration.

- 3.2 Officers have been in discussion with the National Farmers Union about the report and it is hoped that by the time of the Authority's meeting a date will have been set for the report's principal author, Dr Matt Lobley, Assistant Director and Senior Research Fellow at the Centre for Rural Research, to present his findings to the Exmoor farming community. This would also provide an opportunity to "launch" the report and to give it more publicity.
- 3.3 The Authority has a "service level agreement" with the Centre for Rural Research under which the Centre will provide an annual update on current trends and issues facing Exmoor farming and which will be related to the baseline provide by the State of Exmoor Farming 2004 report.

Graham Wills
Head of Conservation and Land Management
25 October 2004

Background papers on which this report, or an important part of it are based, constitute the list of background papers required by Section 100 D (1) of the Local Government Act 1972 to be open to members of the public comprise:-

The State of Farming on Exmoor 2004, Centre for Rural Research, University of Exeter.
[Due to be available on 16 November 2004 and accessible on the Centre's website and the Authority's website shortly afterwards].