House of Commons Library

Research Briefing
17 April 2023
Number 9772

By Iona Stewart,
Elise Uberoi,
Sarah Coe

Agriculture in the South West

1 Summary

This paper provides statistics on agriculture in South West England in comparison with the rest of England.

Land: In 2022, a quarter of England's agricultural holdings (25,882) and a fifth of England's total farmed area (1.78 million hectares) was in the South West. The average farm size was 69 hectares in the South West, which was 21% smaller than the England average of 87 hectares.

Crops: In the South West in 2022 there was 1.8 million hectares of farmed land. 18% of this farmed land was cereals, 9% arable crops, 1% fruit and vegetables and 47% permanent grass.

Livestock: Of the England total in 2022, the South West had 34% of cattle (1.7 million), 20% of sheep (3.0 billion), 12% of poultry (17.1 million) and 9% of pigs (0.4 million).

Labour: In 2022, the total labour in the South West was 65,988, accounting for 22% of the England total. On average, there were 2.5 people per farm in the South West, this is below the England average of 2.9 people per farm.

Farm Business Income (FBI): In the South West, the average FBI was **£60,715** for all types of farms in 2021/22. This was 29% lower than the average

England FBI of £86,055. However, the South West FBI for dairy farms was £173,365, which was 24% higher than the England FBI of £140,242.

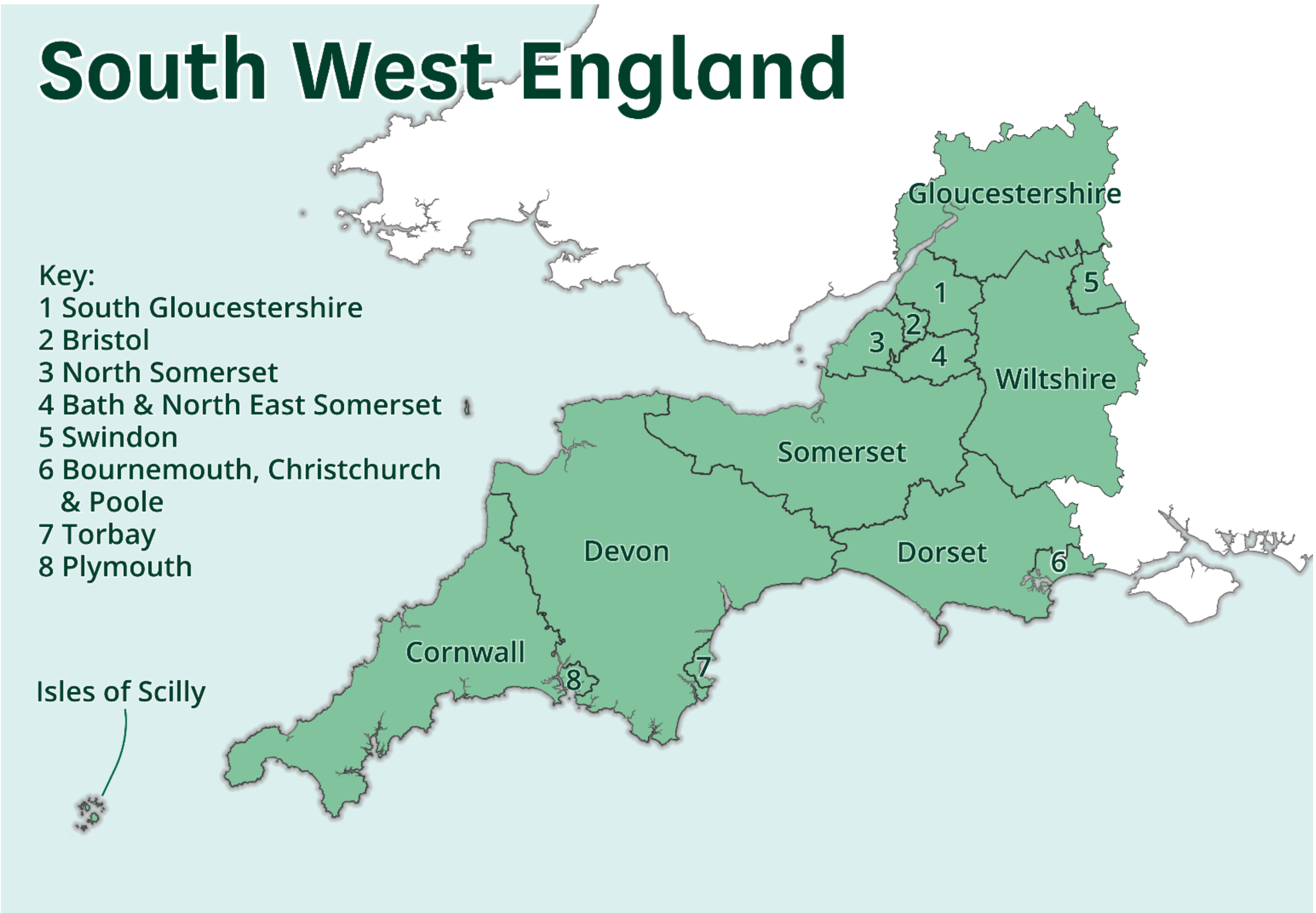
Total Income from Farming (TIFF): Total Income from Farming (TIFF) for England was £4.2 billion in 2021. The South West had the third highest TIFF and contributed to 16% of the England TIFF with £660 million. TIFF was £126 million (3% of the English total) in Devon.

