

NEW ENTRANTS TO FARMING

INTRODUCTORY WORKSHOP



Alison Clark
SAC Consulting, Stranraer



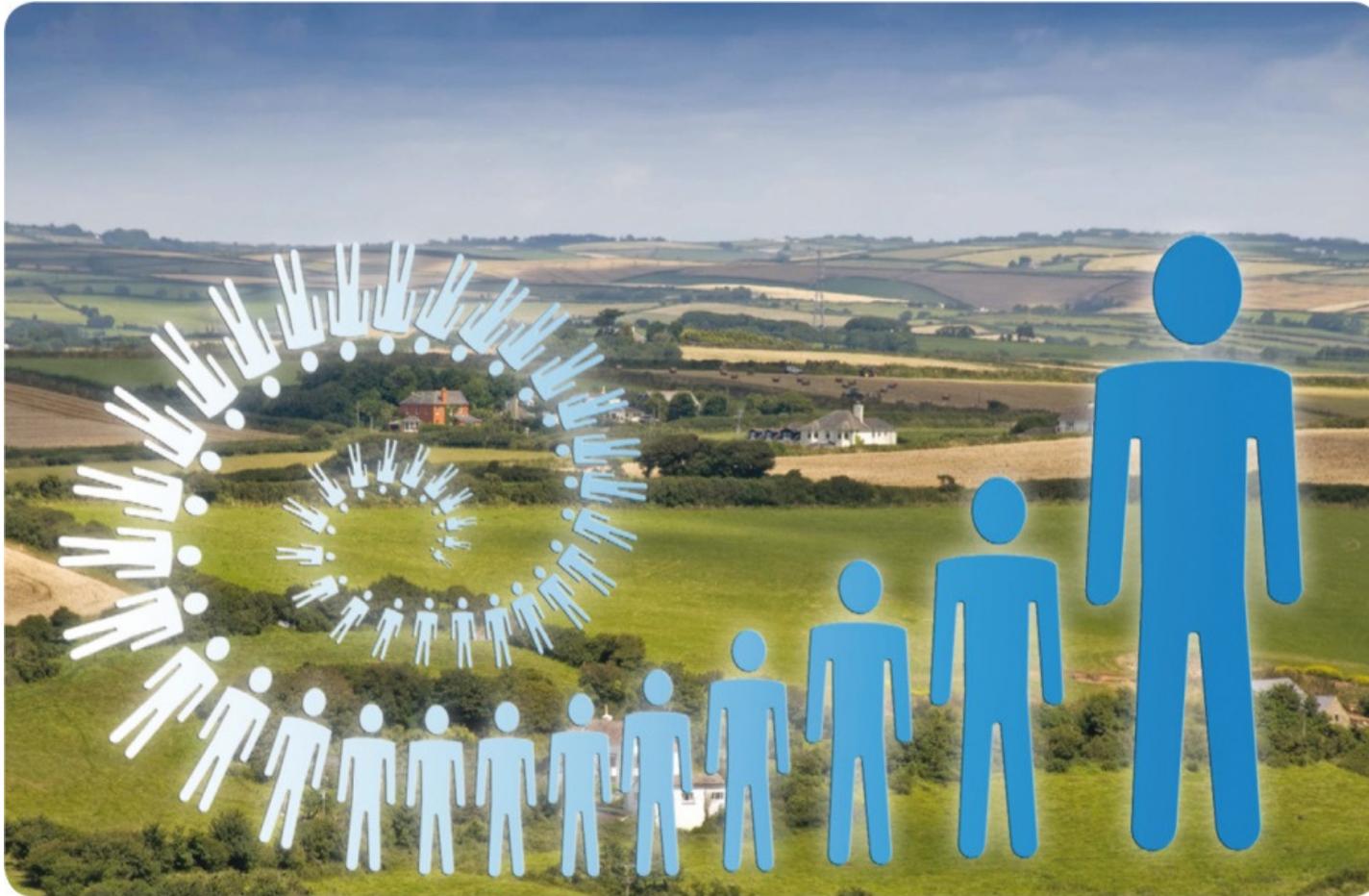
The Big Issues for New Entrants



- **C**ash
- **C**apital & **C**ollateral
- **C**ompetition
- **C**AP
- **C**apability & **C**onfidence



**FARM
ADVISORY
SERVICE**



The European Agricultural Fund
for Rural Development
Europe investing in rural areas



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gov.scot

New Entrants to Farming



- One To Many
 - Starter / Topic Specific Workshops
 - Guidance Notes
 - Case Studies
 - Newsletter
 - Website / Facebook
 - Conferences
- One To One
 - Mentoring for New Entrants



Wigtownshire New Entrants Group



- 3 meetings:
 - 5th October – Introduction to Financial Planning

 - 2nd November - Getting support from the bank
 - Campbell McCaig, RBS
 - Aim High – how to be in the Top Third

 - 7th December – Tenancies, Succession & Tax
 - Alastair Dale, Dale & Marshall Llp
 - Accountant TBC

<https://www.fas.scot/>



Home > New entrants

New entrants

Pages in this section

- [Guidance notes](#)
- [Case studies](#)

New farmer or crofter? Take advantage of free mentoring support to grow your business.

