

Report

for
Framework for Change Yorkshire and the Humber

Succession Planning within Farming Families



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1. EXECUTIVE SUMMARY

This report has been produced by the Yorkshire Rural Support Network, the intention being to address the concept of succession planning by looking at different familial issues within the farming family.

It was felt that a personal approach rather than statistical evidence would be an appropriate way to present the thoughts, anxieties and ambitions of our farming community within Yorkshire and the Humber (Y & H). This led to interviews with farmers from varying types of farms, various ages and ownership status, to give an overall picture of farmer's views within our region. They gave, very willingly, frank opinions on reluctance to retire, succession planning within their family and young people considering agriculture as a career option. The results of which were surprising in some respects but inevitable in others.

A literature search was implemented to discover what other relevant documents and reports were available. The conclusion being that although there is documented evidence out there, the information within the Y & H region is scarce.

To confirm the level of support in Y & H it was necessary to request information from support organisations. Again, in order to ascertain a wide picture, a variety of organisations were spoken to. There was an optimism about the future of agriculture, but a sincere concern about those who are not adapting to change, those who will not survive in the business, and how to attract young people into the agricultural world.

After evidence was gathered from both the farming and support sectors, it was realised that many opinions were very similar. Both accepted that most farmers over the age of retirement continued to work out of choice rather than need. There are enormous issues regarding succession planning, or lack of planning, which for many reasons the farming families are reluctant to address. That young people need to be encouraged to consider agriculture as a career, and that agriculture needs promoting in a much more positive way.

Equally, there are matching opinions about the gaps in services provided by support organisations. It is acknowledged that the support organisations provide a vital role, but that many farmers are unaware of the holistic care that is provided by this sector. Both feel that business advice is crucial for the development of farming businesses, and that it should be encouraged, in varying forms, within the farming community. The desire for mediation and mentoring services to be further developed was also specified by both sectors.

The purpose of this report is to make recommendations for future work. Because the research was within the time constraints, it is felt that there is much more work that can be done in this area to confirm the recommendations made.

2. INTRODUCTION

The basis for this report is to look at the structure of farming families with a particular interest in succession issues. After considering that the average age of retirement for farmers is 59 or 60, and the fact that young people from farming families are being actively discouraged by their parents not to farm, it was felt necessary to investigate this further. We have an ageing farming population with little long term business planning and, more worryingly, no succession planning. It is recognised that there are a number of barriers which inhibit farmers from retiring at a reasonable age, but these have not been researched in any great detail in the Yorkshire and the Humber region (Y & H).

With this in mind, the Business Planning Group for Framework for Change (F4C) has identified new entrants and retiring farmers as priority groups. There is a need to identify barriers which prevent either new entrants coming into the agriculture industry or farmers from not retiring. Yorkshire Rural Support Network (YRSN) has been asked by the Group to produce a report looking into the issues of succession, retirement and young people within farming families.

This has been addressed by the Network in the following ways.

1. Firstly the collection of existing information from Network members relating to young people, succession and retirement.
2. A literature search to look at the availability of relevant material.
3. Meetings held across the Yorkshire and Humber region with farming families to discuss their personal experiences.

4. A look at support services within the sector and the gaps within that support. The knowledge gained by these processes will lead to recommendations for further work.

The detail of the information collected has been hampered by the short time scale of the project. The report, partly due to time constraint but also due to the nature of the subject area, is primarily qualitative rather than quantitative. It is felt that although satisfactory conclusions have been made, this piece of work has formed the basis for more specific work in the future.

All the farmers spoken to understood the reasons for being interviewed, and each situation has been anonymised accordingly.

3. LITERATURE SEARCH

Looking at availability of existing relevant literature

Fresh Start –national guidance, comprehensive advice for entrants and older farmers. Defra funded, but not Defra branded.

Leaflet – Starting out in Farming – provides a positive message that farming is a worthwhile industry to enter.

Leaflet – Changing times – options for the future. Helping those who need to think about how to exit/reduce their farming activities. Plus Ring-binder of that title designed to support agricultural advisers.

Leaflet – Getting started – inspirations from experience, 10 case studies.

National Farmers Union –

‘Get Ahead in Farming’. A regional (NFU and F4C) Y&H guide to advice and support, includes specific regional examples to inspire/illustrate the reader.

‘New entrants support mechanisms, best practice and future needs in the farming and food industries in the East Midlands.’ Report prepared for the NFU by Richard Loynes. June 2004

Defra –

‘Rural Population Profile.’

‘The Wider Social Impacts of Changes in the Structure of Agricultural Businesses.’ December 05 – Matt Lobley, Clive Potter, Allan Butler, with Ian Whitehead and Nick Millard.

‘Entry to and Exit from Farming in the United Kingdom.’ Summer 2003 to summer 2004. Report carried out by ADAS, the University of Plymouth, Queen’s University Belfast and the Scottish Agricultural College.

‘Agriculture in the UK 2005’. Defra, Scottish Executive Environment and Rural Affairs Dept, Dept of Agriculture and Rural Development (Northern Ireland), Welsh Assembly Government, The Dept for Environment, Planning and Countryside. Published by TSO

‘Implications of changes in the structure of agricultural businesses’. Lobley, M. 2002. Published report for Defra.

Matt Lobley –

(Future work from Summer of 2006, undertaking a three year programme of research on farming families in South West England, specifically focusing on the process of entry and exit from farming and also explaining the impact of personal well-being on strategies to remain in farming.)

'Agricultural Change and Restructuring: Recent evidence from a survey of agricultural households in England'. Journal of Rural Studies. Lobley, M. & Potter, CA. 2004.

'Unbroken Threads? – Succession and its effects on family farms in Britain' Potter CA. & Lobley M. 1996

'Succession and its effects on the farming family life cycle, succession paths and environmental change in Britain's countryside'. Journal of Rural Studies. Potter CA. & Lobley M. 1996

'Succession and its effects on ageing, succession and inheritance on family farms'. Potter CA. & Lobley M. 1992

'Farming Families on the Edge – Adaptability and change in farm households'. Final Report for the Countryside Agency. Written by Matt Reed, Matt Lobley, Michael Winter, Joan Chandler. University of Plymouth, University of Exeter. December 2002

'Why is Succession important' Lobley M & Errington A. 2003 A Conference Paper presented to the British Grassland Society winter conference.

'Exploding the family farm: Analysing how the fragments 'family', 'farm' and 'business' hold together' Reed M., Lobley M. & Winter M. 2002. Presented at the Agricultural Economics Society Annual Conference, Aberystwyth. April 2002.

'Handing over the reins' A comparative study of intergenerational farm transfers in England, France, Canada and USA. Errington A. & Lobley M. Presented at the Agricultural Economics Society Annual Conference. April 2002

'Elderly farmers – their current importance and future potential as countryside managers'. Potter C. & Lobley M. 1993. A report in J Burgess – Economics & Nature Conservation. UCL Press.