Farm Funding: In 2021, Direct Payments accounted for 62% of TIFF in the South West.

Bovine Tuberculosis: The South West England is a High Risk Area (HRA) for bovine tuberculosis.

2 South West Region

The South West region shown below comprises Cornwall & Isles of Scilly, Devon, Somerset, Dorset, Wiltshire, Gloucestershire and the Bristol/Bath area. Dartmoor and Exmoor National Parks are within the region.



3 Farming

3.1 Land and farms

In 2022, a quarter of England's agricultural holdings (**25,882**) and a fifth of England's total farmed area (**1.78 million hectares**) was in the South West. The average farm size was **69 hectares** in the South West, which was **21%** smaller than the England average of **87 hectares**.

Farming in South West England, 2022

	South West	England
Number of holdings	25,882	104,476
Total farmed area (thousands hectares)	1,776,792	9,098,253
Average farm size (hectares)	68.6	87.1
% of land that is:		
Rented area	31%	32%
Arable crops and fallow land[1]	28%	44%
Permanent grass	47%	35%

Notes:
1. all horticultural crops are excluded

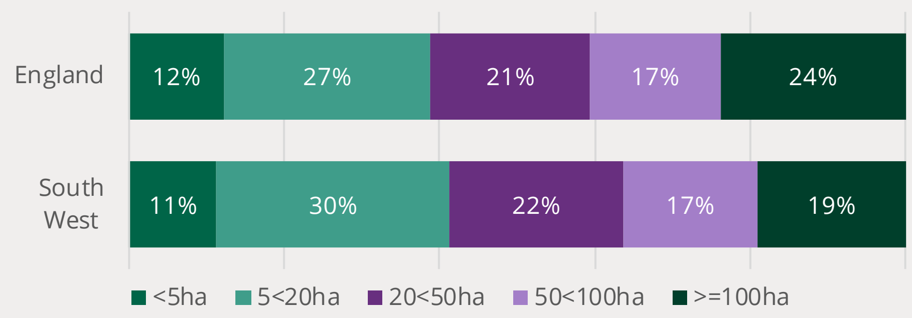
Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

Size of farms

Compared with the England average, the South West has slightly more medium sized farms (between 5 and 100 hectares) and slightly fewer large farms (over 100 hectares).

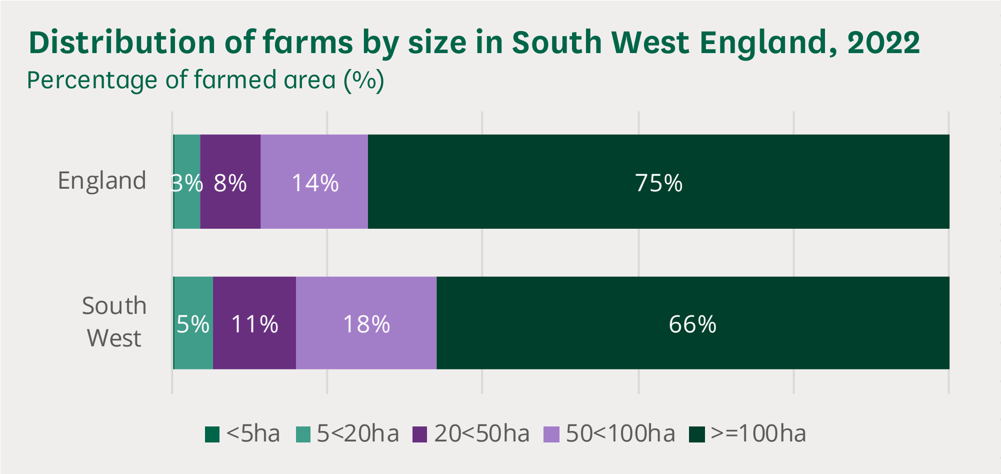
Distribution of farms by size in South West England, 2022