If you are considering becoming a farmer or crofter, or have set up business in the last five years, then you are entitled to free support through the Farm Advisory Service's mentoring programme.

Setting up any business is challenging, farming and crofting is no different. Because the success of new entrants to the farming industry is critical to the industry's overall long term sustainability, the Scottish Government is funding the Farm Advisory Service's mentoring programme.

As a new entrant, the programme gives you access to the valuable skills and knowledge of an experienced mentor, matched to your business's needs, who can guide you through the vital set-up and early growth-years of your business.

Typical skills that mentors offer you include:

- Detailed knowledge and experience of agriculture and running farm businesses
- A mastery of traditional skills such as stone walling, hedge laying etc.
- Land based educational and skills background
- Food and drink industry experience
- Finance and business planning now-how
- Surveying and planning skills

Who can apply?

Mentoring is available to all successful applicants to Young Farmers and New Entrants Start-Up Grant Schemes. There are two schemes available:

- [The Young Farmers Start-Up Grant Scheme](#) is aimed at those who are starting an agricultural business for the first time or who are taking over an existing agricultural business.
- [The New Entrant Start-Up Grant Scheme](#) is aimed at those who started their agricultural business in the last 12 months.

Find out more and apply

For further information and to apply for free mentoring support please telephone the Farm Advisory Service advice line on 0300 323 0161.

Why this programme is so important to the industry

National advice facility

Phone: 0300 323 0161
Email: advice@fas.scot

Topics

- [Animal welfare](#)
- [Biodiversity and conservation](#)
- [Climate change](#)
- [Crop and plant health](#)
- [Cross compliance](#)
- [Farm business](#)
- [New entrants](#)
- [Pollution prevention](#)
- [Woodlands](#)

Events

September 2016

M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

◀ AUG

OCT ▶



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FARM ADVISORY SERVICE

Home > Topics > New entrants

New entrants

Case study: William Boyd

William grew up on the Lanarkshire family dairy farm.

Topics: [New entrants](#)

Case study: Stuart Rutherford

Stuart graduated from the Scottish Agricultural Colleges Auchincruive campus in 2005, with an HND in Poultry Production and Management.

Topics: [New entrants](#)

Case study: Stewart Wilson

Stewart has a farming background, with his grandparents being tenant farmers.

Topics: [New entrants](#)

Case study: Sandy, Kirsteen and Alexander Douglas

The local Caithness family were successfully awarded a 10 year Limited Duration Tenancy on the Forest Enterprise Scotland Starter Farm on the 1st April 2015 at Achnamoine Farm, near Spittal in Caithness.

Topics: [New entrants](#)

Case study: Neil McKinnel

Neil and his family farm Garrarie in the south west of Scotland, near Stranraer.

Topics: [New entrants](#)

Case study: Katie Francis

Katie Francis was raised on the family farm of Whitmuir in Selkirk.

Topics: [New entrants](#)

National advice facility

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[OCT →](#)

Case Studies



**FARM
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SERVICE**

The Scottish Government's New Entrants to Farming Programme



Stewart Wilson

Stewart has a farming background, with his grandparents being tenant farmers. Unfortunately he has not been the successor of this tenancy. To fulfil his dream of having his own agricultural business, he has had to venture off on his own, with drive and enthusiasm he did this at the age of 20.

Four years later he now rents 47 acres of grassland for grazing his 35 pedigree Simmental and cross cows. In addition to this, he also cuts a crop of haylage on an annual basis from the land.

He is a busy man, beginning the day as a relief milker, then feeding his own cattle before going to his full time employment of a pure stockman for a 120 head of pure Simmental cows. After this he then attends to his own cattle which he turns out for shows in the summer months.

Due to the fact that he does not have a tenancy or a permanent holding, he lives in the town of Kilmarnock which is some 15 minute drive from his cattle, this can be especially tricky at labour intensive times such as calving the high value stock.

Stewart's ultimate goal is to gain a tenancy to run his own sustainable business, which would allow him to work for himself.

What has been the biggest challenge you have faced as a new entrant?

My biggest challenge has been affordable land to rent. It is very difficult as a new entrant to be able to compete against more established farmers who can afford to pay a higher price for land.

