



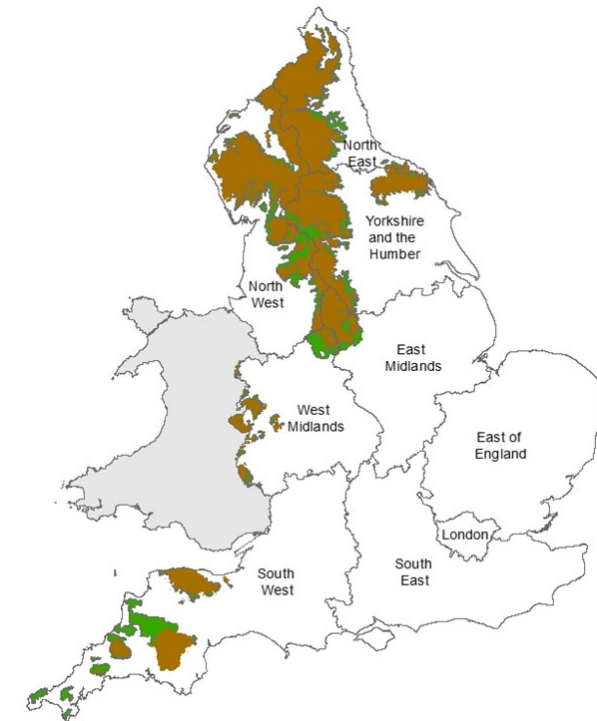
Department
for Environment
Food & Rural Affairs

English Uplands: Core Data

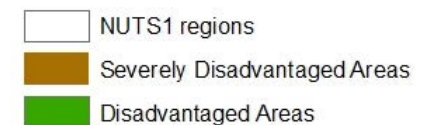


Physical Characteristics of the English Uplands

- Uplands are varied hill farming landscapes and communities, typically categorised as less favoured areas (LFA) - an EU designation used for areas with natural and socio-economic disadvantages, which in the UK largely corresponds to areas of uplands farming systems
- LFAs have two distinct classifications – Severely Disadvantaged Areas (SDAs) and Disadvantaged Areas (DAs)
- SDAs are those with greatest physical and environmental limitations due to steep slopes, poor climate or soil. DAs are less environmentally restricted, but are still more limited in their farming activity and productivity compared to lowland areas
- Uplands tend to be classed as SDAs, as their agricultural production is severely restricted by challenging soils, relief, aspect and climate
- The majority of English uplands can be found in the North and Southwest of England, with some areas bordering Wales
- In total, uplands cover 17% of England's total land area (2.2m ha). The total amount of agricultural area of uplands registered in the RPA system is 1.4m ha. NE quote that the total uplands area is 2.2m ha – with 0.8 ha of that area being non-agricultural
- 20% of the uplands is registered Common land - Cumbria has 30% of all English commons
- In 2013, 53% of England's Sites of Special Scientific Interest (SSSI) were in the uplands – roughly 8% of England's total land area - the proportion of the SDA (1.6mha) that is SSSI is about 28%



Location of English Uplands (2019)



Diversification

- Diversified income is considered as income made from activities that use farm resources but are non-agricultural in nature. Agri-environment income is not considered diversification.
- The largest contribution to diversified income comes from letting out buildings for non-agricultural use.
- LFA farms have the second lowest share of FBI from diversified income of all farm types.

Farm Business Survey 2018/19 to 2020/21 average			
Farm Type	FBI	Diversified income	Share of FBI that is diversified income
Cereals	£79,900	£23,900	30%
General cropping	£78,500	£16,500	21%
Dairy	£93,200	£6,000	6%
LFA Grazing Livestock	£28,000	£3,200	11%
Lowland Grazing Livestock	£14,500	£7,700	53%
Pigs	£36,000	£7,000	20%
Poultry	£94,200	£35,600	38%
Mixed	£39,000	£13,700	35%
Horticulture	£53,800	£20,300	38%
All	£53,700	£13,800	26%

Tenants

- In the data below, tenanted farms are farms that are majority or wholly tenanted. Farms that have some tenanted land, but the majority of their land is owner-occupied are not considered as tenanted.
- By this definition, 41% of LFA Grazing Livestock farms are tenanted. LFA Grazing Livestock farms are over 30% more likely to be tenanted than non-LFA Grazing Livestock farms.

