



BEAL ATHA NA MUICE  
FARM SUCCESSION &  
WELL BEING EIP

# Beal Atha na Muice Farm Succession and Well Being

European Innovation  
Partnership (EIP) Project

## Final Report

October 2023



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# Foreword

**Martin Heydon T.D.**

**Minister of State,  
Department of  
Agriculture, Food and the  
Marine.**



I want to congratulate all those involved in the Béal Átha na Muice Project. Farm succession is never an easy topic to discuss as each farm has its own story and its own unique set of circumstances. It involves many different questions – financial, taxation, successors, timing – and this can create a range of challenges and mental strains. It is therefore vital that we support families in addressing these issues and create environments where conversations on the future of the farm can take place.

I was particularly struck by the wide range of experts that the project drew on which demonstrates the complex nature of succession and how it involves many different aspects. The projects learnings show the benefit of providing farmers with access to these experts and highlight that a farm's needs vary based on the stage of the succession journey it is at.

This project perfectly captures the ethos of European Innovation Projects also. While each farm is unique, the broad set of circumstances covered by Béal Átha na Muice is reflective of farms across Ireland and their willingness to take part has led to the many beneficial findings contained in this report.

Agriculture has survived in Ireland across many generations, it is a huge part of who we are as a country, and I look forward to this project's learnings playing an important part in supporting the current and next generation of farmers.

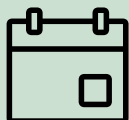
# Executive Summary

## Key Project Statistics



**30**

**Farmer  
Participants**



**65**

**Average age  
of participants**



**68**

**Average farm  
size in acres**

**Asset valuation**

**€725,000**

**Average value of  
participants  
farm & dwelling**

## Making a will

**11 participants had no will made**



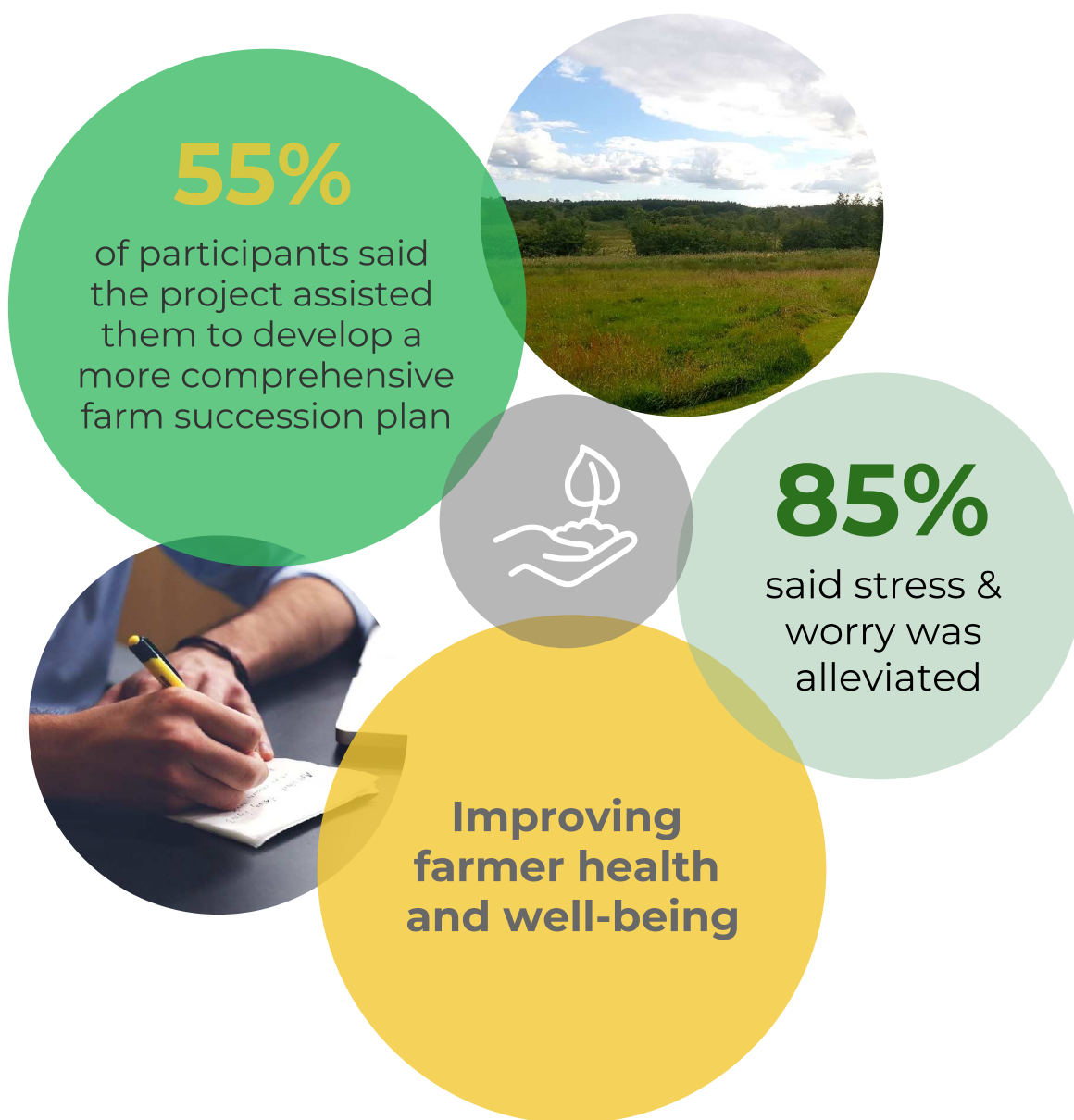
**66% of  
participants  
did not have  
a will that  
reflected  
their  
intentions in  
respect of a  
succession  
plan**