Case Studies
Learn from the experiences of other new entrants in a series of case studies.
Guidance notes are available which are tailored specifically to assist new entrants to farming, with their business needs.
Find further information, including links to other case studies and the guidance notes, at www.sruc.ac.uk/newentrants

The Scottish Government's New Entrants to Farming Programme



Michael and Fiona Burns

Michael and Fiona are enjoying their first year farming their 114 hectare tenancy at Glenside Farm (plus 52ha seasonal let), with their two young children, Katie and Robert.

Since this time they have built up a flock of 250 Blackface and Cheviot cross breeding ewes, along with 8 Limousin and 18 Galloway cattle on the grassland unit.

Both Michael and Fiona are from farming families, and have spent the last 7 years working towards securing a farm tenancy. A Forestry Commission starter farm tender in March 2013, and they submitted a business plan in April 2013. They were selected for an interview in June and found out two weeks later they had been successful. They moved into the farmhouse in Ayrshire in September to begin their 10 year tenancy.

It has been a juggling act with the farm, a young family and Michael keeping on his full time job. Both Michael and Fiona work part-time on the farm and work in unison, taking on appropriate tasks to enable the farm to run smoothly.

What has been the biggest challenge you have faced as a new entrant?

There have been a few challenges ranging from, the lack of additional Scottish Government funding for new entrants, to competing with established farmers to buy stock in the auction ring.

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This programme is funded by the Scottish Government as part of its New Entrants to Farming Advisory Activity.



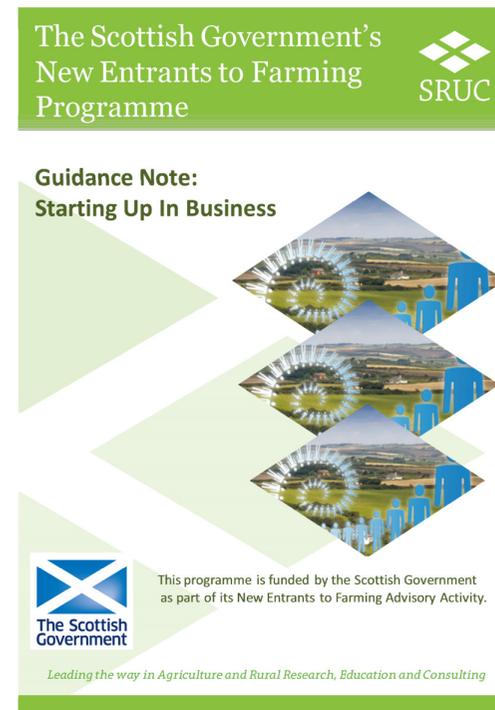
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gov.scot**

Guidance Notes



Current Suite of 9

- Business Planning & Financial Management
- Business Structure & Taxation of Agricultural Business
- Employing People
- Foundations for Success
- Marketing & Negotiating
- Renewable Energy
- Starting up in Business
- Starting Up An Agricultural Business
- Joint Venture Farming



Facebook Page




Conferences



FARM
ADVISORY
SERVICE

You are invited to attend
**New Entrants to
Farming Gathering
2016**



Opportunities for Growth

Tuesday 9th February, 2016
Coffee and registration 10.45am
Perth Racecourse, Scone Palace Park,
Perth, PH2 6BB

Lunch will be provided

To book a place please contact
SAC Consulting, Turriff 01888 563333
or email: FBSTurriff@sac.co.uk



This free event is aimed at Scotland's farmers of the future and has been organised as part of the Scottish Government's New Entrants to Farming Programme.

Industry experts and inspirational speakers will challenge and stimulate the audience to overcome barriers, embrace change and create successful farming businesses.

Following feedback from last year's successful conferences this event is structured around three key barriers perceived by new entrants and young farmers. These themes include gaining finance, accessing land and harnessing opportunities.

Leading the way in Agriculture and Rural Research, Education and Consulting

SRUC is a charity registered in Scotland, No. SC003712
SAC Consulting is a Division of Scotland's Rural College (SRUC)
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 Funded through the Scottish
Government New Entrants
Programme

New Entrants to Farming Gathering 2016



9 February 2016 Perth Racecourse, Scone Palace Park, Perth, PH2 6BB

Opportunities for Growth

Programme

- 10.45 Tea/Coffee and Registration
- 11.00 Welcome and Introduction
Kirsten Williams, SAC Consulting
- 11.05 Basic Payment Update
Scottish Government
- 11.25 A Different 'Route/Root'
Gordon Caldwell, GC Growers
- 11.45 New Tenant and Contract Farmer
Andrew Tullie, young farmer
- 12.05 The Glenrath Story
John Campbell, Glenrath
- 12.35 Lunch
- 13.30 Building a Resilient Business – Soil, Opportunities & Technology
Gavin Dick, AHDB Cereal & Oilseeds, Scotland Manager
- 14.00 Industry Outlook, Risk and My Business Plan
Jimmy McLean, RBS Chairman, Agriculture
- 14.30 Three Years In – Making a Small Farm Work
Rupert Shaw, Gledpark
- 14.50 Summary and Close