Farm Business Survey (2018/19 to 2020/21 average)	
Type	Share of farms of each type that are majority tenanted
LFA Grazing Livestock	41%
Dairy	38%
Mixed	33%
Lowland Grazing Livestock	33%
General cropping	33%
Pigs	31%
Cereals	25%
Horticulture	21%
Poultry	16%
All	31%

Size

- **41% of LFA Grazing Livestock** farms are classed as ‘small’ by the Farm Business Survey (this is based on number of labour FTEs).
- 18% points more than the average share for England.

Farm Business Survey (2018/19 – 2020/21 average)	
Type	Share of farms of each type that are classed as ‘Small’ by the Farm Business Survey
LFA Grazing Livestock	41%
Lowland Grazing Livestock	31%
Mixed	28%
Pigs	27%
General cropping	23%
Cereals	16%
Horticulture	15%
Poultry	9%
Dairy	7%
All	23%

- **10% of LFA Grazing Livestock** farms are **below 50 ha in total size**.
- 9% points less than the average share for England.

Farm Business Survey (2018/19 – 2020/21 average)	
Type	Share of farms of each type that are below 50 hectares in total size
Horticulture	84%
Poultry	68%
Pigs	58%
Lowland Grazing Livestock	27%
Mixed	18%
General cropping	14%
LFA Grazing Livestock	10%
Cereals	5%
Dairy	4%
All	19%

Upland Farm Incomes

- LFA grazing farms (i.e. uplands farms) receive a similar amount from Direct Payments as other farms in general, but LFA grazing farms' **low agricultural income** means **Direct Payments** have a much **more critical role** in their business profits than for farm businesses in general
- LFA grazing farms already engage well with agri-environment spending, receiving around twice as much income from agri-environment schemes than farm businesses in general
- Defra's Farm Business Survey highlights that LFA farms have a lower proportion of diversified activity - 50% of LFA grazing livestock farms undertook some form of diversification in 2019/20, compared to 68% across all farm types

Farm Business Income by type of farm, England (2018/19 – 2020/21 average)		
	All Farms	LFA Grazing Livestock Farms
Agricultural Income	£6,000	-£16,400
Agri-environment Income	£5,100	£12,500
Diversified Income	£13,800	£3,200
BPS Income	£28,800	£28,600
Farm Business Income	£53,700	£28,000

Most profitable farm business types in England

Between 2017/18 and 2019/20, 20% of all farms made a profit of more than £75k, with dairy, pigs and general cropping having the greatest proportion of farms in this group. Mixed and grazing livestock farms more likely to make a loss.

