

# New Entrants to Farming

## Barriers to entry and identifying the Opportunities

Few problems are insurmountable if considered in its parts.

Delegates at the New Entrants to Farming Gathering 2015 were, firstly, challenged to consider three questions:

- (1) Major hurdles for entry into farming?
- (2) Major obstacles for young farmers to make the next step?
- (3) What would existing farmers like to have seen at the start of their own farming journey?

Perceived problems raised:	
<b>Finance</b>	Access to capital and cash
	Length of time capital is tied-up before a return on investment
	Lack of security to borrow against and often no credit history / guarantor
	Viability – daunting scale required before becoming self-sustaining
<b>Land</b>	Land availability and lack of tenancies – “Right to Buy is limiting access”
	Older inactive farmers holding onto the business whilst retaining subsidies
	New Entrant tenancies with no sight of a next step
	Landlords reluctant to invest in infrastructure
	Short duration or seasonal tenanted land having poor steading / fencing
	Uncompetitive in the open land market against established businesses and outside investors
<b>Time</b>	Time limitations if working off-farm full-time
	Networking – “often feel as if you’re in the boat alone”
	Loss of knowledge / skills
	Bureaucracy – red tape, regulation and certification “trip wires”
	Lack of support (financial or otherwise)
	Agriculture not actively encouraged by schools / parents

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



The second stage of this process was for delegates to consider what was required to support new or young farming business mitigate challenges or turn some of them into opportunities.

<b>Outcomes identified:</b>	
<b>In your control</b>	<b>For industry</b>
Access to land – Share farming / contract farming	Explore the potential for Government grant funding (Enterprise Finance Guarantee) within agriculture
Access to cash – Consider other or complimentary enterprises e.g. heifer rearing (billing monthly)	Campaign for land reform changes to promote tenancies – incentivising the older generation to promote more land becoming available
For an injection of capital – SRDP New Entrants start-up and capital grants	Starter farms and more short-term tenancies is an excellent initiative but more are required, together with a more structured ladder for progression
Reduce capital demands – Use Machinery Rings to avoid tying up cash in machinery, whilst hiring yourself out to offset	Ageing farmers – create a buddy network. This probably requires financial incentives or tax breaks too
Match the system to the farm, resources and time available – Consider alternative breeds and systems	Discounted or subsidised advisory service
Needing support – Get involved. Use the New Entrants group to 'bounce' ideas around	
Needing experience and ideas – In addition to the farm, go out relief milking, other farm work to see how it is done elsewhere	
Financial constraints on this SRDP mean capital investment decisions need complete consideration – clear business plan	

This was an important process so young farmers and prospective new entrants could identify the challenges but also start the planning process of how best to get round such issues.



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