Percentage of farms (%)



Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

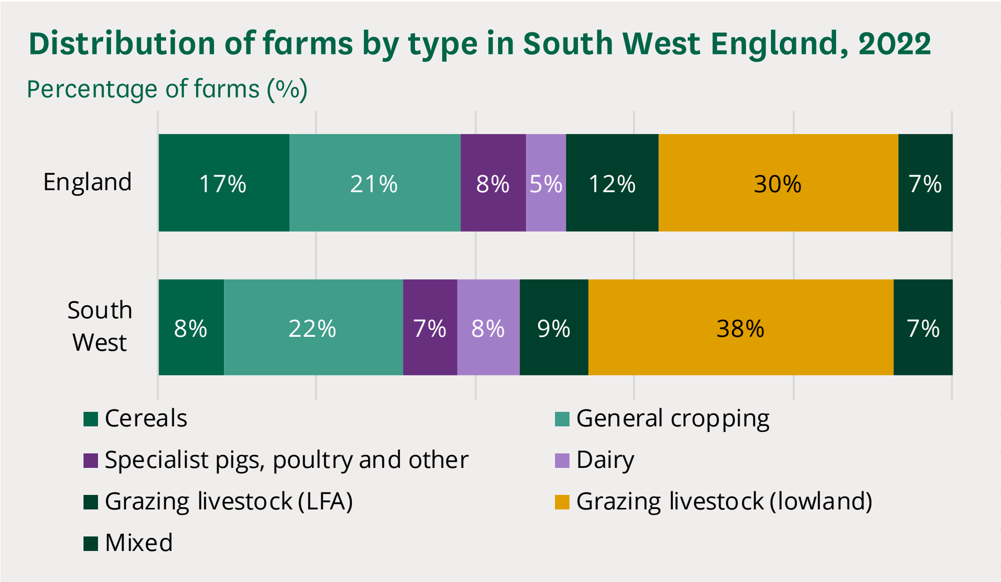
As expected, the largest farms take up the highest percentage of farmed area. In the South West, farms over 100 hectares made up 66% of farmed land, which is lower than the England average (75%).



Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

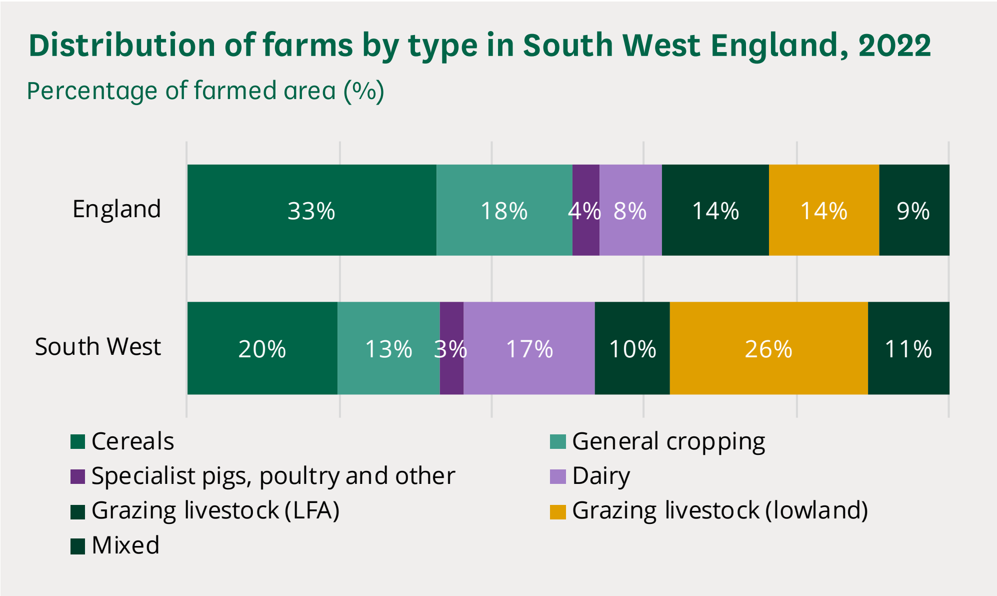
Types of farms

Compared with the England average, the South West had fewer cereal farms and more grazing livestock farms.



Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

Compared with the England average, the South West has a higher proportion of land used for cereal farming and a lower proportion used for cereals.



Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

3.2 Crops

In the South West in 2022 there was **1.8 million hectares** of farmed land. 18% of this farmed land was cereals, 9% arable crops, 1% fruit and vegetables and 47% permanent grass.

Crops areas on agricultural holdings in the South West, 2022
Hectares

	Total farmed area	Cereals	Arable Crops (excluding cereals)	Fruits and vegetables	Permanent grass
South West	1,776,792	317,635	166,239	11,872	834,683
England	9,098,253	2,648,540	1,268,927	124,372	3,212,591

Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

3.3 Livestock

Of the England total in 2022, the South West had 34% of cattle (1.7 million), 20% of sheep (3.0 billion), 12% of poultry (17.1 million) and 9% of pigs (0.4 million).

Livestock on agricultural holdings in the South West, 2022
Thousands of livestock

	Cattle	Sheep	Pigs	Poultry
South West	1,659	3,040	361	17,115
England	4,927	14,922	4,109	138,828

Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

3.4 Labour

In 2022, the total labour in the South West was **65,988**, accounting for 22% of the England total. On average, there were 2.5 people per farm in the South West, this is below the England average of 2.9 people per farm.

Agricultural labour force on commercial holdings in the South West, 2022
Number of people

	Farmers, partners, directors and spouses		Regular workers				
	Full time	Part Time	Full time	Part Time	Salaried managers	Casual workers	Total labour
South West	22,583	21,942	7,364	5,658	2,145	6,296	65,988
England	94,116	85,653	43,307	24,120	12,210	41,740	301,146

Source: Defra, June Survey of Agriculture, Commercial holdings at June 2021

4 Farm Income

4.1 Total Income from Farming (TIFF)

Total Income from Farming (TIFF) is the total profit from all farming businesses in England on a calendar year basis.

More specifically, TIFF is income generated by production within the agriculture industry, including subsidies, and represents business profits and remuneration for work done by owners and other unpaid workers.

TIFF excludes changes in the values of assets, including stocks, due to price changes but includes non-agricultural activities such as further processing or tourist activities where these cannot be separated from the agricultural business.[1]

Key Statistics

Key income statistics for the South West in 2021
£ million

	England	South West	% of England
Total crop output	9,363	1,240	13%
Total livestock output	10,535	2,575	24%
Output at market prices	22,096	4,235	19%
Total intermediate consumption	13,686	2,696	20%
Gross value added at basic prices	8,410	1,538	18%
Total Income from Farming	4,223	660	16%