The European Agricultural Fund
for Rural Development
Europe investing in rural areas



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One To One



- Integrated Land Management Plans
 - Specialist Advice
 - Carbon Audits
 - Mentoring for New Entrants
-
- National Advice Facility
 - 0300 323 0161
 - advice@fas.scot

Mentoring New Entrants



- Access to valuable skills and knowledge of an experienced mentor
- Matched to YOUR needs
- Mentees
 - 60 per year
 - Scot Gov. definition of New Entrant (head of business in last 5 years)
 - Up to 4 days support between 2016 – 2020
 - Application is OPEN



Mentoring support for new entrants

Application Form



for Rural Development
Europe investing in rural areas



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MENTORING SUPPORT FOR NEW ENTRANTS – APPLICATION FORM

Please complete this form in **black ink** and **CAPITAL LETTERS**

Section 1: Business Details

1. Scottish Government Business Reference Number (BRN)

2. County Parish Holding Number (CPH)

3. Business name

4. Contact name (if different to above)

5. Business address

Postcode

Landline number

Mobile number

Email address

6. Type of business (e.g. limited company/sole trader/partnership. If other, please specify)

7. To qualify for mentoring support (that is 100% funded) you must be a new entrant to farming (farmers or crofters who have been head of an agricultural business for up to five years). Please confirm that you meet these criteria?

Yes

No

8. Mentees are eligible to receive up to 4 days of mentoring support from the Scottish Farm Advisory Service (between 2016-2020), please state if you have previously received support via this service and confirm the number of days of support received to date

None One Two Three Four

9. Please put an X against the type of enterprise that you consider to be the main enterprise of the business

<input type="checkbox"/> Less Favourable Areas (LFA) cattle and sheep	<input type="checkbox"/> Pigs
<input type="checkbox"/> Non-LFA cattle and sheep	<input type="checkbox"/> Horticulture and permanent crops
<input type="checkbox"/> Mixed holding	<input type="checkbox"/> Cereals
<input type="checkbox"/> Dairy	<input type="checkbox"/> General cropping; Forage
<input type="checkbox"/> Poultry	<input type="checkbox"/> General cropping

If other, please state

10. Please indicate your holding size (place an X in the relevant box).

<input type="checkbox"/> Less than 20 hectares (ha)	<input type="checkbox"/> 100 to less than 200 ha
<input type="checkbox"/> 20 to less than 50 ha	<input type="checkbox"/> 200 ha and over
<input type="checkbox"/> 50 to less than 100 ha	

11. Please provide details or background to your requirement for mentoring support, including details of any particular specialist areas in which you require support, this information will help us to identify a suitable mentor (we may contact you to discuss this further)



Section 2: Declaration

- The answers given in this form are correct and I accept full responsibility for them.
- I confirm that I am authorised to make this application on behalf of the business detailed in Section 1.

Signature

If signing as a partner, give name of farming partnership

Name in Block Capitals

If signing as a company secretary/director, give name of limited company

Date

If signing as an agent (e.g. farm manager), give name of your principal

If an agent (including a farm manager or land agent) is signing this form, please submit evidence with this form to confirm authorisation to do so (for example appointment letter, extract from board meeting.) When evidence is not available, the participant must be the signatory.

Information that you share with us will be used only in the delivery of the Farm Advisory Service by Ricardo Energy and Environment, SAC Consulting, the FBAASS adviser you have selected and the Scottish Government. Further information on how we look after your information can be found at <https://www.ruralpayments.org/publicsite/futures/privacy-policy/> or in hardcopy from your local Scottish Government Area Office.

Please return
this form to:

Postal address:
Scottish Farm Advisory Service,
Ricardo Energy & Environment,
2nd Floor, 18 Blythswood Square,
Glasgow, G2 4BG

Website:
www.fas.scot
Email:
advice@fas.scot

Tel:
0300 323 0161



Young People in Agriculture



- Student numbers
- 85 clubs throughout Scotland
- Forestry Commission Starter Farms
- Scottish Government FAS
- NFUS Next Generation



Funding / Scholarships



Grants	Scholarships
Scot Gov. Young Farmers Start Up Grant	Nuffield farming Scholarship
Scot Gov. New Entrants Start Up Grant	Tesco Future Farmer Foundation
Scot Gov. New Entrants Capital Grant	McDonalds Progressive Young Farmer
	Royal Highland & Agricultural Society of Scotland
	Mains of Loirston Charitable Trust
	The Moredun Foundation Scholarship

CAP Reform



CAP



- The Common Agricultural Policy (CAP) has been regularly updated and reformed since it began in 1957.
- UK joined in 1973 – 6 became 9 countries
- Now 28 member states

- The main aims of the Common Agricultural Policy (CAP) are to
 - Improve agricultural productivity so that consumers have a stable supply of affordable food
 - Ensure that farmers can make a reasonable living –kept in business.
 - Reduce risk of war!