'Rural Stress Review – Final Report'. Matt Lobley, Gillian Johnson, Matt Reed, Michael Winter & Jo Little. 2004. Centre of Rural Research, University of Exeter. Report for RSIN.
'The Contribution of Family Farms to Multifunctional Agriculture'. Reed M., Lobley M. & Errington A. 2002. Report for The Ecologist

Others

'Sociologia Ruralis' – Published on behalf of the European Society for rural sociology, Edited by Henry Buller, published by Blackwell Publishing.

'The Journal of Rural Studies' – Published by Elsevier Science. Publishes research articles relating to such rural issues as society, demography, housing, employment, transport, agriculture and conservation.

'The Farm' Richard Benson. 2005. Published by the Penguin Group

'Housing and employment problems for young people in the countryside' Joseph Rowntree Foundation, November 1999. – Study of 60 young people from Richmond and Hambleton Districts all aged 22. Full report available in 'Getting a job, finding a home: Rural youth transitions' by Julie Rugg and Anwen Jones, published for the Foundation.

Website – 'Rural Futures' A pilot project in Cumbria. Farmer groups set up around Cumbria, using the Foot & Mouth epidemic as the impetus to help farmers help themselves. Each group facilitated by local person who understood the industry. Groups encouraged to own the process themselves, and different initiatives arose as a result, eg group marketing for meat products, working collaboratively to improve dairy production. A publicly funded, but locally controlled process.

Comments on Literature Search

There appears to be a lack of 'regional' and 'local' material, this geographical factor is important when considering the industry we are looking at. The upland hill farmers have very different needs and aspirations compared to the lowland arable men. Would it be useful to compare social structures and implications of family farms as a 'farm-type' or is this too specific?

Would it be appropriate to look at the consequences of the structure of farming families from members of the family other than the farmer himself/herself? The emotional adaptation to change, whether it be good or bad can have a long term effect on both children and partners. What are the implications on the family generational structure change that is happening to so many farms and families at this current time.

4. FARMERS RESEARCH

A cross section of farmers were interviewed from the following geographical areas:

North Yorkshire
East Yorkshire
West Yorkshire
South Yorkshire
North Lincolnshire
North East Lincolnshire.

The number, age and type of farmers are shown below:-

AGE	13-25	26-35	36-45	46-55	56-65	66-75	75 and over	TOTAL
	4	6	6	8	7	5	2	38

The types of farms covered were:-

Arable	7
Arable/Free Range Poultry	2
Arable/Beef/Sheep	7
Arable and Pigs	3
Dairy/Beef/Sheep	2
Arable/Beef	3
Grass Beef/Sheep	3
Sheep/Cattle/Pigs	2
Hill Farm Sheep/Sucklers	1
Arable/Sheep/Horses	1
Grass Suckler Cows	1
Hill Farm Sheep	2
Pig Farmer	1
Non-farmers	3
TOTAL	38

Farming Status:-

Owner	11
Tenant	8
Owner/Tenant	7
Farm Worker	3
Retired	1
Student	3
Other	5
TOTAL	38

As you can see, a wide variety of farmers were questioned. Many of their answers were very much the same, in fact with some of the questions, you could almost anticipate what they were going to say.

Out of the 38 questioned, (please note that some of the questions were not applicable to all people) the following answers were given. When asked:-

If you or a member of your family is over the age of retirement, what are the reasons for that person continuing to work.

3 out of necessity.

17 because they wanted to carry on working.

What would be your ideal age to retire?

50-60 - 3

60-70 - 14

70+ - 1

No ideal age – 13

When asked if they would realistically retire at that age 90% said no.

Have your family made plans for your retirement/parents retirement?

No - 12

Yes - 22 (every single one said they had a pension, though some said it was only small)

Only ONE person out of the 38 said they had succession plans.

Would you say that future generations are planning for retirement more than the current retiring generation has done?

Yes - 7

No - 9

No difference - 2

Are aware, but have no funds – 19

Have you ever contacted any support organisations in the past?

No - 21

Growing Routes - 3

ADAS - 3

Business Advice (not specifically broken down) - 9

NFU - 1

Farm Crisis Network - 1

If during your farming career you have felt that some service/advice/support could and should have been in place – what would this be?

No need for support - 15

Business Advice - 6

Family Mediation

Mentoring

Advice from talking to friends and family.

Better communication between farmers and government.

Local Statistical Information

Publishing what is available

Employment issues – not a member of a union so don't know who else to ask.

Reference point – to find out about available farming opportunities.

'Support organisations give weak advice'

If you work within a family farming business, what do you see as the barriers to succession planning?

Marital break-ups and divorces

Paperwork – the older generation won't give up financial control

Inheritance tax and divorce

Financial pressure

Tenancy

Arguments

Government and red-tape

Sharing it out between your children, too much fighting, having to sell up.

Too many people influencing decisions.

Farmer has got to have control, not people who aren't involved such as sisters.

Sons and grandsons often don't want to farm, they want another life away from the farm.
It ties you to one particular spot.
Working with your sons which can be a difficult thing.
Who partners will marry and what their views are.
Don't see barriers, either you will have a pension in place or they will have to look after you.
Reluctance of older generation to address issues.
Fear of risk.
Do the sons wish to carry on, is it financially viable.
If tenants, are you able to carry on.
Housing.
Proper retirement planning and wills.
The need to expand.
Sons arguing.
Sorting out the next generation, cousins get too far apart.
Communication and expectations.
If sons takes over when dad is still alive, can they afford to run two families? Finance limiting factor. Father often doesn't let sons run business until they are too old to take over business.
Previous generation not letting go.
If one sibling wants to farm, you have to make it possible for them to farm, but there is a danger of rest of family becoming resentful.
Don't know how to do it.
If father runs business and he dies, son often has no business acumen to continue.
Family splits
Failure of marriage worries me – the daughter-in-laws.
Non-economic future.

QUOTES FROM THE FARMING INDUSTRY IN YORKSHIRE AND THE HUMBER

The following quotations are directly from the farming families interviewed in August and September 2006. The research specification arose from a desire to understand what the farming community really thinks about succession issues. The quotes below go some way to illustrate the feelings of those who work in the industry.

What do you enjoy about farming?

Being my own boss.

The way of life, the lifestyle, the freedom of being my own boss.

I enjoy watching the crops grow and achieving something, and the satisfaction of making it work.

The variety of tasks, no days are the same. I like to manage and organise my own time and make decisions. I like the outdoors, and it's good from a physical point of view.

Every day is different and the challenges that go with it.

My work is not in a city thank goodness, its local with little driving. I enjoy the diversification and the challenges that it brings.

The quietness and the solitude, it's interesting, there's always something new. It's what you make of it.

I'm a practical person and enjoy practical skill's, I love working outdoors and couldn't work in an office.

The young being born and the cycle of nature. The apprehension of the unknown.

I don't know anything else.

The process of new animals being born and taking them through to the finished product.

Continuity of the seasons, but the changes throughout the seasons.

Lucky to live in such a wonderful environment, I try to enhance it, enrich and add to it.

I thrive on the weather challenges. It's producing things from your land and animals, the involvement in nature.

