B F R S

The Borders Foundation For Rural Sustainability

The Countryside Management Industry in the Scottish Borders; Sustainability and the Pursuit of New Jobs and Revenues

SUMMARY OF PART 1 OF THE FINAL REPORT

'A STUDY OF FARM DIVERSIFICATION AND COUNTRYSIDE MANAGEMENT IN THE SCOTTISH BORDERS'

The Study Background and General Conclusions

This Study was commissioned by BFRS as an audit of the Countryside Management Industry in the Scottish Borders Region. Its specific objectives were to identify the nature and magnitudes of countryside activities, in addition to the production of food and commercial forestry, throughout the Region, as a basis for establishing both the interest in, and potential for, sustainable rural development through further on-farm diversification. It has accessed data on diversification, countryside management and recreation, landscape, wildlife and heritage features, directly from farmers and their farms, located in 5x5Km wide north-south transects, randomly selected across the Region's 5 Landscape Types. A 6th non-random transect was located along the Tweed.

Part 1 Report indicates the nature and relatively limited extent of diversification at the time of the survey, but the significant ambition of farmers to diversify and the motivations for diversification. They indicate the principle motivations for countryside management and the significant costs in terms of time, labour and expenditure borne by farmers in undertaking countryside management tasks. The importance of farming family members in undertaking these tasks is revealed. On the basis of the data derived and analysed it is clear that a Countryside Management Industry does exist in the provision of countryside management and maintenance tasks. This needs to be promoted and developed as a principal source of on-farm diversification.

The research reveals significant correlations between landscape type and diversification activity and also between farm size and range of diversification activities offered. It identifies the links between diversification activity and existing on-farm natural resources and farmer motivation and personal pleasure. The fact that on-farm diversification opportunities are greater for owner-occupiers than for farm tenants is also highlighted. These findings have implications for diversification planning on a farm by farm basis and on a Regional strategic basis.

TABLE 1: Summary of Surveys undertaken for Part 1

Surveys Undertaken	Survey Method Adopted	Size of Survey Population No.	Survey Responses Received No.	Survey Response Rate
Diversification Practices & Motives	Random Transect Selection & Structured Interviews	**297**	**105**	**35%**
Countryside Management Tasks & Costs	Postal Questionnaire	**105**	**64**	**61%**
Countryside Landscape, wildlife and Archaeological Features	Mapping transects with farmer with ref to IACS, CPS etc Follow-up ground-truthing randomly selected representative farms	**105** **(297)**	**97** **(97)**	**92%** **(33%)**

Agricultural Context

The study considers the Region in its agricultural context, in particular;

- It has a higher proportion of arable crops than Scotland as a whole
- Livestock production is a major activity constituting nearly half of Borders farm businesses, with 7% of Scotland's cattle and 16% of its sheep
- Most of these are in Less Favoured Areas (LFA)
- Average farm size (196 Ha), is larger than the Scottish average (145 Ha)
- Agricultural output between 1996 – 1999 fell generally from £120million to £96million

The Main Findings

Land Tenure

The study sample covered 40,507 Ha (11%) of the Borders agricultural area, covering the five main landscape types (River Valley, Upland, Upland Fringe, Lowland and Coastal).

It included both owner occupiers (53% sample), and tenants (47% sample). The proportion of owned and tenanted farms and land in the Region are 29% tenants on 44% of the land and 71% owners on 56% of the land. Tenanted holdings tend to be larger than owner-occupied holdings. Estates with large tenanted farms are a significant feature of Borders agriculture.

Diversification activities

Over 90 activities were reported during the survey under the main headings of;

- Wildlife watching
- Angling
- Shooting, Stalking and Falconry
- Equestrian
- Vehicular Sports
- Pedestrian
- Archaeological/Historic Features
- Service provision to Countryside sports/recreation
- Off farm Countryside Maintenance
- Countryside Training Provision
- Other

35% of farms have some form of on-farm income generating diversification. The most commonly charged-for activities across all Landscape Types were shooting, equestrian and fishing related (in particular shooting game 30% and supplying feed and forage for horses 24%).

- There was no specific reference to 'Green Tourism' (ie wildlife, heritage or landscape related)
- Sport shooting prevailed in the Upland and River Valley Landscape Types
- Equestrian activities prevailed in the Upland Fringe Landscape Type
- B&B prevailed in the Coastal Landscape Type

The large equestrian market arising in particular from the traditional Common Ridings and the winter use of 800-900 horses for hunting (BFRS 2000) and the Region's international reputation for fishing and shooting, are the basis for the farm diversification activities identified.