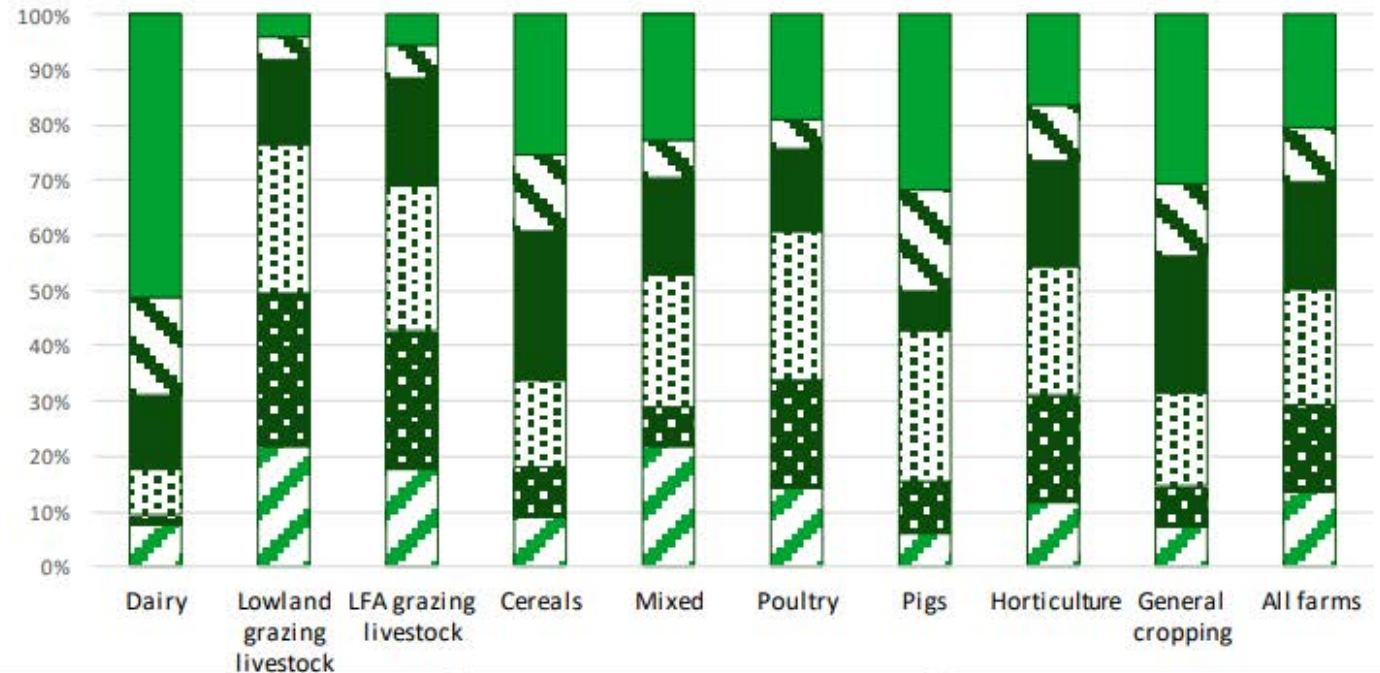
Key (Average in brackets)

-  More than £75k
-  £50k to less than £75k
-  £25k to less than £50k
-  £10k to less than £25k
-  £0k to less than £10k
-  Less than £0 (make a loss)

While Farm Business Income averages are useful to get a sense of how profitable the sector or a particularly farm type is overall, averages can mask the variation in profitability.

Thus, while there are some farms in every farm type who are not making a profit currently, there are also a large proportion of farms who are, demonstrating the potential for farms to be more profitable overall.

% of farms within different Farm Business Income bands, 2017/18 and 2019/20



A majority of Dairy farms (51%) made more than 75k, however even with these farms 7% made a loss.