I'm actually quite an anti-social person, and I don't have to talk to anybody!

I don't see it as a farm, but as a business, and I like the challenge of that.

I've enjoyed it all my life, working with nature not against it. The year long growth cycle.

I enjoy being part of the farming community.

What do you find difficult about farming?

Paperwork, rules and regulations. Decisions made by people who don't have a clue about the real world.

Being tied to the farm which makes holidays difficult.

I was going to say the weather, but you shouldn't be farming if you can't do with the weather. You don't know at sowing time what results/profits/yields you are going to have. You can't plan as you are working on last years prices.

Lonely, working on my own a lot. Its tying – especially working with animals.

Nothing. There is an answer around everything. The only thing that annoys me is unnecessary admin.

General public's lack of knowledge of where food comes from. Foreign imports.

Don't like anything computerised – farm machinery included.

I find it hard to believe that our local small shop can justify employing five people but a farm this size (310 ha) can only justify one full-time worker.

No decent income for capital investment. We do plant trees, we look after our hedgerows, we take care of our animals and our environment, yet there are still people telling us that we should be doing it and how to do it.

Paperwork. Politicians. Red Tape. Lack of income.

The long hours.

Paperwork is just part of the job, its nothing difficult if you enjoy it.

Prices of commodities and survival.

I lost my wife 13 years ago and she did the paperwork and I found that really difficult when I had to do it, but I have a farm secretary now.

Salary.

No income, its drains enthusiasm. Don't mind working for little, but not working for nothing.

Getting away from farming, stop working and leave it – just can't.

The wages. Love every aspect of it, but can't afford to do it.

The uncertainty of what we produce – the amount and quality.

Contractors not looking after the countryside.

Food in Britain isn't valued

Its tiring working physically very hard. Stress and worry. Not being in control of your own destiny. Fear of it being out of your control.

Unnecessary intervention from outside agencies. Defra, RPA, Environment Agency, all of them.

The red-tape is ridiculous. We get penalised by agencies if we do not meet deadlines, but if they don't, they get away with it.

I have no time to help my wife with the children. Too many time restrictions.

The uncertainty of it, nobody knows which way to go, especially the young ones.

Price fluctuation, subsidies.

Working relationship with father.

I'm no longer in farming and I miss not being fully involved, but I don't miss the hassle. I find it hard to switch off as a farmer, you know what they say – 'you can take the man out of the farm, but you can't take the farmer out of the man.'

A lot of farming businesses are family businesses. Do you see this as a positive or negative thing?

Negative – Don't think of it as a business. There's too much of 'we've always done it this way'. Got to think outside the box.

Positive – My father and I communicate well, and have a good working relationship, he accepts that I am going to change the farm and wants me to do that.

Negative – The business is best run without emotion, make decisions for financial reasons not emotional ones. Families complicate things. We may have family problems in the future and its knowing how to deal with them.

Both. Positive as we have the same goals and aims. Negative as there are too many bosses and dealing with everybody's different views. Wives in a business can cause problems.

Positive – But not feasible any longer as you have to cut back all the time.

Could be both. Positive – you can do what you want to do so you learn how to do it. Negative – If you don't want to be in a family farm, you may feel under pressure to be in it, and that can put you off.

Positive – You are more efficient if you farm together.

Positive – My father knew when to start letting go of the reins, so it give him more free time and me more responsibility.

Negative – A lot of jealousy within family businesses.

Negative – Fathers who won't let go and accept new ideas.

Positive – It's a good thing as long as there as no fall-outs when the wives come along.

Positive – But we can't carry on as the next generation will be cousins working together.

Family businesses are declining. You have to look at the number of workforce/acre to see that it is not always feasible to bring in the son or daughter. You (the older generation) have to stop farming to let them have a go, or get a big injection of cash.

Negative – Too many arguments.

Both, but mainly positive. It keeps the family together and gives young people the opportunity to continue farming. Continuity within a rural context is a positive thing. The negative side to that is the responsibility of that continuity, and who gets the blame if it doesn't happen.

Positive – If you haven't got a family farm you won't survive.

Positive - You are working in a unique situation and it's a privilege to work in that situation.

Negative – It's very rare that there is a structured approach to business. You don't deal with succession or capital management.

Positive – Supporting everybody in the family and it's not like a large co-operative. I firmly believe in farming families not large institutes. It is achievable by adding value to current farming business and adapting to the change.

Negative – Can't differentiate between business and family. Has to be run as a business with no emotion.

Positive – Works well as a team. My wife does the admin work and works outside. We both cover for each other.

Positive – Several members of my family are working together so the running of the business isn't left to one person. Sons and daughters can live more cheaply with parents.

Positive – Somebody to leave everything to. Not reliant on other people making decisions.

Positive – We always sit round the dinner table and discuss everything with everybody. We have always involved our sons with our decisions.

Negative – Insular vision.

Positive – You work harder for yourself than other people and you learn from previous generations. The emotional ties though can be both positive and negative.

Positive – Its part of country life, but unfortunately they are disappearing and this will be detrimental to the countryside. Farms just get bigger and it is not giving young people the chance to purchase farms.

Negative – In some ways as previous generations can hold you back, but if a farm is well established then it is an exceptionally good start for your future.

Positive – To be able to continue to farm as you are. You 'should farm as if you are going to live forever, and live as though you will die tomorrow'!

Positive – Pass on knowledge about soil, environment, nature and general area, and you can't read that in a book.

Negative – People who are cut out for the job are not coming into farming.

Positive – It is a tough lifestyle and people who are born into it know what it requires.

Positive – Real farmers see farming is a way of life, business people see it as a way of making money. If you can do both – brilliant!!

How do you see your future?

To carry on farming and hope that it will be passed onto the next generation. You have to think positively or you wouldn't survive. I see farming as not just looking at food production but bio-fuels etc, so the future has got to be positive.

Tend not to think about it much, situations change and really it is a case of cross that bridge when you come to it.

My future depends on how things work out with the children when they leave school, if they go into farming or not.

It can only get better, if it gets any worse everyone will pack up.

Will have to diversify as cannot rely on farming alone. I want to keep in farming as everybody has to eat. We need to promote supplying local food to local areas.

Have bought a house to retire in, and have sold the farm much against desire. I have also bought my farm-worker a bungalow as he has worked with me for 53 years.

Happy and healthy with the desire to make things easier for the next generation.

Got to expand to keep in business. Small farms used to be 30 -40 acres, now its 200 – 300 acres. Positive about future as world population is expanding and we need food and fuel.

Hope I've got one. Positive but feels other challenge is necessary to give job satisfaction and realistic income.

Successful and full of achievement, would like to manage large estate.

Going to work full-time for somebody else and hopefully will work on family farm in later life.

Always optimistic, farming's got a good future, but small farms will suffer.

Bright. We have come out of BSE and FMD and have turned a corner.

Positive about it coming right again. Would like to expand our farm shop and would like to run a fish and chip shop.

Rosy, because I'm an optimist. Can see short term in farming, but don't know long term. If financially viable I would like to farm.