- To achieve these aims, the CAP operates in three areas:
 - Market support
 - Income support
 - Rural development

Has it been successful?



Changes to CAP support

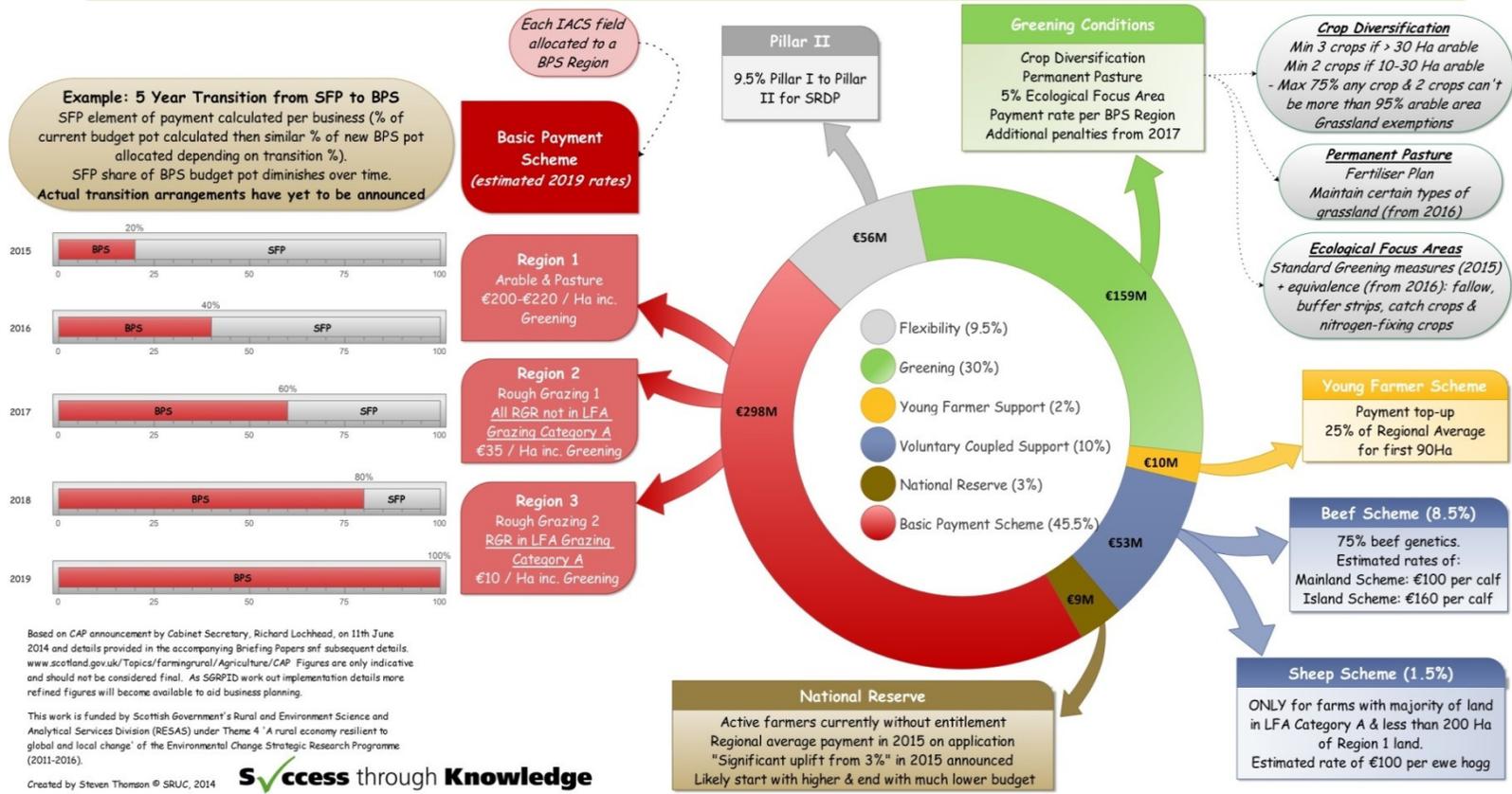


- Market support
 - Deficiency payments, export restitutions
- Coupled support
 - Headage payments, area payments
- Decoupling of support
 - Payments based on historic activity
- Decoupled support
 - Payments based on set rates for three regional classifications on an area basis
 - Linked to greening measures

The Simplified CAP!!!