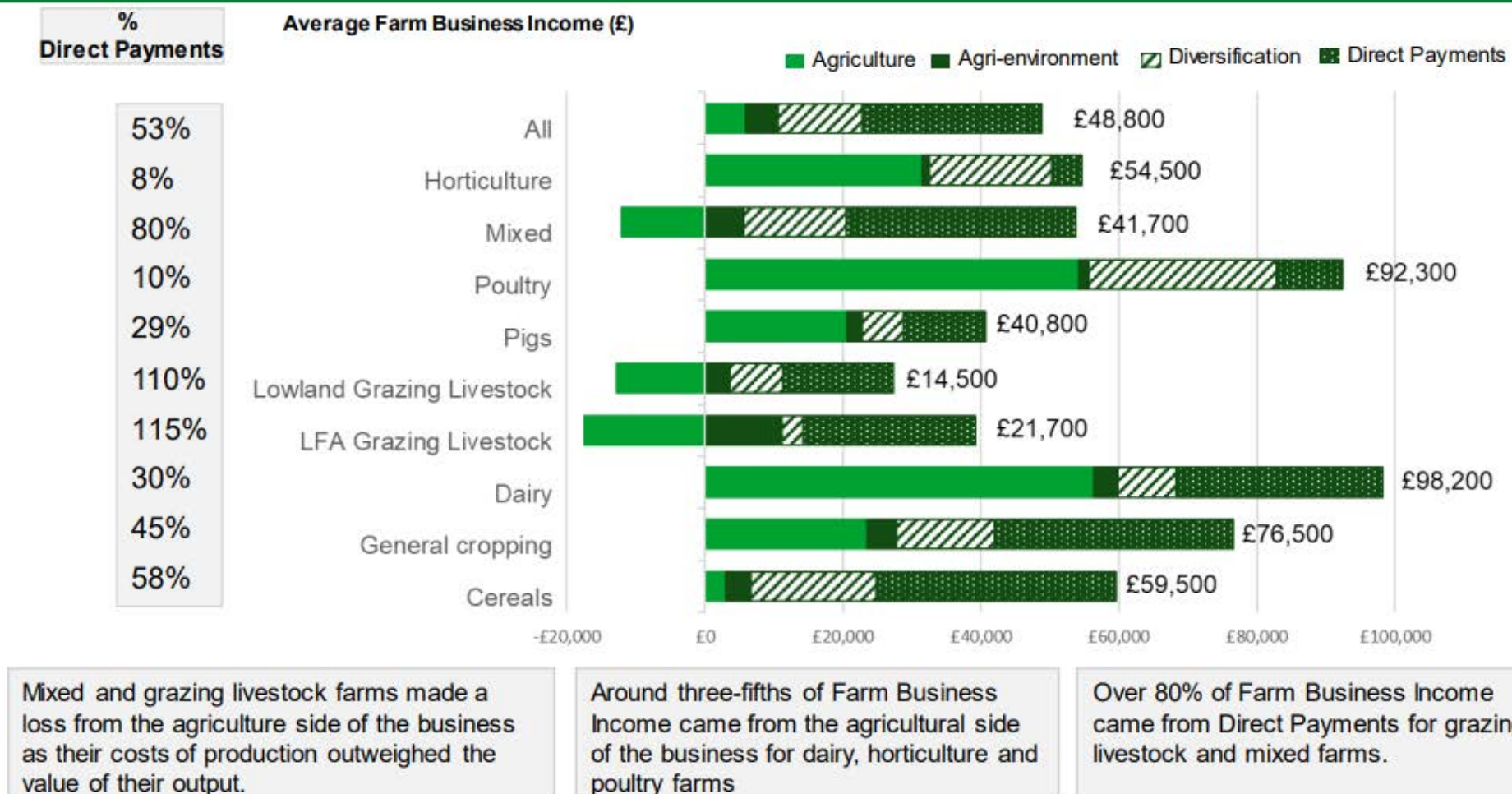
69% of Grazing Livestock farms in the Less Favoured Areas and almost 76% of Lowland Grazing Livestock farms had a profit of less than £25k per year.

19% poultry farms made a profit of over £75k, but over 20% also made less than £10k

Source: [AUK-2020-evidencepack-21oct21.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/AUK-2020-evidencepack-21oct21.pdf)

Profit variation across different farm types in England

Profit (Farm Business Income) varies across the different farm types, and over the period 2017/18 to 2019/20 dairy farms were most profitable and grazing livestock farms the least.



Source: [AUK-2020-evidencepack-21oct21.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/AUK-2020-evidencepack-21oct21.pdf)

How does profit vary between the Uplands and Lowlands?

On average, over the period 2015/16 to 2017/18, grazing livestock farms in Severely Disadvantaged areas (SDA) made a greater loss from farming activities, but Farm Business income (FBI) for these was higher than grazing livestock farms generally due to greater income from Direct Payments and agri-environment schemes

Less Favoured Areas (LFA) in England are subdivided into two areas.

