

Written submission: EFRA Upland farms and landscapes

Introduction

1. This submission has been prepared by Defra. It highlights the Government's recognition of the vital importance of the uplands and the commitment to work in new ways to address the specific challenges that upland farms and landscapes face.

Q1: How effectively do current policies balance competing demands in the uplands, including food production, nature recovery, climate mitigation, water management, and public access, and where do the key tensions remain?

2. The government wants England's upland areas to thrive as places of equitable growth, where farming, environmental stewardship and local economies reinforce one another. Delivering this vision requires tackling interconnected social, economic and environmental challenges.
3. Current policy seeks to balance these objectives, but government recognises that new pressures (e.g. increasing fire risk) and new opportunities (e.g. nature-based solutions to flood risk) demand more place-based approaches.
4. In early 2026, the Secretary of State launched a place-based, community-led uplands project. Delivered alongside Hilary Cottam and communities in Dartmoor and Cumbria, it will test new ways of working and inform policy grounded in local needs and lived experience, demonstrating how community-led change can drive better policies and shift the system. It will draw on people and skills, investment and markets and the natural environment. The project is set to run for 2 years in its initial phase.
5. In April 2026, Dr Hilary Cottam OBE published "A Review of England's Uplands". The independent report set out 19 insights and a proposal to work with local communities to build thriving rural economies, better services and locally responsive policy. These insights are being used to inform the uplands project.
6. The Farming Roadmap, published in June 2026, brings the government's long-term strategies, reforms and commitments for farming together in one place. It provides a shared vision for a profitable, productive, sustainable and resilient farming sector through to 2050.
7. It is a flexible framework for the sector's journey towards 2050, recognising that there is no single route to success. It enables different farming systems and

businesses to adapt in ways that best suit their circumstances as markets, technologies and environmental conditions continue to evolve.

8. It recognises that Upland farmers play a vital role in food production, land management and rural communities, often operating in challenging physical and economic conditions. It explains that government support is focused both on making existing schemes work better for farmers in the uplands and on learning how policy delivery can better reflect local realities.

Q2: What has been the impact of agricultural policy changes (including the transition away from direct payments) on upland farming businesses, and the impact of these changes on farming profitability?

9. We recently published the Farming and Countryside Programme Evaluation Report 2025¹. This sets out an assessment of the impacts of the first three years of phasing-out Direct Payments. It includes a detailed look at the key transition channels for farming such as rents, diversification income, income from agri-environment schemes, and productivity improvements. In the short-term, movements in farming markets have had a stronger impact on Farm Business Income than policy reform in the recent past. Therefore, we use 3-year averages to examine longer-term trends and policy impacts on farm profitability.
10. Statistics on Less Favoured Area (LFA) Grazing Livestock farms are the best we have available to understand upland areas. LFA includes both 'severely disadvantaged' areas and 'disadvantaged' areas, which are largely upland in character.
11. Despite the Direct Payments withdrawal, average Farm Business Income (FBI, effectively net profit) has remained stable. Average LFA Grazing Livestock FBI, for the latest available years (2022/23 to 2024/25) was approximately £33,800. After accounting for inflation, this was in line with the pre-transition average (2018/19 to 2020/21), which was approximately £32,500.
12. Direct Payments contributed £17,100 to the FBI of the average LFA grazing livestock Farm (2022/23 to 2024/25), compared with £33,200 in 2018/19 to 2020/21.
13. As direct payments are phased out, agri-environment income has become an increasingly important income stream for LFA grazing livestock farms. The Farm Business Survey estimates average income from agri-environment schemes in 2022/23 to 2024/25 at around £17,900, compared with £14,500 in 2018/19 to 2020/21, before the reduction in direct payments began. This is an increase of 23%.