Would like to tenant farm if I could although I know it will be very hard and I will have to take risks. I will involve myself in agriculture no matter what, but in a value adding capacity such as farmers markets.

The last five years have just ticked along, so I see the next 10 years as positive. With sheer hard graft and a bit of luck, I think I can make as much out of farming as diversifying.

The skills that a farmer has will always be required, so long term I feel very positive.

Very content. I will try to help the next generation, not particularly family but all young people.

I'm getting out of farming but will still retain an interest. If I had the opportunity, I would go back in. Its economic reasons that I am stopping, and I'm fed up of Defra.

I am going to University and gain a qualification to get a good job related to farming.

I am going to carry on as I am, moaning, groaning and snoring....

Just carry on as we are, our sons can't come and farm as we need a living.

Optimistic. Have had it tough but see a future. After going to farmers markets and talking to consumers, things are turning around slowly. We have to convince the public to support British farming. There is too big a gap between producer and consumer. Farmers just farm, it's the wives that diversify.

No worries, only ill-health.

Still in agriculture, still in the same house. Would like to see the end of subsidies. I think it will turn full circle and there will be a need for food.

Definitely still here on the farm.

If I could get out of farming and never see another farm it wouldn't worry me.

Not particularly in farming, doing consultancy work now.

CASE STUDIES

Case Study 1

Key Characteristics:

50 year old ex-farmer

Does not want to return to farming

Once owned 165 acres with 250 sows

David and Caroline, married with three teenage children. David's father died at the age of 66, his mother is still alive aged 78. David has 1 sister, Elaine.

Before David's father died they worked within a family partnership and both worked full-time on the farm. They had come to an agreement that David's father was going to pass on half of his assets to his son straight away, so when he died David would own half the farm already and then inherit a further quarter with his sister inheriting the other quarter. (David's mother owned the rest). Unfortunately David's father died shortly after, before the arrangements were in place, and left a Will that had been made when David and his sister were children.

This meant that all the land was passed onto David's mother with half the business assets, David was left quarter of the business assets with Elaine being left the other quarter.

As a result of this David bought half the land from his mother, he couldn't afford to buy the whole amount, and bought his sister Elaine out of the business. This cost £350,000 15 years ago plus he borrowed more to improve the business. David then owned 165 acres, had 250 sows and 1 farmstead that he lived in. His mother bought a house in a local town, is very comfortable financially as has invested the money as well as benefiting from her husbands pensions.

After three years of not making any profit, with bad pig and arable prices and slight health problems, David decided that enough was enough after seeking advice from a close friend. He sold the business and farmstead.

David is now a tenant of 5 acres, which is on the boundary of a village and could eventually be sold for building land. He has his own business and part-time employment with another organisation. He owns a house in the local village, has a good life-style and enjoys his work. David regrets that he didn't get out of farming sooner, and Caroline said he should have done it years ago. David came out of farming with a lump-sum, a house and was debt-free. He now leads a much more comfortable life than if he still remained in farming.

The hardest conversation he has ever had was with his eldest son telling him he was going to sell the farm. Much to his surprise, his son said it was ok, and to do something that made him happy.

As a result of David's father not sorting out the succession issues before his death, it is now left that when his mother dies, all her invested capital will be split between David and Elaine, even though Elaine has already been bought out of the farm. David was given some capital 12 years ago, which was the value of his mother's bungalow, Elaine gets the bungalow following her mother's death. David and Elaine have three children each and they will get an equal share of the remaining assets too.

Comments on Case Study

Because of the lack of succession planning, David was left in a very difficult position. He had to buy his sister out of the farm, and because his mother is now elderly and wants everything to be 'fair' he will lose out again when eventually she dies. David has now left the industry, but the question has to be asked that if he had not had family financial

pressures, would he still be farming? David thinks there is a definite need for a specialised family mediation service to help resolve issues such as his.

Case Study 2

Key Characteristics:

Owns 750 acres arable land

Contract fattens/nursery 5,000 pigs

Rural Enterprise Scheme Grant to develop brewery

Catering business run by son and mother

Has other diversification plans to incorporate all interests

Reduce pig numbers if diversification is successful

Andrew is 30 years old and unmarried. Both his parents are still working. He has one brother, Mike who is 35, married with two boys. They employ one farm-worker who lives in a tied cottage. They own and farm 750 acres, plus look after 3,000 fattening pigs and 2,000 nursery pigs on contract. Andrew, Mike and their father all work in the family business. They are aware of the tax benefits for sons to be in partnership with father, so have made provisions for this and all have pensions. Andrew attended a night-class to learn how to cook, and now he and his mother run a small catering business, this is out of choice, not need.

Mike developed a business plan and secured a Rural Enterprise Scheme grant to begin a brewery business. They are in the process of applying to Growing Routes for a grant towards training to work in the brewery.

On the farmstead they have a large pan tile building standing empty which may be developed in the future into either accommodation or a restaurant. This will build on the

developing brewery business, and use existing skills, such as their catering business, which is a diversification they would like to expand.

In conjunction with the building development, they may well erect poly-tunnels to produce fruit and vegetables for the restaurant/catering business. They see the geographical situation of their farm, the North Sea on one side and the Humber Estuary on the other as a difficult place to diversify, but are acknowledging the need to do so and so assessing all the options. Also Hull, their nearest city, has no micro-brewery. Andrew sees diversification as having more control of returns, using farm produced crops to complement and 'feed' their other businesses. He would like to become less reliant on the returns from the pigs and will keep less pigs if the brewery is a success.

Andrew and Mike have diversified as part of succession planning for their generation, but have not thought about the next generation as they are at present too young to consider this. The family work and farm well together, the only problems they can envisage regarding working in a family business is when both sons have families of their own.

Comments on case study

Andrew is a very forward thinking young farmer, who appreciates the assets that the family already has, but realises the need to develop the farm to eventually support three families. The family are using the farm as the core of their businesses, diversifying into enterprises that can benefit from their farm products. They are fully aware of grants and schemes that are available to farmers, and have made the most of this.

Andrew believes that the industry as a whole has to improve its reputation and image, so that the public can gain confidence in British farming.

Case Study 3

Key characteristics:

Owner and tenant farmer

In full financial control of farm at age of 61

No retirement plans as no idea how to deal with succession

Desperate to get out of farming

George is a 61 year old farmer who has been farming for 43 years. He is married with three sons. He farms 210 acres which he owns, plus 50 acres that is tenanted, mixed – arable, cattle and sheep. He still works full time on the farm. George and his wife live in the farmhouse, and have planning for conversion on farm buildings. One son is farming with George, one has taken the tenant farm over and the other son is living in Australia. George still has total control of the business, but firmly believes that the ideal age for farmers to retire is 60, so that the next generation can take over the control of the business. He does have a pension, but it is not sufficient to keep him.

George is aware that the farm cannot support two generations, and has looked into him retiring from farming early to get another job, which he was prepared to do so his son could continue farming. Unfortunately he had absolutely no idea how to write a CV and how to record all his skills. This stopped him from seeking other employment.