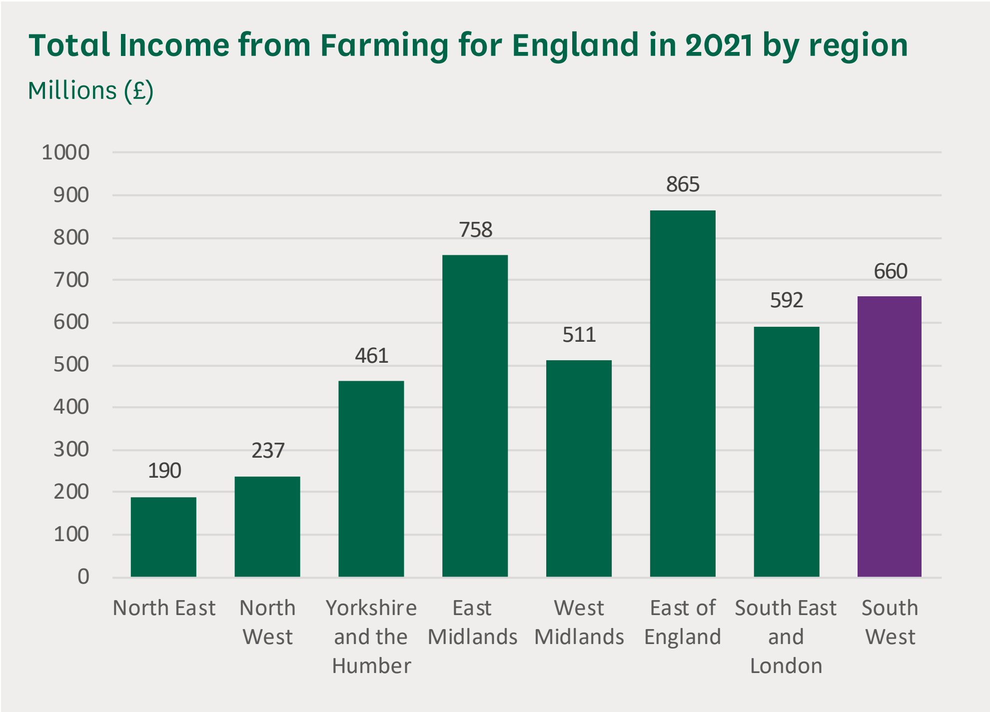
Notes: Figures in brackets denote the proportion which the region contributes to the English total.

Source: Defra, Total income from farming for the regions of England

Total Income

Total Income from Farming (TIFF) for England was **£4.2 billion** in 2021. The South West had the third highest TIFF and contributed 16% of the England TIFF with **£660 million**.

1 DEFRA, Total income from farming for the regions of England, 10 February 2022



Source: Defra, Total income from farming for the regions of England

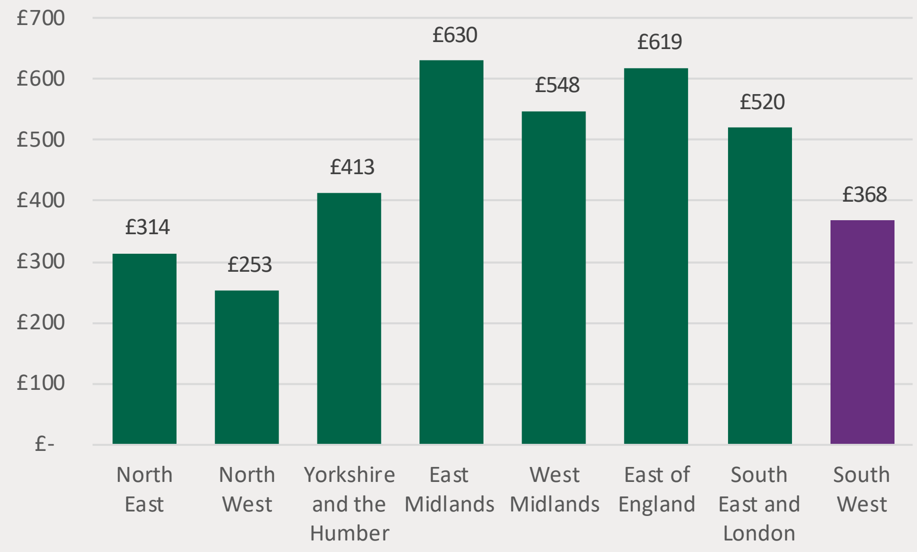
Income per hectare

The regions are not identical in size. As the value of TIFF is closely linked to the size of the area being farmed, expressing TIFF per hectare of farmed land gives a fairer metric to use for comparisons across regions.

The average TIFF per hectare of farmed land in the South West was **£368** per hectare. While the SW was the 3rd highest region for TIFF, it is the 6th highest for TIFF per hectare, showing that farmed land here is less profitable than in other areas.

Total Income from Farming (TIFF) per hectare of farmed land in England in 2021 by region

TIFF per hectare (£/ha)



Source: Defra, Total income from farming for the regions of England

Output groups

The gross output at basic prices was **£4.2 billion** in the South West, accounting for 19% of the England total of **£22.1 billion** in 2021.