¹ [Farming and Countryside Programme: Evaluation report 2025 - IS0228](#)

14. Income from diversified activities has also become a more important income stream for these farm types, albeit from a lower baseline. Income from these activities has almost increased by half in real terms since 2018/19 to 2020/21 from £3,700 to £5,300 in 2022/23 to 2024/25 for the average LFA Grazing livestock farm.
15. We publish regular statistics on farm business income in England and other data related to farm businesses. For example, on 12 March we published Average Farm Business Income forecasts, including the projected contribution of delinked payments and agri-environment payments to farm incomes in 2025/26. Our regularly updated farming evidence packs set out an extensive range of data to provide an overview of agriculture in the UK, and the contribution of farm payments to farm incomes. This includes analysis by sector, location and type of land tenure.

Q3: To what extent do the current Environmental Land Management (ELM) schemes and other support like the Farming in Protected Landscapes (FiPL) schemes support financially and environmentally sustainable land management in the uplands?

16. Our Environmental Land Management (ELM) schemes include a specific offer to support the management of a wide range of different grassland and moorlands that exist in the English uplands. For example, the Sustainable Farming Incentive (SFI) offer in 2026 will include 7 moorland actions, with payment rates increased for 5 of them, reflecting the costs and constraints associated with upland land management.
17. Countryside Stewardship Higher Tier (CSHT) includes an improved offer for peat and moorland management, grassland habitats, wood pasture, agroforestry, scrub and species management. Uplands are also well represented in Landscape Recovery, with over a third of projects involving uplands areas across the first two rounds of the scheme.
18. As set out in the recently published Farming Roadmap, we will continue to examine how the ELM scheme design, guidance and delivery can better support uptake in upland areas. This includes ensuring that support is accessible, practical and viable for common land, tenanted farms and mixed systems where evidence shows improvements are needed.
19. Under EU schemes support for moorland farmers was split between Basic Payment Scheme BPS and Environmental Stewardship High Tier Stewardship (HLS). BPS payments above the moorland line were £64/ha. HLS payments were made up of a restoration payment of £40/ha, with access to number of supplements for grazing with cattle, and seasonal stock removal. The number of grazing livestock allowed, and access to supplements, was determined by a Natural England Adviser. Typically, the total BPS and HLS payments on moorland were £127-£140/ha. It is important to note the number of grazing

livestock allowed could vary significantly from area to area, but the payment remained broadly the same.

20. Under ELM the payments have been structured to allow the needs of the wide range of different moorlands to be accommodated, while rewarding those moorland managers willing to make the largest contribution towards environmental targets.

21. Lower moorland grazing pressure, timeliness of grazing and mixed species grazing contribute to the delivery of biodiversity, flood mitigation, water quality and net zero outcomes. The moorland offer is summarised in table 1 below. Under this structure, a moorland manager making a moderate contribution towards environmental targets could expect up to £272/ha with a higher contribution attracting payments of up to £385/ha. Under both scenarios, BPS payments are assumed to be zero.

Table 1 Summary of ELM Moorland Offer

Countryside Stewardship Higher Tier (NE Adviser input required in all cases) *SFI payment changes announced in Feb 2026. CSHT payment changed to be announced 1-2 July 2026		Available in SFI
CS General Moorland Management	£55/ha	no
Plus one of the following Grazing actions		
Moderate livestock grazing levels 0.16 Glu/ha	£35/ha (increased* in 2026 from £20/ha)	yes
Low livestock grazing levels 0.08 Glu/ha	£89/ha (increased* in 2026 from £53/ha)	yes
Limited livestock grazing 0.04 Glu/ha	£111/ha (increased* in 2026 from £66/ha)	yes
And/or one of the following Shepherding and livestock removal (ponies exempt from removal periods)		
Shepherding – no rest period	£33/ha	no
Shepherding with 4 month livestock removal	£74/ha (increased* in 2026 from £43/ha)	yes
Shepherding with 6 month livestock removal	£88/ha (increased* in 2026 from £45/ha)	no
Shepherding with 8 month livestock removal	£102/ha (increased* in 2026 from £48/ha)	yes
Plus one of the following Cattle and Ponies supplements to grazing actions		
At least 30% cattle and Ponies	£7/ha	no
At least 70% cattle and Ponies	£18/ha	yes
100% cattle and Ponies	£23/ha	yes
Plus one of the following Native Breeds supplements to grazing actions		
Over 50% rare and native breeds	£7/ha	no
Over 80% rare and native breed	£11/ha	yes
Plus the following supplementary actions where appropriate		
CS bracken control supplement (<i>only paid on area affected</i>)	£232/ha	no
CS Rhododendron control supplement (<i>only paid on area affected</i>)	£256/ha	no
CS Re-wetting supplement-peat soils (<i>only paid on area affected</i>)	£181/ha £160/ha	no