## Succession Plan in Place

**50% of participants stated they had a  
succession plan in place**

**However, only 10% discussed the  
financial implications with an expert**

**"Investment in an on farm succession programme would deliver significant value for money in the long-term and contribute positively to developing sustainable farm enterprises for the future."**



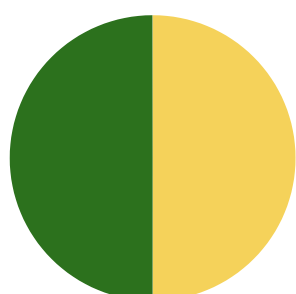
**"EIP organisational group recommends an initial financial budget of €9m to be allocated to the agricultural sector to assist 10,000 farmers with farm succession"**

The Beal Atha na Muice Farm Succession & Well-being project was conducted under the European Innovation Partnership (EIP) structure. The timely and smooth transition of farm assets through an effective farm succession plan is fundamental to the sustainability of agriculture in Ireland. The information gained in this project makes a significant contribution to research and delivers knowledge for practice in the area of farmer well-being **in the process of farm succession**. By conducting an in-depth analysis of the process of farm succession with thirty farmers, through interviews and meetings with members of the projects operational group, **this study develops a comprehensive understanding of the challenges, stress and concerns faced by many farmers in that process**. This executive summary profiles the key project findings, outcomes and recommendations of the study.

## Project findings

A number of key findings emerge from this project, which include:

- At the outset of this project **only 50% of participating farmers (15 of 30) had a succession plan for the future of their farm enterprise**, see Figure 1. Regarding the farmers who had a succession plan in place, none of them had a formal written plan documented and many of them had not communicated the plan to the successor and/or other family members. This demonstrates that the issue of farm succession is not formally planned for, and/or not widely discussed, within many farm households.

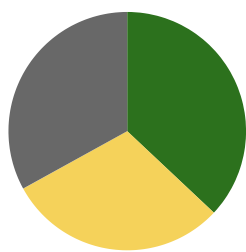


**Figure 1: Status of Succession Plan at outset of the Project**

● Yes ● No

- One of the primarily legal instruments to operationalise a succession plan is “a will”. As displayed in Figure 2, at the outset of this project 11 of the 30 participating farmers had not made a will to state who their farm passes to after their death, or where applicable, the death of their spouse. **Of the 19 farmers who had “a will” in place, nine of those stated that it needed to be updated, meaning that 67% of the participating farmers did not have a will in place that reflected their current succession plan**, or in the absence of a succession plan, one that did not state who they wished their farm to be transferred to upon their death. Those who had a will in place had very general provisions which did not properly or adequately provide for the succession of the farm.