The only reason that George is still farming and has total control, is that he has no idea how to pass his assets onto his sons, this is preventing him from doing anything. He has had ½ a days free advice from a farm consultants, but felt that this did not help. He feels helpless and desperate and his final comment was that if he could get out of farming and never see another farm it wouldn't worry him, the financial side and succession planning are the reason for his feelings. George would like to see the appointment of experts who can advise on retirement, succession and how to write a CV or at the very least, help you to recognise your own skills.

Comments on Case Study

George was very down-trodden when I spoke to him, with the burden of decision making becoming unbearable. He contradicted himself completely by emphasising the need to encourage young people to get into agriculture, and that his sons should be running the farm, but then admitting that he still has control. He realises that this should not be the case, but is at a loss as to how to deal with the situation. I hope that he succeeds in seeking help to reduce his anxiety and deals with the business succession.

Case Study 4

Key Characteristics

Family pig farmers

Business control by parents, especially mother

Two brothers left farm, leaving one to deal with debt

Lost the business but survived and is still farming, although heavily reliant on off farm income.

Simon is a pig farmer, fattening 3,500 pigs on contract and has 80 cattle. He is the tenant of 100 acres. He is married and has three grown-up children. Twenty years ago Simon farmed with his father and two brothers Tony and Jack. They had 1,100 sows on 5 units and employed nine men. Simon's mother and father lived in the farmhouse on the main farm, and Simon's mother looked after the farms accounts and wages etc. They also have one daughter who was not in the family business.

As a result of blue ear disease and reduced pig prices, the farm began to make a loss. No future planning was made at that point, and because of the father's ill-health, Simon's

mother protected her husband by not revealing the true state of the business. Debts built up and they lived on a day to day basis. Tony got married and a house was purchased, Simon was already married with his own house. After a while, Tony decided to leave the farm, walking away without taking on any responsibility for the debts. Simon's father died leaving Simon and Jack to carry on. As things got worse, assets were sold leaving two units. One was in the middle of the village and planning permission for development was granted. Unfortunately, it was before large amounts of money could be made out of development land, so all the profits after the sale went towards paying off debt.

Jack started a meat producing business, selling at farm markets and local outlets. He was married himself by then and eventually his wife did not want to work for a family business, so the meat business was folded, making no profit. Jack and his wife left the business, again not taking any responsibility for any debt.

Simon sold his house and has been living in rented accommodation with his family for the last seven years. He struggled with the debt, making arrangements for re-payments with local firms. His wife is in full time employment, paying all the household bills. They are now in a position where finances are improving and are hoping to purchase their own home again. They have no pension and no savings. Their son, who helps on the farm during holidays is at college and does not want to farm 'I have seen what it's done to you Dad'.

Comments on Case Study

A classic case of a father with three sons, hoping they will all farm together, no business plan and spending when times were good with no future investment. The three sons did not get on, and although the daughters-in-laws did, they all had their own agendas and

did not want to be part of a family business. Simon's mother played an important part in the business, against her will latterly, but had no means of passing on the responsibility. Through the determination of one son, the business still farms under the family name, but has it all been worth it when his son begins a different career path?

Case Study 5

Key Characteristics:

*New Entrant into farming
Farming now for 1 ½ months
Entry Level Scheme
Will consider Higher Level Scheme in future
Mixed 600 acre farm with sheep and cattle*

Robert is 31 years old, married with one young daughter. He has one younger sister Jane, who lives with her husband in Spain. Their father and mother live on the family farm. Robert's mother used to run a busy bed & breakfast business but this has now been wound down. The farm employs one farm-worker. They own and farm 600 acres with sheep and cattle.

Robert went to Leeds University to study for a Degree in Environmental Science, and went on to do a Masters in Environmental Management. He consciously chose a degree that related to agriculture. From the age of 18 he worked on the farm during the holidays and some weekends. He met his wife Jenny, who is a fully trained nurse in Sheffield whilst he was training to become a teacher.

They went on to live and work in Sheffield for nine years. Jenny is not from an agricultural background. After much discussion they decided four years ago to come back to live and work on the farm, and told Robert's parents three years ago. It was met with initial

surprise, they hadn't expected Robert to come back home as he had never mentioned it before. Robert was concerned that his parent's had made plans for their retirement which hadn't included the continuation of the farm, as he didn't want to endanger their financial plans, and although they had started to think about succession issues they hadn't made any definite decisions. They are now very supportive of Robert and Jenny and believe they have made the decision for the right reasons.

Jenny's reasons for coming back to Robert's family farm are very different to Robert's. She sees it as a very positive move for their children, living the rural idyll. She is looking forward to the lifestyle, living in a bigger house (they are converting farm buildings), and 'the countryside'. Jenny is willing and very keen to learn about the farming lifestyle.

The farm had employed another farm worker who left five years ago, since then they have managed the extra work by employing contractors. Robert is now replacing the need for the contractors. He will continue to do some supply teaching in the winter months when the farm is not as busy, to keep himself busy, plus bring in some extra income.

Robert has now been farming for 1 ½ months. He plans to shadow his father and the farm worker for a couple of years, to learn from the experts! When his father decides to give more responsibility to Robert he will begin by replicating his father to learn the trade. His long terms plans are to look for different revenue streams, how he can provide further income but keep farming at the core. Robert accepts that the farm will have to change because of the SFP's, he will carry on the Entry Level Scheme and may consider the Higher Level Scheme when his father retires.

Robert and his father work well together with an acceptance that Robert will change how the farm is run. He has come back with his eyes open, but knows that both he and his wife, through teaching and nursing, have other skills to fall back on. Robert is very

determined to make a go of it and is reasonably confident that he will, but has said himself that he is 'big enough to walk away if things don't work out'.

Comments on Case Study

Robert and Jenny have come back to the family farm for the general well-being of their family. Robert is looking forward to working outdoors after spending many years office-bound and in schools. He feels that long term decision making and strategic planning will be what he finds difficult. He believes that businesses are best run without emotion and that decisions should be made for financial reasons, not emotional. It will be interesting to see if this happens once part of a family farm.

Farmers research – Thoughts and conclusions

As the research has shown, rather than farmers who have reached the age of retirement having to continue working, it appears that they mostly work out of desire. Is this because they enjoy the work, or is it the reluctance to face the unknown? Most have said that it is a way of life, and indeed it is that way of life that they are happy with. Even when given the opportunity to state an appropriate age for retirement, they still thought it would be unrealistic to retire at that age.

The barriers which prevent the exit of older farmers from farming are not it seems their age, but the consequences of their retirement on the rest of their family.

When asked about succession planning, it was astonishing to discover that only one person had thought about the future as regards their family. This maybe that other people had not recognised that they have done so and not realised or admitted it, but even taking that into account, the proportion of succession planning is very small.

The question was then asked about the barriers to succession planning, and very frank answers were given. The daughter-in-laws gave grave cause for concern, straight away implying that there will be succession issues between the generations. Also the inability to do anything about sorting their business out before one generation dies and the next is left with a huge amount of inheritance tax to pay.

