

### 103. 1984-2000 Beechenhill Farm Finances, Subsidies and Grants

#### 2000 Subsidies and Grants

Basic breeding ewe subsidy goes to all sheep farmers <sup>1</sup> -	£15/ewe
Hill Livestock Compensatory Allowance (HLCA) subsidy goes to sheep and beef farmers in Less Favoured (upland) areas (Both adversely affected by strength of £ as paid in Euros)	£2.75/ewe

No direct dairy subsidy in UK, some indirect support for butter and skimmed milk powder price (these can be stored and go into intervention stores to be sold when the price improves)

#### Organic Aid Scheme (Beechenhill entered conversion June 1998, organic status gained June 2000)

On improved grassland (re-seeded, fertilised) <sup>2</sup>	£350/ha over 5 years*
On unimproved grassland <sup>3</sup>	£70/ha over 5 years
Organic training grant- per applicant in 1 <sup>st</sup> year	£300

\*Oil seed rape subsidy is £285/ha per year, every year.

A converting farmer receives £90/ha per year for a maximum of 5 years

#### 1984-1990

Conversion of buildings into holiday cottages- MAFF	33% grant aid
Tree planting, walls, troughs, gates, tracks- MAFF	33% grant aid
Trees planted along drive- Staffordshire Moorlands District Council	free

#### 1990-2000

Tree planting, environmental work- MAFF/Europe 5b	25-80% grant aid
Wall beside drive- Peak District National Park/MAFF/Europe 5b	80% grant aid
Farm Trail- Peak District National Park /MAFF/Europe 5b	50-80% grant aid
Tourism Business Development inc. ICT – MAFF/Europe 5b	44-50% grant aid

#### Milk Price

1997 conventional	24p/litre
2000 conventional	14p/litre
2000 organic	29p/litre

#### Organic- conventional comparison

Conventional cow food	£120/tonne
Organic cow food	£250/tonne

Conventional fertiliser, seeds, sprays, medicines, vet	£500/month
Organic seeds, homeopathic medicines, vet	£175/month

Conventional system use of straw	£400/month
Organic system use of straw	£600/month

Actual income from conventional milk Feb 2000 (to cover £1,100 food costs, electricity, water, silage and all fixed costs)	£3000
Income from organic milk Feb 2000 would have been (to cover £1,850 food costs, electricity, water, silage and all fixed costs)	£6000

<sup>1</sup> 36 eligible ewes at Beechenhill, additional payments are available to other LFA farmers with recognised hill breeds

<sup>2</sup> 36ha improved grassland at Beechenhill

<sup>3</sup> 1ha unimproved grassland at Beechenhill