Gross output at basic prices for the South West, 2021

£ million current prices (not adjusted for inflation)

		South West	% of output
Gross output at basic prices		4,235	
of which:	*Cereals & industrial crops*	453	11%
	Vegetables, Horticulture & Potatoes	554	13%
	Pigs & Poultry	376	9%
	Milk & eggs	1,231	29%
	Beef & Sheep	671	16%

Source: Defra, Total income from farming for the regions of England

Output from milk and eggs in the South West was **£1.2 billion**. It was the region's largest output, equating to **29%** of the region's total output and **35%** of England's output.

4.2 Farm Business Income (FBI)

Farm business income (FBI) for sole traders and partnerships represents the financial return to all unpaid labour (farmers and spouses, non-principal partners and directors and their spouses and family workers) and on all their capital invested in the farm business, including land and buildings. For corporate businesses it represents the financial return on the shareholders capital invested in the farm business.[2]

In the South West, the average FBI was **£60,715** for all types of farms in 2021/22. This was 29% lower than the average England FBI of £86,055. However, the South West FBI for dairy farms was £173,365, which was 24% higher than the England FBI of £140,242.

Farm Business Income (FBI) in South West England, 2021/22

£ per farm

	South West	England
All types	60,715	86,055
Dairy	173,365	140,242
Grazing livestock (less favourable areas)	38,490	42,881
Grazing livestock (lowland grazing)	29,576	34,027
Cereals	86,696	120,057

Notes: Years ending February, excludes farms with less than 25,000 euros of standard output.

Source: Defra, Farm Business Survey

4.3 Farm Funding

Farm support in the UK is changing. The UK took part in the EU's Common Agricultural Policy (CAP) for decades. In 2019, the UK received some £4.7 billion of CAP funding. Around 80% of this was provided as 'direct payments' under the Basic Payment Scheme (BPS) based broadly on how much land was farmed. A further tranche of CAP money was spent on rural and environmental programmes such as England's Countryside Stewardship (CS) scheme.

Since Brexit, the Agriculture Act 2020, has been passed to provide a legal framework for the Government to develop different approaches to supporting agriculture in future. The Government has guaranteed the current annual budget to farmers in every year of this Parliament, ending by 2024. However, in England this money will be spent in different ways. The Government is

2 Defra, Definitions used by the Farm Business Survey [PDF]

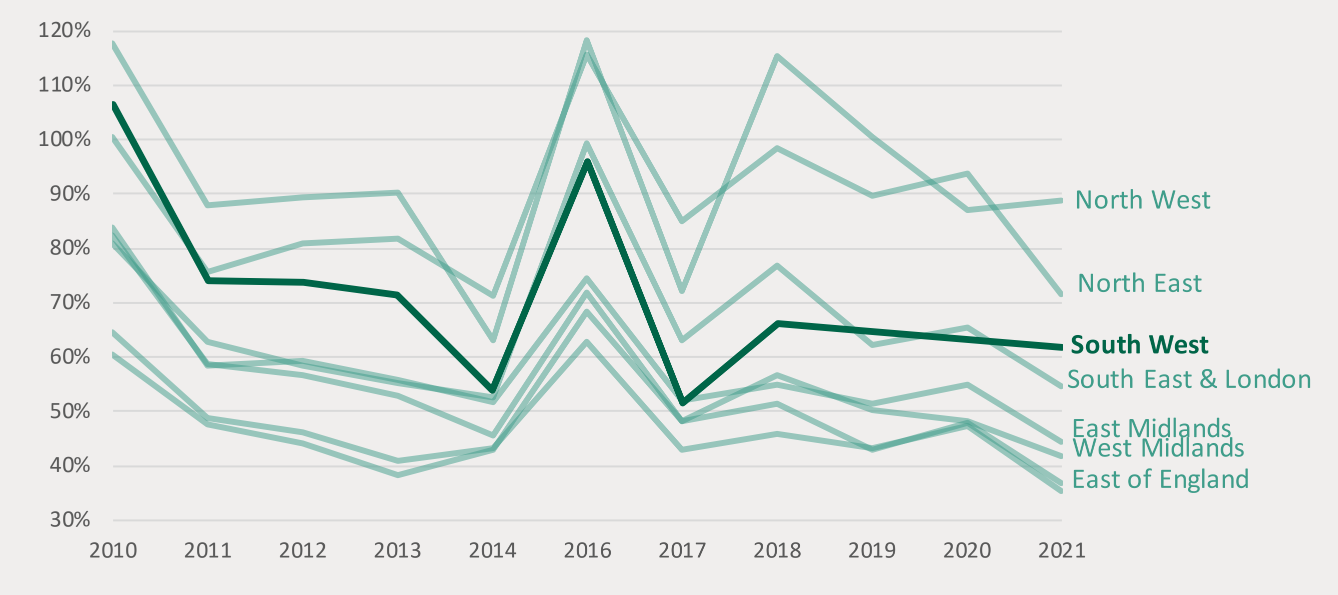
phasing out CAP-style direct payments and is introducing payments for farmers to provide public goods such as environmental and animal welfare improvements. These changes are taking place during a seven-year 'Agricultural Transition' period running from 2021.