The fluent examples of barriers to succession perhaps answers the question as to why the proportion of businesses that plans for future generations is so low.

During the research it became apparent that because of the project occurring during the summer holiday months, it was not possible to talk to groups of young people. Therefore only a small proportion of young people were spoken to. This possibly does not give a true reflection of thoughts from all players in the farming industry.

The new entrants to farming see the way of life as the main attraction, regardless of income. 'The financial returns are nothing, the emotional returns are great'. The ones still trying to get into the industry are very realistic about the struggle to succeed, they are prepared to work hard, they know that they might not be able to find a way in, and most of them have some other income to fall back on. Many see that they will not farm full-time but have it as part-time employment.

The concerns of the young people included the lack of income, the lack of opportunities to begin in business, and the costs that this incurred. The housing problems were acknowledged to cause concern for people who want to live in an area where they work. Those who do want to go into the industry are all prepared to work hard and are not put off by the way of life, but do question the level of returns for the volume of their hard work. Most see that further education is a necessary step for further development within the agricultural industry.

One of the final questions asked to the farmers was an opportunity to further comment on succession, retirement or young people. Interestingly, nearly everyone commented on the issue of young people. Could this be seen as acknowledging a concern that was not

directly linked to themselves, so personal concerns, anxieties and worries were not addressed regarding the other two issues.

There is concern throughout the industry about how to attract the young into farming. This includes not only young people from a farming background, but completely new entrants as well i.e. those from a non-farming background.

Some see that the older generation who continue to work are preventing the younger ones from doing so. They all express a concern that the opportunities for young people are rare and would like to see a way to encourage young people to stay in family farming businesses. They find it difficult to be in a position where they are unable to offer their children a living wage and so see it as a barrier to stop them getting into the business.

Comments were made regarding the availability of land, the fact that more tenanted land should be made available to young people. The amalgamation of tenanted land by larger companies again is a deterrent against young people starting off in farming life. Some recognised that it was a very good idea for young people to learn a trade or skill before they come back to the family farm, so at least they have something to fall back on.

The other concern was the promotion of the British Farming industry to the general public. Why the industry gets so much bad press and what can be done about it.

Most farmers didn't see a need to contact support organisations, other than to access business advice. Some have been put off using such organisations by bad advice in the

past. Maybe they are unaware of other support available, and this is an area to be highlighted. When given the opportunity to offer suggestions of further support, many ideas were put forward. Is there a reluctance to use support organisations, as they can obviously see a need but perhaps don't use them to their full potential. The main crux of the 'support' question is that although there is information and advice already available, there seems to be a lack of knowledge in farming families as to how to obtain that information

5. YORKSHIRE RURAL SUPPORT NETWORK – EVIDENCE GATHERED.

The Yorkshire Rural Support Network is a Network of voluntary and statutory organisations working together to reduce rural stress, with a particular relevance to the farming community. Their aims are to signpost to help available, increase awareness of rural issues, and increase awareness of the role of help organisations. Organisations within the network include – the health sector, the Church, Yorkshire Agricultural Society, Young Farmers Clubs, NFU, Farm Crisis Network, RABI, HSE, CLA, Perennial, Growing Routes, The Samaritans to name a few.

As many of these organisations work on the 'front-line', it was felt that the Network has a good understanding of succession issues. On this basis the Network has discussed the subject and has highlighted problems that they are aware of and had to deal with in their work. These thoughts on retirement, succession and young people are shared below:-

RETIREMENT

The reluctance to retire is mainly due to the way of life, they see retirement as too final and a reason to be cut off from the farming community, i.e. 'they wouldn't belong anymore'.

Livestock farmers are more reluctant to retire than arable ones, because of the attachment to the animals.

Many farmers do not have pensions. Some of them use their livestock as their pension to be sold when necessary. Some have cashed all their pensions and investments purely to keep the farm going, so can't afford to retire.

There is a difference between owners and tenants. The owners obviously have assets, although they may not be accessible, whereas tenant farmers often have no assets which again prevents them from retiring as they cannot afford to do so.

Some farmers keep working as they have nobody to continue their farm business.

Often the retired becomes 'The lad'.

Batchelor farmers are reluctant to retire as they have no reason to stop working.

When farmers are forced to retire due to ill health it is often done so unwillingly. They are reluctant to claim benefits and would rather live in poverty than 'live off the state'.

Many 40 – 50 year old farmers have parents who are expecting a living out of the farm once retired, but the farm cannot cope financially with two household drawings.

SUCCESSION

Often the farm is still in the father's name, or even a previous generation's name, so pressure is felt when you are responsible for ending the family business. How do you cope with the responsibility of ending a way of life that has been going on for generations?

Tenant farmers have limited options as they have no assets, and so struggle with change or diversification.

The fear of succession planning and the emotional implications often prevent families from acknowledging the issue.

Although the affects of FMD were shattering, it has given some families a reason and option to change, and because of compensation payments, the financial gain has helped them to do so.

Marriage and divorce were seen as a barrier to succession, the fear of losing the farm because of the sons divorce. Often problems arise from family relationships, an example being daughter-in-law not getting on with daughter-in-law.

The number of siblings entitled to the farm asset can lead to farm break-ups. Who is entitled to what, and will it mean that members of the family who don't work on the farm still want their share of the assets.

It has been noticed that nearly all grant applications are coming from the older generation so they can expand/diversify to keep the family unit together.

Not enough farmers are taking tax advice, capital gains and inheritance tax in particular.

YOUNG PEOPLE

A huge barrier to young people entering into the farming business or carrying on in the family business is the issue of housing. The impact of second homes and tourism has caused many young people to simply not be able to afford to live where they would like to work.

Many young people are obtaining further education and a career before coming home to work. This is often out of necessity as there isn't an income available from the farm, but can be a positive move, as it brings with it extra skills, possible added income and new ideas.

There has been a 75% decline in farmsteads since 1945, small farms are becoming a rarity preventing young people from getting into the industry plus the sheer cost of the associated equipment.

What Rural Communities need in the Next 5 Years?

Access to Information

One Point of Contact for Information (i.e. what the Network Co-ordinator has done so far)

A route to Regional Government to influence policy (Government Office, Yorkshire Forward)

Need voluntary & statutory sectors to work better together, especially as regards to health.

Transport in rural areas (YRSN has more queries about this than anything else).

Housing that is affordable.

What will farming communities have to address in the next 5 Years?

Housing

Tenancy Issues

Succession Issues

Hill Farming – A Future?

Paperwork

Labour

Increasing Regulations

Need Effective Business Advice & Training

Supporting/ Working with Migrant Workers

Single Farm Payment – changes in levels of environmental subsidy payments

Managing an increasing number of external pressures

Capacity to manage unforeseen circumstances

Need to roll out a growing routes service to a wider age group

Money for Diversification

Where are the key workers to deliver Rural Support?

The YRSN Members and the Co-ordinator

Website

Other Key Workers who are not aware of the Network

What are the barriers/gaps in delivering Rural Support?

Too much information that is confusing for workers and rural people.

Funding –availability and access.