New CAP - Pillar I (variable budget with €587million in 2019) - overarching principles

Activity - Only "active farmers" will receive support - "sporting estates" on negative list - minimum stocking density to be announced (?)
Capping & Degressivity (no labour cost off-setting): Basic Payment Scheme to be capped at €600,000 from 2018. Mandatory 5% reduction on payments over €150,000 from 2015.
Eligibility: Activated entitlement in 2013 or has other verifiable evidence of active farming.
Entitlements: Equivalent to smallest number of eligible hectares declared in 2013 or 2015
Budget Allocations: Indicative only. Due to methods of budgetary calculation the % allocation is not reported proportion of the headline budget apart from Flexibility.



Based on CAP announcement by Cabinet Secretary, Richard Lochhead, on 11th June 2014 and details provided in the accompanying Briefing Papers and subsequent details. www.scotland.gov.uk/Topics/farmingsrural/Agriculture/CAP. Figures are only indicative and should not be considered final. As SRDP work on implementation details more refined figures will become available to aid business planning.

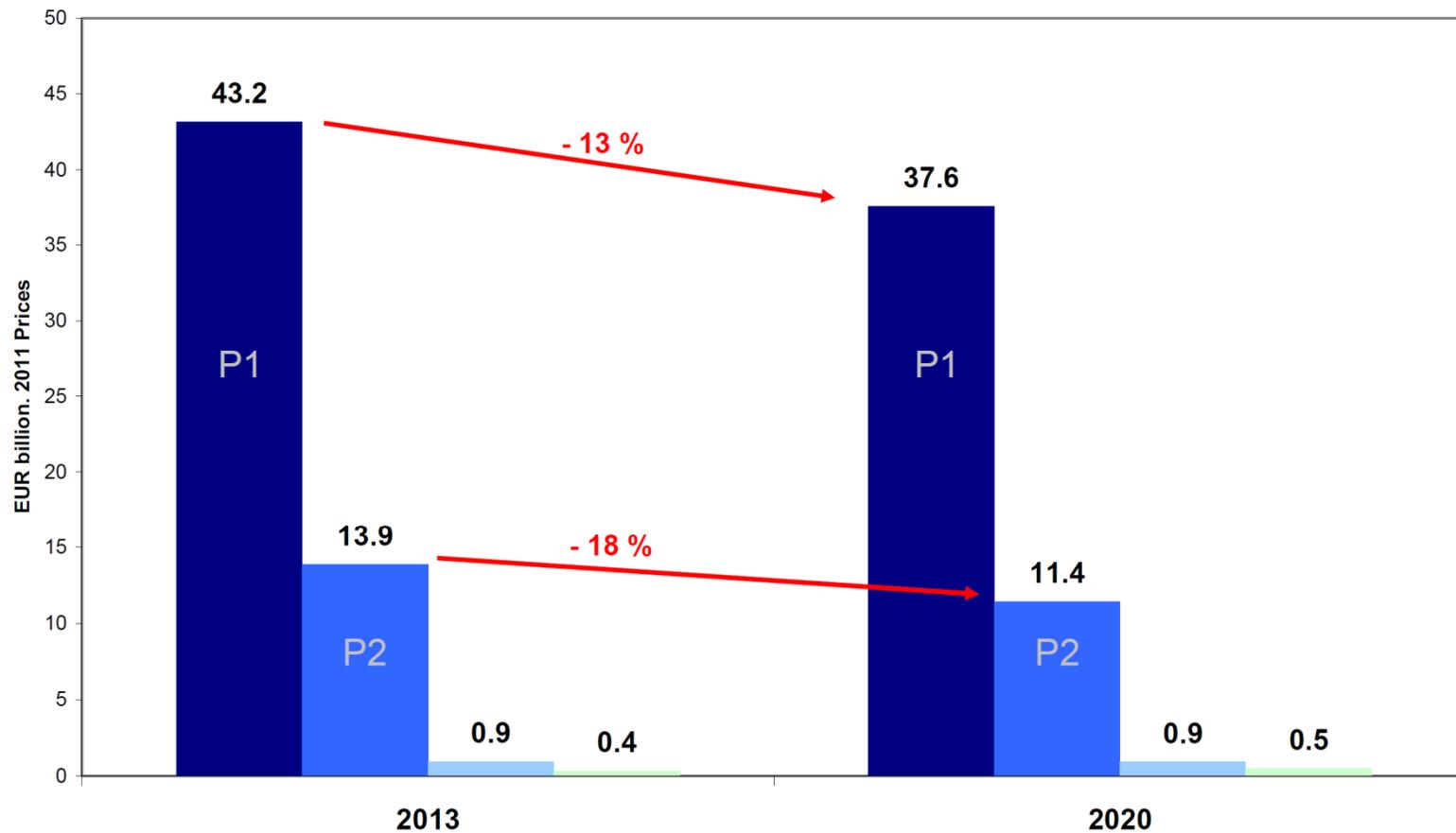
This work is funded by Scottish Government's Rural and Environment Science and Analytical Services Division (RESAS) under Theme 4 'A rural economy resilient to global and local change' of the Environmental Change Strategic Research Programme (2011-2016).