**Figure 2: Status of Will for Succession Purposes at Outset of the Project**

- No will in place
- Will requires updating
- Will in place

- Throughout this project it was discovered that the participating farmers all interact with an agricultural consultant, accountant and solicitor on an annual and/or ad-hoc basis to deal with operational, financial and legal matters pertaining to their farm enterprise. **However, the majority of these farmers, had never discussed the process of farm succession to any meaningful extent with their respective agricultural consultant, accountant or solicitor before participating in this project.** Of greater concern, it was identified that many farmers had not even discussed farm succession with their own immediate families to include, in some cases, their intended successor. This provides evidence that farm succession is an issue which is not widely discussed by farmers and a culture of secrecy appears to exist on the matter within the industry.
- This **project reveals that several issues can cause a significant amount of stress or worry for farmers when developing a succession plan.** Such stresses or worries do not only appear to be present for farmers who have no potential successor identified but are also evident in situations where farmers have identified potential successors. Some key issues causing stress or worry are:
  - Deciding on who the right successor for the farm enterprise is.
  - Frustration regarding potential successors not being interested in taking over the farm.
  - The uncertainty of knowing the correct timing and execution of a succession plan.
  - Concern over what other family members may think of a potential succession plan and the possibility of it causing arguments within families.
  - Financial concerns and a fear factor regarding potential tax liabilities that may arise on the transfer of farm assets.
  - Legal concerns over the implications of a lifetime transfer of assets compared to a transfer of assets on death.
  - Retirement income concerns for the retiring farmer post the transfer of farm assets.
  - Concerns regarding future healthcare needs and the cost of same. For example, how will a farm succession plan impact their potential participation in the national Fair Deal scheme.



- Concerns over the farm being sold by the successor or that the farm does not remain in family ownership.
- Concerns over the legal rights of the spouses/partners of the successor in the event of a breakdown of a marriage or relationship.
- A major concern of many farmers was the fact that the intended successor had no interest in farming or no desire in taking over the farm because they had other “steadier” employment with regular guaranteed income.
- The potential rights of spouses or partners who “marry into” the farm was a matter of concern to many farmers.

#### **Project spending:**





**The approved funding by the DAFM to this EIP project was €120,770.00. The final cost of the project was €115,566.27, which was within the initial approved budget. The financial breakdown of the project is outlined in Appendix 2.**

#### **Project outcomes:**

This project delivered several positive outcomes for the farmers participating in this study including:

-  All farmers participating in the project confirmed that they were satisfied that they had participated in the project with many highlighting the positive impact it had on their farm succession process. **Over half of the participants (55%) noted that their participation in the project assisted them to develop a more comprehensive farm succession plan.**
-  The benefits noted by the farmers from participating in the project include:
  - Participating farmers highlighted how the project provided them with the impetus to discuss the issue of farm succession with the experts as this was something that had not been previously undertaken.
  - The project **provided participating farmers with the opportunity to ask questions and gather information on issues that concerned them from the experts** within the project operational group. A particular emphasis was placed on the benefit of asking questions regarding the taxation and legal ramifications of potential farm transfers.
  - The project helped many of the participating farmers to **realise the importance of putting a succession plan in place** and how there was little benefit of delaying or putting off the process any longer.
  - Participating farmers also declared that the health & well-being element of the project really benefitted them. The incorporation of a “health-check” for each farmer within **this project provided many of the farmers with an opportunity to review their physical health**, an activity that many would not have engaged in otherwise.