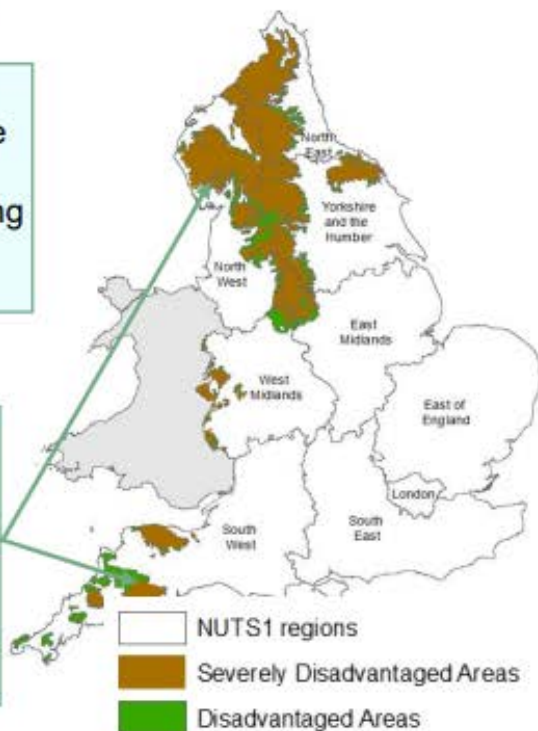
The more environmentally challenging areas within the LFA, which tend to be more upland in character, are classed as 'Severely Disadvantaged Areas' (SDA). The remainder is classified as 'Disadvantaged Areas' (DA).

This distinction is important as it determines eligibility for support payments and environmental schemes, with SDAs being the focus of Government support in the LFA.



Three quarters of farm holdings in the SDA are grazing livestock, accounting for 87% of the farmed area.

In 2016 there were 9,500 holdings forming 9,200 farm businesses classed as having the majority of their land in the SDA in England, covering 1.1million hectares (excluding common land).

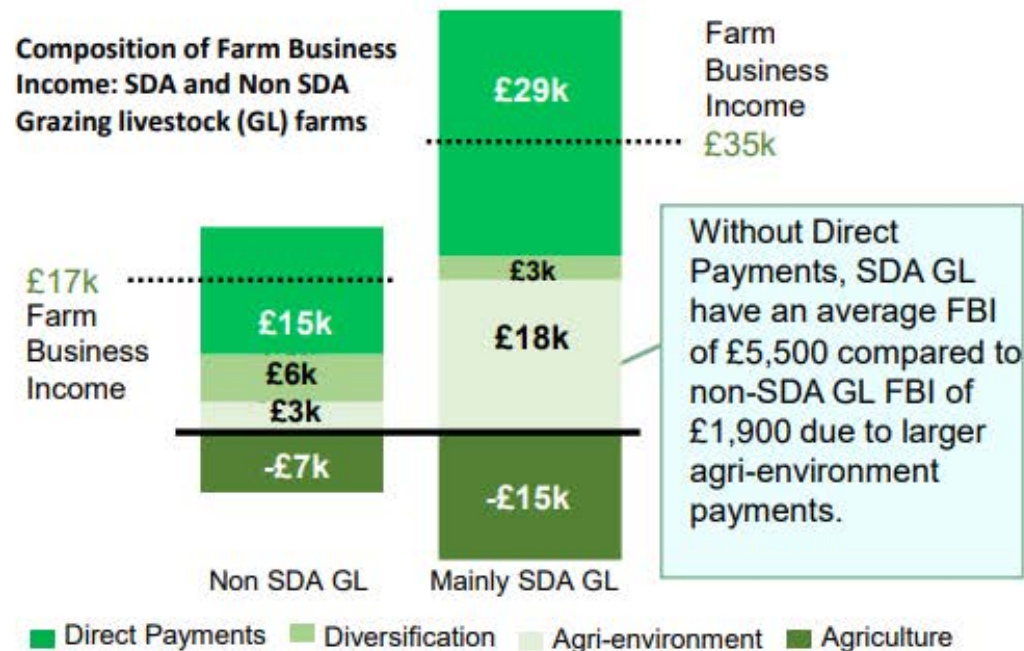


Average FBI for all farms in the SDA is lower than the average of all farms outside the SDA due to the prevalence of Grazing Livestock (GL) farms, which tend to have lower incomes than other farm types.