Motivation and Involvement in Diversification

Across all Landscape Types the motivations ranked in ascending order of priority are;

- Increasing farm income
- Responding to demand
- Personal pleasure
- Pleasure for family and friends

Other

- Pleasure, both personal and that of family and friends is evidently important, explaining the predominance of family members involvement
- Farmers and their wives are predominantly involved in diversification across all landscape types over and above paid employees. Sons and daughters are also involved but to a lesser extent.

Income Generation From Diversification

Annual Income from all Landscape Types averages at 8.10%. It varies according to Landscape Type;

River Valley	11.64%
Upland Fringe	9.31%
Upland	5.92%
Lowland	2%

Other 'No-charge' Diversification

Pedestrian, equestrian and shooting activities predominated (specifically informal walking, fox hunting and rabbit shooting). Some activities could not be charged for as they are seen to generate returns in-kind, specifically pest-control. Others have the scope to be linked to other chargeable activities eg bird watching and picnicking.

Future Diversification Activities.

- Some 60% of farmers propose to diversify to supplement farm income within the next 3-4 years.
- 66% indicated diversifying into an equestrian related activity
- 33% indicated the provision of B&B facilities of which 50% linked these to the provision of a specialist sport (ie golf, shooting, angling and fox hunting)
- Though less frequently, a wide variation of other activities were also cited; ATV safaris, Mountain Biking, Skills Training in Conservation and Dyking.
- Though only 15% of respondents currently share resources with their neighbours, 70% said that they would in the future. This indicates the potential of sharing diversification enterprises across farm boundaries.

The non-chargeable future diversification activities were predominantly 'Green Tourism' related particularly bird watching and mammal watching. These are potentially chargeable. Farmers have traditionally accommodated these activities without charging.

Landscape and habitat Improvements

The principal motivation for the creation of habitat and landscape features was for sporting interests (33% of respondents)
The importance of shooting was notable as a motive for managing and planting woodlands, hedgerows, wetlands, ponds (angling and hunting were also cited but to a lesser extent)
The principal motivation for the management of existing features was to maintain an efficient and clean farm
The priority countryside management tasks were found to be;

- Hedge cutting
- Planting mixed-species woodland
- Woodland management
- Dyke maintenance

These varied between Landscape Type, with for example hedge planting being a priority in River Valley, heather burning and bracken control in the Uplands, dyke maintenance and woodland management in the Upland Fringe and hedge cutting in the Lowlands

Countryside Management Tasks – The Physical Inputs

Based on the responses of 64 of the 103 original participants, covering some 24,000Ha in the 4 main Landscape Types (River Valley, Upland, Upland Fringe, Lowland). The significant aspects to emerge in-terms of the man-days per year used were;

- Dry stone dyke maintenance involved the highest input of all tasks
- The high level of inputs for all woodland management and planting tasks (though woodland planting on its own involved a low input)
- Some form of woodland management took place on 40% of farms
- Hedgerow maintenance and planting involved less input than all woodland related tasks
- 18% of hedging activities related to gapping-up existing hedgerows

The levels of inputs varied significantly between landscape types. The priority inputs were to the following;
River Valleys – creation of woodland rides, woodland planting, footpath maintenance
Upland – heather moorland management for grouse
Upland Fringe – pond creation, erosion control in wetlands, planting and maintenance of woodland
Lowland – Woodland planting and management, Hedgerow planting and management

Countryside Management Tasks – The Labour and Machinery Inputs

The total inputs for the 64 farms were 2,640 man days and 1,424 machine days.
Grossed-up to all the Regions farms this represents

- 311- 342 Full Time Equivalents (FTEs) and
- 170 Machinery Years.

Countryside Management Tasks – The Financial Inputs

Excluding overhead costs the grossed-up total estimates of expenditure were; £2.6 - £5.03 mill ie;

- Capital Expenditure £1.25 -£2.42 million
- Contract Expenditure £1.35 – £2.61 million

For all respondent farms the average level of expenditure on countryside management tasks represented ap 7% total farm/estate expenditure

The Sources of Labour

Family members (voluntary and paid) were the main source of labour for undertaking countryside management tasks (total average man days / yr / farm c57) on two-thirds of the respondent farms. Other sources included farm / estate staff and off-farm labour ie a wide source of inputs. From all sources the total av man days / yr / farm amounts to c.131.