Created by Steven Thomson © SRUC, 2014

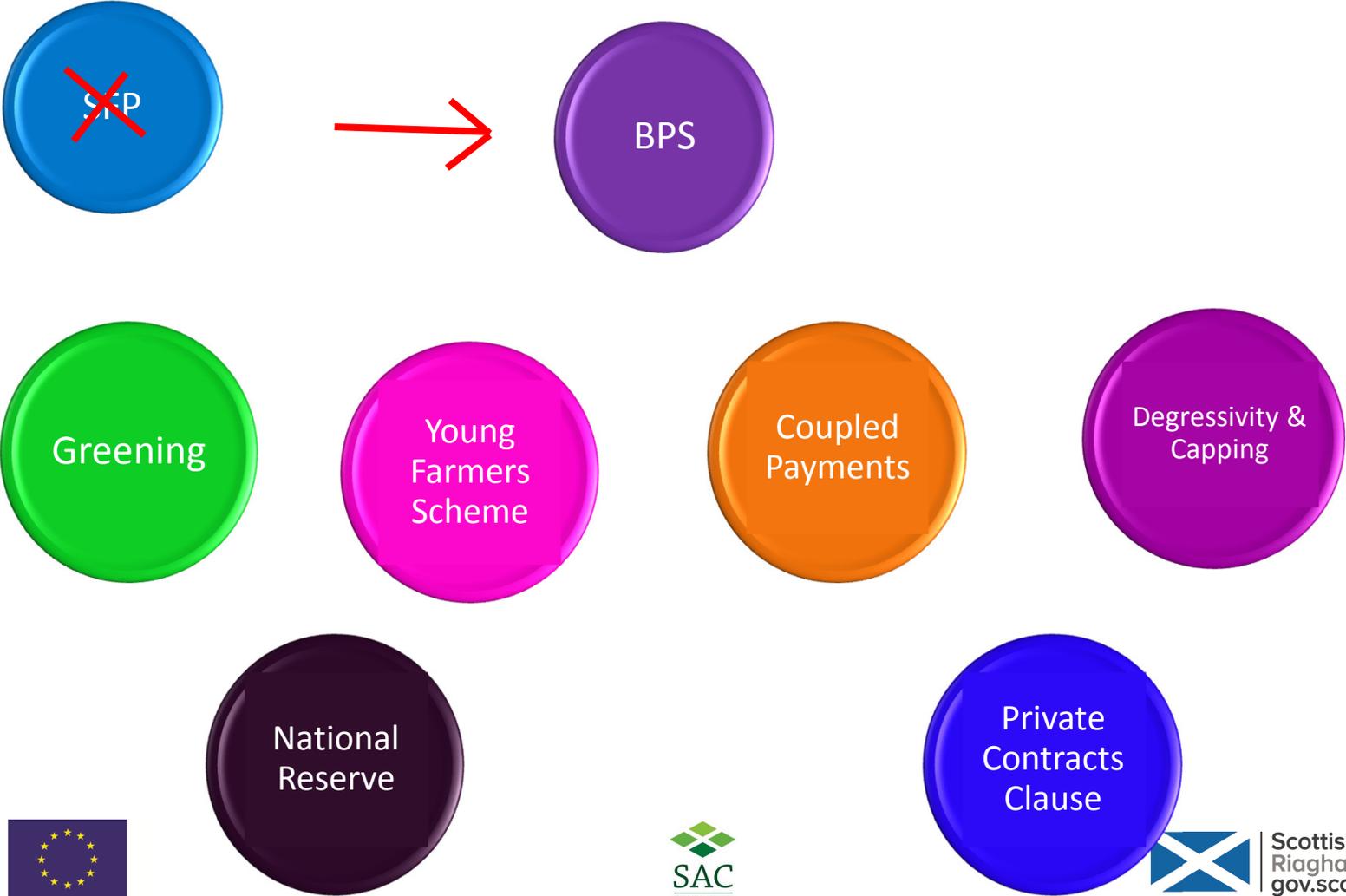
Success through Knowledge

CAP Budget 2014-2020

Figure 5: Heading 2 ceilings: 2013 level compared to 2020 level (EUR billion in 2011 Prices)



