



Why Brexit could trigger a green revolution in farming

Hazel Sheffield on how environmental community projects are rapidly providing vital income across the nation



Newton Downs solar farm was built in 2017 (Yealm Community Energy)

This year, the residents of a valley in south Devon will have the opportunity to buy a stake in two solar farms generating enough power for all the homes in the five surrounding parishes.

Newton Downs and nearby Creacombe will be owned by the community and managed by Yealm Community Energy, a social enterprise which invests the profits in helping local people in fuel poverty and environmental projects, like wildflower meadows and bee conservation.

For Jake Harris, the 34-year-old farmer on whose land the Newton Downs solar farm was built in 2017, the project could not have come at a better time.

“This sort of thing means that we can farm,” Harris said one muddy afternoon in October, leaning over a gate while his cows demanded loudly to be let back into their barn. “Everyone is worried about Brexit and the price of beef. The subsidies are stopping. Financially, it’s vital to us carrying on.”

In 2019, the UK hit a clean energy milestone: generating more energy from zero-carbon sources than from fossil fuels for the first time since the industrial revolution. Solar, wind and hydro energy are expected to grow in importance as the country stretches to reach its target of net-zero carbon emissions by 2050. Farmers are increasingly turning to renewables to diversify their income, especially as uncertainty over subsidies and trade after Brexit weigh on their traditional business.



In such uncertain times many farmers are looking to diversify their income



Nearly 40 per cent of UK farmers and growers are using the sun, wind, farm by-products and energy crops to produce clean, low-carbon energy, according to the National Farmers’ Union. The energy produced generates at least 10 per cent of UK electricity needs, or the equivalent of the electricity needed to power roughly 10 million households.

Jonathan Scurlock, chief adviser for renewable energy at the NFU, says that in surveys of its members, renewable energy is one of the most popular ways for farmers to diversify their income, followed by doing agricultural work for other farmers and tourism, including farm cottages and wedding venues. “This is typical of the diversification of land-based income,” Scurlock says. “Sometimes it’s the saving of the farm-based income.”

It can also provide essential income for farmers to make investments in other areas. “Because we have put the solar farm in, we have become an organic farm,” Harris says. “We have transitioned through four or five years and to weather a drop in production.”

Adam Twine is a pioneer when it comes to UK farmers embracing renewable energy. It took him 12 years to get the consent he needed to build a wind farm on an old airfield on his land. His perseverance paid off when the Westmill wind farm became the first wholly community-owned onshore farm in the UK in 2008, with 2,400 people investing between £250 and £20,000 in the project, raising the £4.5m necessary to get the five turbines running.

He has since expanded on this success with Westmill solar farm, which became operational in 2011 and became community-owned in 2012, when 1,650 people raised £4m, plus an additional £2m from a private placement of B-shares.

Twine describes community-owned renewable energy as “fundamental” to his income. “I’m an environmentally soft farmer – on farming I make very little money. I get a huge subsidy from the government as part of the basic payment scheme that will end soon, and even though we get that, we wouldn’t generate decent profits on the land.”

The basic payment scheme, governed by EU regulation under the Common Agricultural Policy, gives farmers money based on how much land they use. It accounted for 61 per cent of the average annual farm profit of £37,000 from 2014 to 2017, according to the Department for Environment, Food and Rural Affairs.

Defra is creating a new system of subsidies after Brexit that will be based on compensating farmers for environmental and wildlife protection rather than by acre of land. The basic payment scheme will be phased out from 2021 to 2027, causing alarm among farmers who worry that the new scheme will be implemented too quickly or in a disorganised way.

Scurlock says that farmers are generally well-prepared for the end of the Common Agricultural Policy but that they lack details. “We believe farmers will need support to enhance competitiveness, [such as] capital grants for new farm buildings, investments in infrastructure,” he says.

“Moving into domestic agricultural policy creates a lot of uncertainty and the generally slow progress adds [to it]. In such uncertain times many farmers are looking to diversify their income streams to make sure they are not dependent on public funding.”



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There are 275 community energy organisations in England, Wales and Northern Ireland, according to a 2019 state of the sector report by Community Energy England. The government is in the process of setting up local energy hubs across England to grow community energy projects. Scurlock says that while these groups might be able to generate slightly lower returns than demanded in the private sector, collective decision-making can be slower and it can be harder to raise the initial capital.

The solar farm at Newton Downs was built by Good Energy in 2017 and sold to Community Owned Renewable Energy Partners (Core). Core has brought together six solar farms to give communities the time and the support needed to acquire them over time.

“The great advantage with Core is that you pay the money back,” says Andrew Moore, a director of Yealm Community Energy. “They get to do it again. It’s the business of taking public altruism and aligning it with business.”

This month, Yealm Community Energy celebrated the connection of Creacombe, a second community solar farm nearby. It plans to launch a share offer in the summer that will allow local people to invest directly in the two solar farms. Yealm says Creacombe is the UK’s first subsidy-free community solar farm because part of it was connected to the grid in January, after the government’s feed-in tariff, introduced to support small-scale renewable projects, ended in 2019. While the end of the feed-in tariff creates fresh challenges, Creacombe demonstrates that community energy projects can still be financially viable.

The community element was the deciding factor for Jake Harris, who was reluctant to sell off land to the private sector. “A bunch of people my age could sell a bunch of land to developers to build houses, but then you lose the land,” he says.

“If you can do this without taking away the land for farming, it’s better. If we can do well out of it and the community can do well out of it and it’s environmentally friendly, that’s where I am with it.”