External Assistance

38% farms received grant aid for countryside management and maintenance
3% of farmers received grants for the provision of countryside sports and recreation activities and facilities
31% sought advice on the provision of countryside management tasks and recreation

Countryside Features – The Main Findings

The greatest proportion of the mapped survey area (33,351 Ha within 6x5km wide transects across all Landscape Types), was occupied by 'other areas' (47%) ie steadings, arable, roads. Grassland covered 31% and Woodland 4%, while Water Features covered <1%;

TABLE 2. Summary of Main Countryside Features on Farms

Landscape Type	Total Farm Area (ha)	Other Areas (e.g. arable, roads, buildings) (ha)	Woodland Areas (ha)	Grassland Areas (ha)	Other Terrerstrial Habitats (ha)	Area Water Features (ha)	Linear Water Features (km)	Boundary Features (km)
1. River Valley	8,967 (100%)	4,743 (52.9%)	338 (3.8%)	2,606 (29.1%)	1,247 (13.9%)	33 (<1%)	120 (1.3%)	210 (2.3%)
2. Upland	9,589 (100%)	2,333 (24.3%)	324 (3.4%)	3,093 (32.3%)	3,829 (39.9%)	10 (<1%)	285 (3%)	122 (1.3%)
3. Upland Fringe	8,307 (100%)	4,058 (48.9%)	245 (3%)	3,254 (39.2%)	729 (8.8%)	21 (<1%)	137 (1.7%)	281 (3.4%)
4. Lowland	5,970 (100%)	4,004 (67.1%)	395 (6.6%)	1,518 (25.4%)	43 (<1%)	10 (<1%)	89 (1.5%)	295 (4.9%)
5. Coastal	518 (100%)	429 (82.8%)	47 (9.1%)	37 (7.1%)	5 (<1%)	0 (0%)	10 (1.9%)	19 (3.7%)
Total	**33,351 (100%)**	**1,5567 (46.7%)**	**1349 (4.0%)**	**10,508 (31.6%)**	**5,853 (17.6%)**	**74 (<1%)**	**641 (n/a)**	**927 (n/a)**

Heather Moorland (12.9% mapped area) predominates in the Uplands and compares significantly with improved grassland (17.5%) which predominates in the Upland Fringe Landscape Type, and unimproved grassland (14%) which predominates in the Upland Landscape Type.
The breakdown on woodland;
Coniferous forestry is most extensive though only 2% of mapped area predominates in the Upland Landscape Type
Broadleaved woodland only 1% of mapped area predominated in the Coastal Landscape Type
Mixed Plantations <1% of mapped area predominate in the Lowland & Coastal Landscape Types
Drystone Dykes predominated as linear features (5km / farm) with hedgerows at 4km / farm

The Influence of Landscape Type on Current and Future Diversification

A significant correlation was found between landscape type and diversification – the main ones being;

- Wildlife Watching predominated in the Upland Fringe (100% respondents)
- Shooting, Stalking, Falconry predominated in the Lowland (90% respondents)
- Equestrian related activities predominated in the Lowland (97% respondents)
- Angling predominated in the River Valley (61% respondents)
- Vehicular sports predominated in the Upland Fringe (57% respondents)
- Pedestrian recreation predominated equally in the River Valley and Upland (100% respondents both)

The Influence of Farm Size on Current and Future Diversification

A significant correlation was found between farm size and diversification – the main ones being;
In relation to farm size diversification activities offered by >51% were identified as follows and included;

- Small farms (0-49 Ha): countryside recreation support facilities, wildlife watching, angling, walking, countryside skills training
- Medium farms (51-199 Ha): countryside recreation support facilities, walking, shooting/stalking, equestrian related, wildlife watching, countryside skills training
- Large farms (>200 Ha): countryside recreation support facilities, wildlife watching, angling, walking, countryside skills training, vehicular sports

Notes

Research Consultants; Scott Wilson Resource Consultants and Scottish Agricultural Colleges
For copies of the full Part 1 Report (cost £12.50) and information on the project and BFRS;
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Part 2 Report; Audit Inventory
Part 3 Report; Executive summary with pointers to the way forward including the full Appendices for Parts 1 and 2.

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