SDA GL farms made greater loss from agriculture, but overall FBI was higher due to greater income from Direct Payments and agri-environment schemes.

On average, SDA GL farms are larger than non-SDA GL farms (132ha compared with 45ha), and hence the per farm income from Direct Payments and agri-environment schemes is larger.

Composition of Farm Business Income: SDA and Non SDA Grazing livestock (GL) farms





How important is agriculture in the rural economy?

Agriculture is important for rural areas, especially in the rural uplands, accounting for around 15% of registered businesses and 8% of employment across all rural areas, which rises to 30% and 14% respectively in rural uplands areas.

Agriculture contributes around 2% to the rural economy (in England). It is 0.6% of England's economy overall.

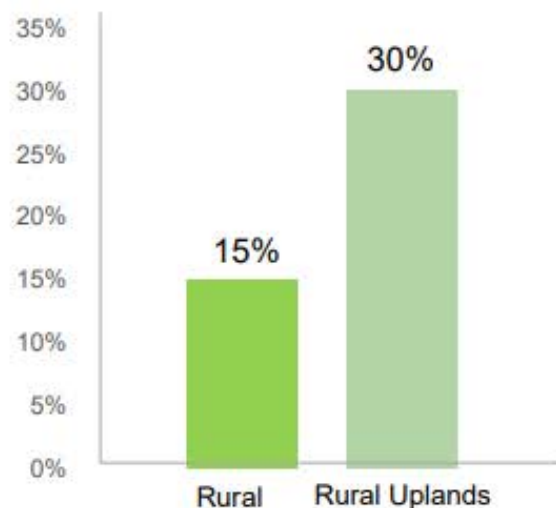
Rural uplands are home to almost 240,000 people, of which 31% (72,000) live within areas that are sparsely populated.

The proportion of **rural employment** in agriculture is greater in smaller settlements and in sparsely populated areas, especially in upland areas.

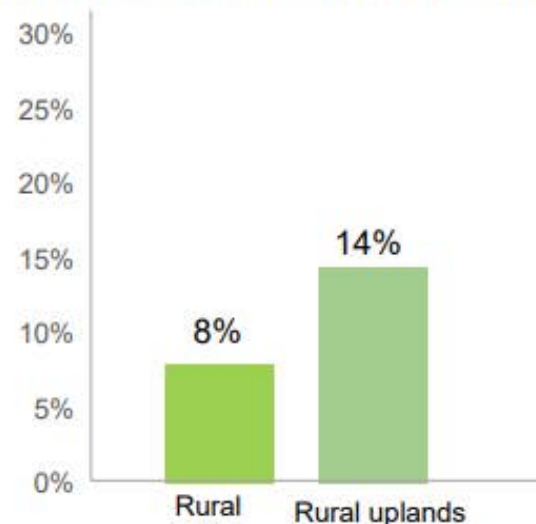
Agriculture accounts for 15% of registered businesses across all rural areas, however this proportion is twice as much in rural uplands areas (30%), making it one of the most important sectors in rural uplands.

Agriculture accounts for 8% of employment in registered businesses across all rural areas, however in rural uplands the proportion of people employed in agriculture is almost twice as high at 14%. Accommodation and food service activities are also important employment sectors in rural uplands.

Proportion of businesses in agriculture, forestry and fishing



Proportion of employment in agriculture, forestry and fishing



Note: * agriculture includes agriculture, forestry and fishing sectors