Or CS Non-peat soil – flood/drought resilience supplement (<i>only paid on area affected</i>)		
Capital		
Plus one off capital payment for moorland mapping	£918/ agreement	yes
Plus one off capital for wildfire checklist	£327/ farm	yes
Plus additional agreed capital for moorland restoration	100% costs	no

22. Recent coverage has raised concerns about the future population of the Dartmoor Hill Pony. There is no intention to reduce the number of ponies on Dartmoor.
23. Locally, NE have confirmed that broadly speaking they are content with the current numbers of ponies on Dartmoor and recognise their important positive role in conservation grazing.
24. There is a long history of ponies being grazed on Dartmoor with two distinct breeds (Dartmoor pony and the Dartmoor Hill Pony) being recognised. The Dartmoor Hill Ponies are owned by individual farmers but are “semi-wild” in that they graze freely and must remain on Dartmoor to maintain their status.
25. Preserving the UK’s native breeds is a UK government aim, as set out in Commitment 61 of the UK’s Environmental Improvement Plan 2025 (Strengthen the conservation of genetic resources by 2030). Both breeds of pony on Dartmoor are recognised as Native Breeds and at risk due to their low numbers.
26. Recognising the requirement for Dartmoor Hill Ponies to remain on the moor all year round, they are exempted from the requirements of actions in ELM offers that require livestock removal from the moor. Dartmoor Hill Ponies also qualify for payments under ELM scheme supplementary actions for keeping cattle and ponies on moorland and Native Breeds at Risk.
27. Outside of ELM schemes, we recently extended the Farming in Protected Landscapes (FiPL) programme until 2029, with £30m funding for 2026-27. FiPL delivers projects that support climate, nature, people and place outcomes by providing targeted, place-based funding and advice to farmers and land managers. Upland areas particularly benefit from FiPL.
28. Delivery through Protected Landscape organisations allows FiPL support to be tailored to local priorities and the specific characteristics of upland systems. On-the-ground advice from FiPL officers helps farmers develop high-quality projects and access wider schemes, reducing barriers to participation.
29. By combining funding, local knowledge and farmer engagement, FiPL enables upland farms to deliver public goods, such as biodiversity, climate adaptation and water management, while strengthening business resilience and long-term sustainability.

30. The Nature for Climate Peatland Grant Scheme (NCPGS) provides funding for local partnerships to restore degraded peatlands for nature and climate benefit. Since its launch in 2020, the NCPGS has committed around £53 million, supporting the restoration of approximately 28,000 hectares of peatland. More than half of the funding has been spent in upland landscapes such as the North Pennines and the Peak District.
31. The Farming Equipment and Technology Fund (FETF) supports farmers, including those in the uplands, to acquire innovative technology and equipment that is commercially available. £50 million was allocated in the latest round, FETF 2026, supporting farmers to reduce costs, improve efficiency, and protect profitability.
32. Beyond publicly funded schemes, there are also growing opportunities for farmers and land managers in upland areas to benefit from private payments for nature services. These include voluntary Peatland Code carbon offsets sold to industries wishing to demonstrate Net Zero alignment, partnerships with water companies to manage water quality and water resources through effective upland management (e.g. Wild Haweswater in Cumbria), and the sale of Biodiversity Net Gain and/or nutrient credits to developers.
33. More broadly, there is a range of existing advice available to support all groups of farmers, including those in the uplands, from our arms-length bodies. The new Farmer Collaboration Fund will support farmers to collaborate and share best practice. Over the next 3 years, the £30 million fund will support these existing networks and help new ones get started, so more can benefit from shared expertise, stronger bargaining power and better business resilience.