Direct Payments in South West England

All regions were reliant on Direct Payments for a large proportion of Total Income from Farming (TIFF), in all years.

Total Income from Farming accounted for by Direct Payments, for the regions of England, 2010-21

Direct Payments as % of TIFF



Source: [Defra, Total income from farming for the regions of England]

In the South West, Direct Payments were greater than TIFF in 2010 (**106%**). This means that without Direct Payments, TIFF would have been negative. Since 2010, the region has not been reliant on Direct Payments to keep TIFF positive, although there was a peak to 95% in 2016. In 2021, Direct Payments accounted for **62%** of TIFF. Compared to other regions, the South West's reliance on Direct Payments has generally been mid-range throughout the 2010-2021 time period. The South West and North West were the only regions that did not see a substantial reduction in the proportion of TIFF accounted for by Direct Payments between 2020 and 2021.

Total Income from Farming accounted for by Direct Payments, for South West

£ million (not adjusted for inflation)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
TIFF	395	578	542	553	665	495	405	766	598	630	663	660
Direct Payments	420	428	399	395	359	354	389	395	396	408	419	407
Direct Payments as % of TIFF	106%	74%	74%	71%	54%	71%	96%	52%	66%	65%	63%	62%

Source: Defra, Total income from farming for the regions of England

5 Bovine Tuberculosis (bTB)

5.1 What is bovine tuberculosis?

Bovine tuberculosis (bTB) is a chronic infectious disease of cattle. The risk bTB poses to human health is low, largely due to milk pasteurisation. The disease is detected either on farms (through mandatory skin tests of cattle herds for bTB at regular intervals) and at slaughterhouses (through post-mortem meat inspection of cattle carcases).

5.2 What are the impacts of bTB?

Bovine TB presents serious challenges to the food and farming industries and has economic and social impacts. The economic costs of a bTB breakdown are shared by farmers and government.

Defra commissioned research was published on 28 August 2020 on the financial impact of TB on beef and dairy farmers. The report shows the cost of a TB breakdown directly borne by cattle farms varies significantly, with a median value of around £6,600 across all farms in the survey. Across England and Wales median costs for herds of more than 300 cattle are around £18,600 whilst those for herds up to 50 cattle are around £1,700. Median costs for chronic breakdowns over 273 days are around £16,000.[3]

Costs are incurred for a number of reasons, including:

- Cattle which are found (or are highly likely) to have bTB are slaughtered. The farmer loses the value of the animal and its output. The Government pays farmers compensation for slaughtered animals which is based on the market value of cattle.
- There are costs associated with testing animals for bTB. Farmers incur costs from gathering animals together, such as paying workers for their time, and the Government pays the vets' fees for carrying out tests on the herd (and in the event of a breakdown on herds in neighbouring farms).
- When one animal in a herd tests positive for the disease, the whole herd is put under movement restrictions until all the remaining animals are tested repeatedly with negative results. This presents costs to farmers, for example because they are unable to move their

[3] Defra, Estimating the consequential cost of bovine TB incidents on cattle farmers in the High Risk & Edge Areas of England & High and Intermediate TB Areas of Wales, SE 3139, June 2020