Knowledge – what other organisations actually deliver or have to offer.

These are some of the comments that Network members have given. Facts and figures of how many people have asked for advice or help, are hard to obtain, particularly based on a geographical area and issues associated with confidentiality. Our discussions were based on the collective experience of the Network. Further specific experiences from Network members can be obtained in the following chapter.

6. FARMING INDUSTRY SUPPORT ORGANISATIONS – EVIDENCE GATHERED

The organisations within this section have been categorised into three groups as set out below. There are members of the Network included in this section as well as other groups, this has been done to give an overall picture of help and advice available.

Again, facts and figures are unavailable so personal views have been captured from many different organisations.

EMOTIONAL SECTOR

Referrals from helpline, health sector, NFU, RABI, neighbours and relatives, Trading Standards, RSPCA.

Referrals from Social Services, Churches, District Nurses.

Referrals from FCN, CAB, Forces Fund, Care & Repair system, self-referrals, NFU, neighbours and relatives. Non through GP's.

Working capital and housing are the main problems. Relationship problems are in the minority.

Farmers have lost confidence and trust in their banks, they would like a local branch with a local manager.

In general businesses are not passed on as they are not worth passing on, or the young are not interested.

Retired farmers come off the farm with next to nothing and it's not generally through lack of planning.

Farms that are in a bad state of repair are usually the result of bad business planning.

The main concern for retired farmers is the housing situation. There are many elderly people who find themselves with nowhere to live and unable to afford to buy a property or even rent one. They have no capital. They have been planning for retirement, but have cashed in pensions and investments to keep going.

The delay in the SFP hasn't had an affect on the farmers we have had to deal with, as it is usually too late financially, for that to make a difference.

Farmers do not like to retire as they do not want to give up the lifestyle or their house.

They haven't the money to put away for a pension, and many have no confidence in the pension schemes.

There are many cases of lack of planning for the future. The older generation are reluctant to give up control, so many younger farmers do not have the business acumen once in control themselves.

Younger people just see all the hard work involved and want to be successful in other directions.

Farming publicity is always negative and this needs to be addressed.

50% of people that we help are retired farmers or farm workers, 25% tenant farmers and 25% owners.

Farmers used to bring their lads into farming, but now they see that it is not a positive industry to go into.

There are two categories of farmers, those who are forward thinking and will change and diversify, then there is the 'old school' who possibly won't survive.

There are positive messages in the press, but strong implications that you have to change to survive.

The agricultural promotion is environmental at the moment so perhaps to connect with schools with educating young people about the industry and the positive aspects of buying local food should be approached.

Many tenant farmers haven't made provision for their retirement.

Most young people in the industry are keeping the older generation.

Because of the work load, young people do not have the time to keep up with training and development.

Older people see diversification as a threat.

There are 300-400 acre farms that are plodding along, surviving, but there are bigger farms who have invested too heavily and they are struggling.

Men don't like retiring, don't like to give up work as it defines them. Women however, have a much more varied role so don't rely on their job as an identity.

Young people do not like to go into the industry because of lack of services, low incomes and lack of prospects.

Many people in the industry do have mental health problems.

Change gets harder to accept as you get older, so its easy to stay the same.

New entrants find it hard as they see it as a closed shop.

There are still plenty of takers for tenant farms, though the issue of retirement needs to be addressed at an early stage.

There are a significant number of people who want to stop operational farming but don't want to get rid of their land. Arrangements by various people are finding other to farm their land. Small farms are being swallowed up by co-operatives. Land use is changing rather than land ownership. Land and property are being bought by non-farmers, often split, not sold as an entity. This doesn't create opportunities for young entrants.

New entrants coming in from the cold is not realistic, but young people who are in at some level should be given an opportunity. Young people should be encouraged to look at opportunities by taking on land rather than buying it.

Tenant farming is where the real hardship is. There are a lot of farms that are becoming vacant as farmers are leaving them as they are not viable, so there is no point encouraging young people to take them on if they are non-viable. But, traditionalists that can't cope and get out of farming, leave farms that can often be turned round by young vibrant people. Some large estates are charging a pepper corn rent but taking the SFP, this can be viable if the units of land are a good size – 500/600 acres.

There are five options that young farmers have: 1. To get out. 2. Get bigger and spread costs. 3. Get more efficient. 4. Add value to what you are already producing, i.e. farm shop, ice-cream. 5. Additional source of income.

The short term will be tough, the long term very positive.

Gaps in services

1. Business advice.
2. Landlords are often thought of as unapproachable, so some mediation/dialogue between owner and tenant may be of value.
3. Free business advice from honest local people who are matter-of-fact.
4. Simple business training on how to run their business.
5. Better advice on specific partnership agreements to address divorce.
6. Succession mediation.

FINANCIAL SECTOR

Farmers are living for today, not particularly planning for the future.

30-40 year olds are much more optimistic than the older generation, but often don't have the control.

Larger sums of money are being borrowed, but only because of higher housing and land prices.

Farmers are borrowing money for both diversifying and to buy land, probably a 50/50 ratio.

Farmers are accepting that they have to change, but are often tied as to how they can.

They don't particularly want to sell anything.

30 – 40 year olds are investing.

Very few new entrants are coming into the industry, those who are, are usually from a farming background.

Farmers who are buying agricultural land and properties are usually in the 45-55 age group.

Less people are investing in agriculture.

A lot of farmers bury their heads in the sand and think that they are owed a living. They have to change to survive but won't accept the responsibility to change.

Farmers don't plan their retirement.

It is very rare that we get a pure agricultural deal, its nearly always diversification.

The majority of funding is requested from younger people aged 30-40 who have been to agricultural college in the past and have the skills to change. A lot are expanding into bio-diversity.

This year, as a rural lender, has been the most successful year for a long time.

Farmers are shopping around for their loans like the residential market, and not relying on high street banks.

Farmers are selling off small pieces of land for large amounts of money to the equestrian market.

We have no young people buying land to start farming from scratch.

All our customers that approach us have had some business advice.

Both main-stream farms and diversifying farms will succeed if they have the ability and the business management skills, and long as it is done in the right way.

Am seeing some older people who are making provisions for their retirement, but a lot don't.

There are still a lot of farms appearing on the market, and not all of them are being split up to sell as small lots.

There is more confidence in agriculture then there was 12 months ago. Only the dairy side is suffering at the moment, but there will still be farms that are struggling because of too much debt.

Young people from a variety of income streams are developing ideas and schemes for themselves.

People who are approaching for grants/loans have new ideas and aren't afraid to go out of the comfort zone, although some are stifled by the older generation.

It is useful to be able to help the daughter-in-law with a business idea instead of her having to ask her father-in-law for help.

There is generally more optimism from the under 40's.

There is a huge issue about how the industry portrays itself to the under 25's, farmers have to be more positive in their approach to their industry.

Be market focused, not necessarily diversify, but be good at what you do.

Gaps in Service

1. Business planning

EDUCATIONAL SECTOR

Fresh Start is a very positive initiative but needs further development.

A lot of young people have been discouraged by their parents to go into agriculture.