Q4: How do legal protections for uplands areas (including designation as a National Park or Area of Outstanding Natural Beauty / Protected Landscape, and designations such as Site of Special Scientific Interest, or Special Area of Conservation) impact decision-making, land management, and outcomes?

34. The statutory purposes and protections of National Parks and National Landscapes are laid out in legislation. By law, every National Park Authority, Broads Authority or National Landscape body must produce a management plan and review it every five years. This plan brings together the policies, plans and strategies of different stakeholders and partners operating within the designation boundary, making sure they all support the statutory purposes of the designation.
35. Protections are also in place regarding planning, as set out in the National Planning Policy Framework, which lays out that the scale and extent of development within the National Parks, the Broads and National Landscapes designated areas should be limited, and permission should be refused for major development other than in exceptional circumstances.

36. SSSIs are designated under Section 28 of the Wildlife and Countryside Act 1981 by Natural England (NE). SSSI notification places obligations on landowners and public bodies and SSSI landowners must obtain NE's consent before conducting actions (specified operations) likely to damage the SSSI. The National Planning Policy Framework (193d) states that development on land within or outside an SSSI which is likely to have an adverse effect on it (either individually or in combination with other developments), should not normally be permitted.
37. Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) are protected areas in the UK. In England they are designated under the Conservation of Habitats and Species Regulations 2017 (as amended). The sites form the UK National Site Network of high-quality conservation sites that support the habitat types and species (SACs) and birds (SPAs) considered to be most in need of conservation at a European level. The Network Management Objectives are to maintain or restore relevant habitats and species to favourable conservation status, and to contribute to the conservation of wild and migratory birds by supporting their distribution, survival, and reproduction. Under the 2017 regulations, Habitats Regulations Assessments require an evaluation of whether a plan or project is likely to adversely affect any designated site and/or its qualifying feature(s), and for any harm to be mitigated before the plan or project proceeds (unless there are imperative reasons of overriding public interest and no alternative).
38. Burning heather and grass in the uplands is regulated by the Heather and Grass etc Burning Regulations (England) 2021; in Less Favoured Areas, burning vegetation on peat deeper than 30cm requires a license issued by the Secretary of State. This helps protect peat, wildlife and the wider environment. These rules ensure that decisions made by land managers and public bodies, consider the impact on landscapes, habitats and species and support more sustainable methods of habitat and fuel management.

Q5: What improvements are needed in land use data, mapping, and modelling to support effective decision-making in the uplands? What training or other skill development options are needed to support this?

39. Upland farmers operate under particularly challenging conditions: production costs are high, returns from wool and meat are low and face international competition, and new entrants face difficulties joining the sector. These pressures shape a range of decisions, including engagement with agri-environment schemes. Common barriers to uptake include perceived risk (especially for farms on tight margins), limited confidence in the schemes' environmental and financial value, and practical difficulties in delivery.
40. The Land Use Framework commits to making improvements to land data and mapping tools to support more effective and strategic decision making on land,

including in the uplands. The ‘making land digital’ reforms will improve the availability of decision-making data, reform data tools and systems, and expand transparency of land ownership. These innovations will help combine private and public payments, as recommended by the Corry review, thereby supporting the diversification of upland businesses.

41. The Framework made clear that spatial data can augment on the ground knowledge, but it should never replace it. Data needs to be used alongside local knowledge to make the best decisions. The proposed reforms will give decision-makers in the uplands access to high quality land use data and tools, empowering them to make the most of their land.
42. We are aware of the need for accessible and user-friendly data and tools and are factoring this into their development; alongside consideration of levels of digital skills and connectivity. Our making land digital reforms will be complemented by a stronger advice offer to farmers and support for peer-to-peer learning through initiatives like the Farmer Collaboration Fund.
43. There are several innovative initiatives outside government activity that we will continue to learn from, such as the Protected Landscape Partnership’s Landscape Observatory. This brings together spatial information, such as land cover, and uses ecosystem service modelling to inform land use decisions for enhancing climate resilience and identifying diversified income streams.

Q6: How might land use and business changes in the uplands impact rural communities?