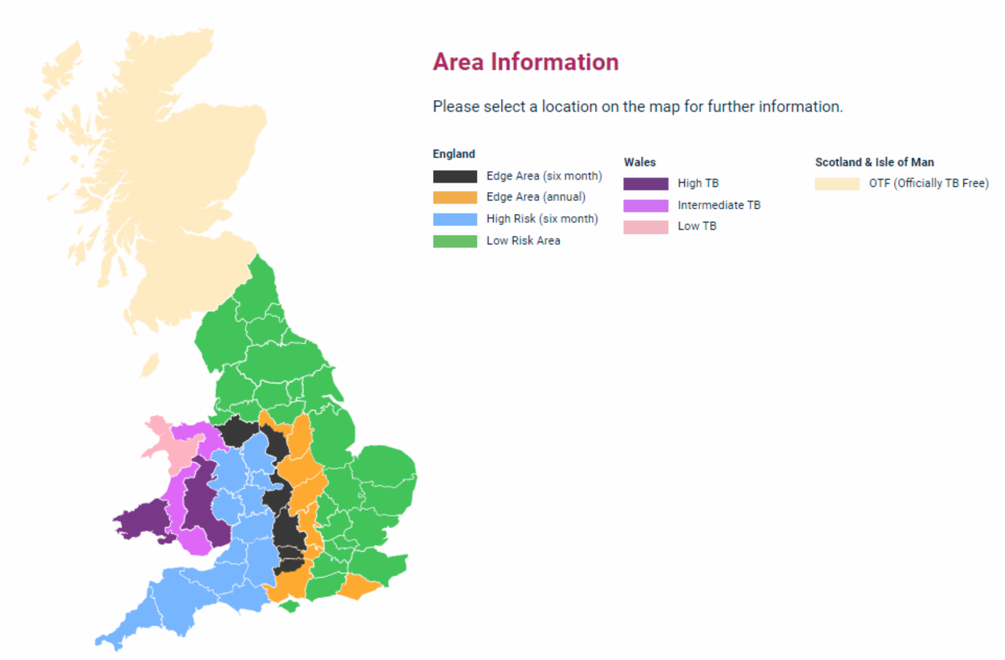
cattle to market or buy in replacements for animals that are slaughtered.

5.3 What is the Government's approach to bTB?

Defra policy is to achieve officially bTB free (OTF) status for England by 2038. In 2014, the Government published a 25-year strategy [pdf] to achieve this.[4]

As the strategy sets out, England is divided into zones, based on the different challenge of bTB in the specific areas . All of the South West is in the High Risk Area (HRA). Map 1 below shows the current zones across England and Wales.

Bovine TB Risk Map for Great Britain



Source: This map was sourced from TB Hub.

The strategy states that for HRA areas:

Because of the greater challenge in this area, and recognising the need for proportionality of the impact of disease control on the capacity of the industry to operate, we need to develop a more complex set of interventions that address the specific local needs. This includes incentivising risk-based approaches, such as risk-based trading and farm management measures, to

[4] Defra, The Strategy for achieving Officially Bovine Tuberculosis Free status for England, [pdf], April 2014

reduce the likelihood of both cattle-cattle and badger-cattle infection. Management of the latter will include vaccination and culling.[5]

For example, cattle, buffalo or bison keepers must test their animals for bTB at six month intervals if they are In the HRA.

Under the strategy, Natural England has licensed badger control actions at a number of sites including in Devon and Cornwall. Defra has set out details of the Authorisations dated August 2021 for areas including sites in the South West of England in its webpages Bovine TB: authorisation for badger control in 2021 (accessed 14 February 2021). There has been opposition to badger culls by a number of organisations such as the Badger Trust which considers culls "misguided and fundamentally flawed". The Trust has called for a greater focus instead on developing cattle vaccines.

5.4 Key statistics

Defra publishes information in an interactive dashboard on key bTB statistics by country, county and risk area.

England

Over the 12 months up to December 2022, herd prevalence in England was 4.5%. There were 46,719 cattle herds in England, of which 2,079 were not officially TB-free due to a bTB incident, a decrease of 2.8% since December 2021.

Herd incidence[6] in England was 8.4. There were 46,469 tests on officially TB-free herds in England, resulting in 2,946 new TB breakdowns, an increase of 2.8% since the 12 months up to December 2021.

Total animals slaughtered due to a TB incident in England from January 2022 to December 2022 decreased 20% from the previous year to 22,084.[7]

5 As above, p16

6 Herd Incidence = New herd incidents per 100 herd years at risk. This measure is a rate calculated by dividing the number of new incidents (numerator) by the total amount of time the herds tested during the period in question were unrestricted and at risk of infection since the end of their last TB incident or negative herd test (denominator). This is an established methodology for disease incidence 3 estimation

7 Defra, **Quarterly TB in cattle in Great Britain statistics notice: September 2021, updated 15 December 2021**