There is now a career structure within the pig industry – Certificate of competence, perhaps there should be further educational development in other sectors.

Students need business skills, but we can't recruit on the part-time courses. More E-Learning would be useful.

Agriculture needs to promote itself more to get young people into the business.

The proportion of non-farming entrants is reduced, even though we are recruiting from a larger area. The image is not good, so the young won't go into it.

All our full-time agriculture courses are full of students from a farming family background without exception. Often these students have good business acumen and are the core of the college.

The intake for horticultural courses by young people has increased, as the publicity on the TV has made it a 'trendy' industry. People from both outside and inside the industry are filling the courses.

The horticultural industry is in a worse state than it was five years ago.

Gaps in Service

1. Mentoring and consultancy service.
2. Marketing and business skills
3. Personal development skills

7. CONCLUSION

There was a certain amount of apprehension regarding asking both the farmers and the support organisation's to reveal their thoughts and recommendations about succession planning. Surprisingly all were very willing to divulge, and it is acknowledged that without their true and sometimes very personal thoughts, this project would not be so constructive and positive regarding useful recommendations.

The overall attitude within the agriculture industry is a positive one. Indeed, one of the most surprising results was the fundamental optimism within the industry. There are of course, always exceptions. There are many farmers who are living in poverty and despair, and there are many businesses associated with the farming industry who won't survive. Fortunately we have a very strong support system to help these people. We must make sure that the people who need help can access it and are aware of all the variations of help that are available. We must also make sure that there is a continuing and appropriate support for those who need it, and for as long as they need it.

The positive attitude to the farming industry is very reassuring, with the short term being a period of acceptance and possible hardship, but long term futures involving change and diversification are seen as challenging and rewarding. This applies mainly to the 'middle' generation, people in their 30's and 40's, but again the exceptions being older people planning for their children's future, and the younger generation with wild ambition!

Interestingly, the farming community and the support organisations have much the same opinions on all the aspects within this report. This is reassuring as it proves that the support available is realistic in its aims, and appropriate in its advice. They both see, however, that there are gaps in support and the need to address this situation. Also, an

awareness has to be made to the farming community of the support available, this includes emotional, financial and educational support. The report implies that although the support is there, farmers do not know how to access it to discover what is available.

The main support service which needs improving appears to be 'business advice'. The farmers are aware that they need it and the support organisations request that the farmers are given more training and advice regarding personal development, business management skills and business development advice.

Generally the farmers farm because they love the way of life, they feel they work with nature not against it and enjoy the cycle of life on the farm. Some find it exceedingly difficult, but this on the whole is because of financial pressure rather than the lifestyle. Mostly, the retiring/retired generation are reluctant to retire because of the lifestyle and choose to continue to work rather than having to continue to work. Those who need to work face housing problems, financial worry and succession decisions that often they are reluctant to make.

Succession planning within farming families seems to be an area that is not acknowledged by many. This is for a number of reasons, the main being the reluctance to address the 'social' side of succession, i.e. the relationships within families throughout the generations.

Many see marriage break-ups with divorce as a threat to the development of the business, so are unwilling to involve the younger generation in either a working or financial partnership. There is a need for farming families to recognise the importance of succession planning and the implications of ignoring it.

Young people seem to be the main area of concern. The reluctance of young people from farming backgrounds to enter into the business, and the lack of new entrants into the business. Both farmers and the support organisations felt it was almost impossible for new entrants to come into farming from cold, as the initial costs were far too high.

A lot of young people from a farming background appreciate that there isn't a living for them on their family farm. They can go to college for further education, find a job and return home to work in the future, or they find employment away from home either in farming or learn another trade. They face the usual rural issues of housing, transport, access to services making the decision to stay at home even harder. The image of farming is not positive, the young see how hard their parents work, lack of holidays, low income, being tied to the farm because of stock, as continuing negative factors, so are reluctant to follow in their parents footsteps. They can see an easier way of life with a larger income somewhere else. The question has to be asked how we can encourage them to stay in the industry and how the industry can be made attractive to them.

The report has many quotes and thoughts from the farming community. This was done intentionally with the desire to show a 'human' aspect. It shows a great faith in an industry that is still struggling, but has huge potential. It highlights the emotional side to the farming lifestyle, one that is often ignored. There is confidence in the industry by the support sector, whilst acknowledging areas within family farms that still need advice and support.

8. RECOMMENDATIONS

Key areas of need have been articulated by all types of interviewees. These can be summarised as follows:-

The need for a family mediation service, with agricultural knowledge, to address the problems of succession in farming families. There should be an understanding of the emotional impact that succession and change have within working families, and the reluctance to acknowledge working and generational relationships.

Succession planning should be addressed at a much earlier stage within farming families, not when the older generation is at the end of their career, often with health and/or financial worries, possibly within a business planning framework. There is a need to raise awareness within the farming sector of the importance of future planning.

There is a need to address the topic of retirement by the support/advisory services available, acknowledging that farmers are reluctant to retire, but help families realise the problems of retirement issues. The impact and consequence of retirement on younger generations seems to be acknowledged but not confronted within farming families.

Positive publicity definitely required regarding the agriculture sector. There is particular concern about the reluctance of young people to enter the agricultural sector from both farming and non-farming families. Although it is appreciated that there are many aspects regarding their reluctance, it is felt that the industry as a whole must be portrayed in a much more positive, flexible way. This will also provide a positive portrayal of the farming industry to the general public, which again is of great concern to both the support and farming sectors.

The need for a better assessment of whether the farming community are aware of the full range of advice and support already available. To look at existing business advice and how that advice can be promoted as an efficient reliable source of information and support in all aspects of family farming businesses specifically. For example, tax issues, personal development, business management skills, business development advice.

To raise awareness of family succession issues within the health sector. It is becoming more evident that the health sector, particularly General Practitioner's (GP's) are unable to cope with mental health problems within farming families. This is through no fault of their own, as they have neither the time or knowledge to deal with the complex family relationships. It is noted that very few of the referrals to the support organisations come from General Practitioner's.

A mentoring service to help young people or new entrants, or indeed farmers who are going through a period of change. Although the farming community are accepting that to either change or develop their existing business is how they will survive in the future, many are unsure and unconfident about how this process should be started. To have the reassurance of a mentor, could help from a business point of view as well as from a mental health aspect.

To look at issues regarding young people. As mentioned in the report the time restrictions and the holiday season, meant that there was not enough work done looking at how young people feel about the industry. As there was a great concern both from the farmers and the organisations regarding the young, further work to assess their feelings and aspirations regarding the farming industry is required.

To further develop help and awareness for the tenant farmers regarding change and diversification. These farmers are recognised as being in a much more difficult position than owner occupiers. They have the relationship between landlord and tenant, possibly no assets so retirement is difficult, and diversification and development may not be possible as they do not own the land.

The recommendations above are substantial and comprehensive; however, the support sector should feel reassured that it is acknowledged that not all of these should be addressed by one single organisation, some of the above could involve altering the way existing organisations already deliver their services to the farming community.

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