44. Land use decisions in the uplands are ultimately for landowners and managers, and where they choose to pursue different economic opportunities, this can reshape local economies and community dynamics. The Land Use Framework sets out how land is likely to need to change to meet a wide range of national objectives, and the uplands are critical to achieving these.
45. With the right incentives and tools, upland land managers can further increase the environmental and climate benefits the uplands deliver while continuing to produce food. The English uplands are the water towers serving many towns and cities and this will become more important as climate change increases water scarcity and economic growth increases water demand. Changes in land use to store more water in our uplands should support more resilient farming businesses with new income streams from nature markets that can be stacked on top of other forms of business diversification (e.g. tourism).
46. The cross-Government Land Use Framework requires the whole of government to consider the long-term resilience of upland landscapes and businesses. It explains how the land use changes needed to deliver national objectives – from energy security to nature recovery – can also contribute to the economic resilience of the English uplands.

47. The benefits of land use change can be unevenly distributed depending on location, access, and ownership. Many communities have faced disruption, where changes affect established supply chains (agri-supply chains) or activities closely tied to the community and identity of the uplands (farming, game shooting). There are also many examples where new opportunities have not fully replaced previous livelihoods, and where jobs have become more seasonal and less locally embedded.
48. The Land Use Framework sets the context for changes to how land is used over the coming decades. The Upland Review's work in Dartmoor and Cumbria is founded on the principle that communities should be architects of this change. It will work to develop the policy needed to ensure that transition is shaped by, and benefits, the people who live and work in these landscapes.

Q7: How can government policy ensure that rural communities in upland areas benefit from changes?

49. The uplands provide over 70% of our drinking water, support rural livelihoods and are home to precious wildlife and beautiful landscapes. They produce food in some of the most challenging conditions anywhere in the country.
50. For too long, upland communities have faced converging challenges including economic fragility, social isolation and environmental pressures. We are committed to supporting those communities to thrive. This is why the Secretary of State announced that Defra will be working with Dr Hilary Cottam on a place-based, community-led uplands project.
51. The project seeks to drive system change by: identifying opportunities to improve and better align existing policies so they work effectively together in upland settings; designing a set of core capabilities that define what a “flourishing” upland means for people, nature and place; and creating a stronger, locally rooted economy that creates lasting benefits for communities.
52. This will be achieved by targeting change where small changes can unlock wider impacts, support innovation and create opportunities for others to work in a similar way. Effort will focus on unlocking rapid policy change through locally led experiments, which may include support for new entrants, local food systems, tourism and essential services broader than Defra’s scope, such as broadband and access to education.
53. Its success will rely on shifting narratives by developing a shared vision of the uplands as places of productive farming, thriving nature and fair economic opportunity; and challenging mindsets that position farming and environment in opposition. It will also focus on supporting collaborative, mutual networks of local farmers, testing new ways to farm rooted in local needs, leveraging funding from the private and third sectors to support local businesses and economies.

54. The government is taking wider action to support rural communities, including those in upland areas. Last year, Defra established a time limited Rural Taskforce to work with external partners and departments across Whitehall to better understand how government can support rural businesses and communities, tackle rural disadvantage, and unlock the potential of the rural economy. We will shortly be publishing a report based on the findings of the Taskforce.
55. The government is also committed to ensuring that all policy decision-making should be 'rural proofed' to ensure that rural areas are not overlooked. While Defra leads on rural proofing, individual departments are responsible for ensuring that their policy decision-making takes rural needs into account.
56. Rural areas face specific challenges across a range of issues including housing, transport and broadband connectivity. The government has a range of policies in place to support rural, and upland, areas. In 2026-27, Defra is providing £2.3m for the Rural Housing Enabler Programme and £1.7m for the Local Action Grant.
57. Wider government funding addresses the key blockers to growth in rural areas including over £1.9 billion over four years into broadband and 4G connectivity, a particular challenge in upland areas, and £2.3 billion of Local Transport Grant funding for smaller cities, towns and rural areas and £39bn for the Social and Affordable Homes Programme which includes flexibility in grant rates to help ensure that rural developments receive the support they require.

June 2026