



## Land Mobility Service



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WHAT IS LAND MOBILITY & WHY DO WE NEED IT?

YFC survey showed 48% of farmers aged over 50 had no successor identified.

Average age of an N.I. farmer is 58 years old.

Land use report – only 18% of our land area is in its optimum fertility.

The above statistics highlight a serious structural problem in our industry. Land mobility will maximise this vital natural resource.

#### TO CREATE LAND MOBILITY

- Collaborative Farming
- Succession planning

#### **Collaborative Farming**

- Maximise land use and productivity
- Long term leasing
- New skills, knowledge & next generation

#### Succession Planning

- Remove succession barriers
- Help older farmers to:
  - 1. Identify successor
  - 2. Plan & manage transition
  - 3. talk to their families about succession

#### How do we drive this change?

- Long term leasing
- Farm to Farm contract production/rearing
- Share Farming
- Partnerships family/non-family

## Long term leasing Contract Rearing/Production

- ► Long Term Leasing advantages better land management, investment in the land. Security of tenure, forward planning. Third NI land in conacre
- Ireland has excellent tax incentives for leasing, different bands, longer the lease bigger the tax break – driven change
- Contract farming options include growing crops or rearing heifers or finishing beef. Can reduce labour and allow farm to specialise in certain areas.

# Share Farming Partnerships-Family/non-Family

- ➤ Share Farming- Two business working on one site. Landowner might provide land, buildings & fixed machinery etc. Other share farmer might provide labour, livestock & machinery.
- Partnerships one business, common in NI where farmer has a successor. Can be Family or non- family



#### **DELIVER & SUPPORT AGREEMENT**

Collaborative Farming Focus
Parties capable of working together!
Structured fair agreement
Agreement tailored to individual needs
Confidential

"Is this the right person?"
"Can I make this work?"

Agreements must be workable and must deliver to all parties

### Young Farmers/New Entrants

- Younger farmers that want into farming may not have the land or capital but have the skills & drive
- ► It is vital that people have options. This service may be able to provide a variety of options.
- Banks assessing young farmers who need capital but little or no asset base
- ► Some banks will except a Lease agreement

## Young Farmers/New Entrants

- Have to want to farm and a passion for farming
- Have both the necessary business & people skills
- Mobility more mobile more options
- Support or equity will be a huge help (Could own small amount of stock)
- ► Have a plan & know where you want to go

## Farmers/Landowners

- Who may want to step back or retire.
- ▶ Older farmers that want to 'step back' not ready for total retirement and would like to keep an interest going in the business. May need new skills and help to run business
- Older farmers that want to retire want or need to stop – could be age/mental or physical health/financial pressure
- ► It is vital that we improve our capacity to talk about succession & plan for the future.

#### Conclusions

- Are any of these options for you
- Suitability of persons Have to be able to work together
- Transparency & Fairness has to work for both parties
- ► Enthusiasm & Skills
- ► Respect, Integrity & Trust

# **ANY QUESTIONS**



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