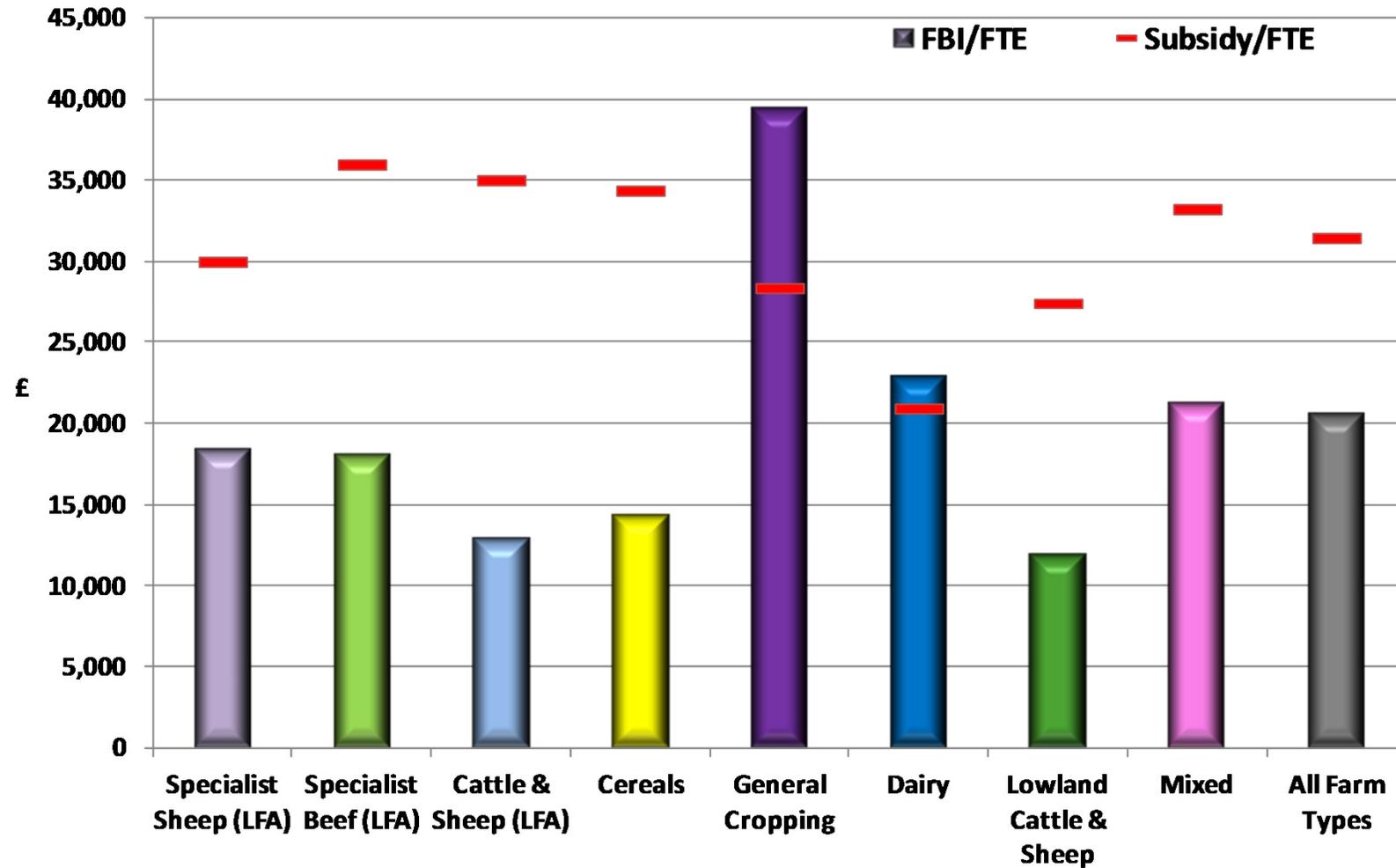
Pillar 1



Why is CAP Reform So Important?



FBI Per Unpaid FTE 2012/13



Government
Scotland

CAP Support for New Entrants



- **National Reserve BPS Entitlements**
 - **New Entrants** - if you started an agricultural activity in 2013 or later and did not have activity in your own name or at your own risk in the five years preceding the start of the activity
 - **Young Farmers** - if you are less than 41 years of age on 31 December of the year you apply for an award and are setting up for the first time an agricultural holding as head of the holding.
 - **Apply on-line with SAF**

- Young Farmers Start Up Grant
 - Open to 16 – 40 year olds
 - 70,000 Euros
 - Limited budget
 - Must apply within 18 months of setting up as head of business
 - Must be supported by a business plan
 - NOT for successors

- New Entrants Capital Grants
 - Open to any one over 16
 - 15,000 Euros
 - Must apply within 12 months of setting up as head of business
 - Must be supported by a business plan

- New Entrants Capital Grant Scheme
 - 80% up to £25,000 for under 40's
 - 60% up to £25,000 for over 40's
 - Must have been head of business for no more than 5 years
 - Handling facilities, drainage, liming etc
 - Ongoing applications
 - Budget OK at the moment

Thank You