-  Involvement in this project resulted in many of the participating farmers putting “a will” in place, or where necessary updating an existing will to reflect their current succession plan more accurately. Putting “a will” in place is an important first step in developing a succession plan, therefore this is a significant positive outcome for many of the participating farmers.
-  Perhaps most important, **85% of the farmers that participated in this project acknowledged that their participation in this project helped to alleviate some of the stress and worry that existing for them** at the outset of this project regarding farm succession. This demonstrates a significant positive impact.
-  It was noted in many of the discussions with the accountant that the **farmers were unaware of the many reliefs available on farm succession and the potential benefits of planning it carefully.** The demeanour and the willingness of the farmers to open up and discuss their circumstances changed during the course of interviews as the farmers became informed of how reliefs could potentially apply to their individual circumstances and the fear factor of the unknown was lifted.
-  Involvement in this project, very importantly, prompted discussions within families in relation to ownership of the family farm, including the future potential needs of the farmer and the successors willingness to take on the farm.

## Project recommendations

This EIP provides some key recommendations for consideration by policy makers and industry stakeholders:

-  The **importance of developing a comprehensive succession plan** needs to be communicated to members of the farming community to ensure the sustainability of Irish farms. Farmers also need to be made aware that professional services providers such as agricultural consultants, accountants and solicitors have a key role to play in assisting farmers in the process of developing an effective succession plan, given their expert knowledge in this area.
-  **Within the industry there appears to be a culture of secrecy and a practice of not discussing the topic of farm succession** within the farm household, and not discussing it to any meaningful extent with professional advisors (agricultural consultants/accountants/solicitors). This cultural issue needs to be addressed by communicating to farmers the benefits of starting the conversation early within farm families and the importance of discussing the issue with professional advisors.
-  The **DAFM strategic policy paper** ‘Food Vision 2030’ sets out 4 main missions with specific goals and actions within each mission to support the farming sector and assist it in meeting its climate and other targets. Mission 2, Goal 4 sets out key actions relating to generational renewal, and it states: **‘Generational renewal of primary producers is critically important to ensuring the future viability and social sustainability of the Irish agri-food sector and of rural Ireland.** In addition, young farmers and fishers tend to be early adopters of new technologies and practices, which can act as a catalyst for others to follow. It is important to recognise that there is more to generational renewal than incentivising young farmers and that it is equally important to consider older and retiring farmers’.

Furthermore, there are three actions set out for generational renewal:

- Action 3: Continue to provide appropriate CAP and CFP supports to encourage generational renewal.
- Action 4: Pursue progressive taxation policies, especially to promote land mobility and assist succession, including the early inter-generational transfer of farms, to support both younger and older farmers.
- Action 5: Support and further develop collaborative farming models.

The findings of this project reaffirm the need for these actions as called for in 'Food Vision 2030' and recommends further work in these critical areas to support generational renewal in Irish agriculture




Under various agricultural policy schemes financial support is available to farmers to assist them with the cost of various initiatives, yet **there is no financial support available to farmers to assist them in the specific area of farm succession.** This issue needs to be addressed by putting in place a financial package which farmers can avail of. For example, the process undertaken in the EIP could provide a template of best practice to be developed at a national level, whereby farmers would be provided with financial assistance to pay for the cost of a meeting with four professionals (an agricultural consultant, an accountant, a solicitor and a health & well-being expert) on the specific issue of farm succession. In this regard and considering the commitment to assist generational renewal in 'Food Vision 2030', **the EIP organisational group recommends an initial financial budget of €9m to be allocated to the agricultural sector to assist 10,000 farmers with farm succession,** in a programme that mirrors this EIP. A targeted grant support scheme would be setup to enable farmers to receive 60% grant aid on fulfilling certain conditions. Similar incentives are in place for registered farm partnerships. Currently tax relief is available for a farm partnership which qualifies as a Succession Farm Partnership. This is a Registered Farm Partnership, whereby a farmer agrees to transfer at least 80% of the farm assets to a chosen successor within a specified period. While acknowledging that our initial recommendation is a significant amount of money, it is important to highlight that this initiative has the potential to deliver significant long-term benefits in terms of contributing positively to the sustainability of Irish agriculture. Furthermore, in comparison to some short-term agricultural support initiatives in recent years, the long-term benefits of an initiative on farm succession would deliver significant value for money.



Throughout this project the collaborative farming model of farm partnerships was discussed extensively as a mechanism which could potentially support the farm succession process. Of the 30 farmers participating in this project, only one farmed in partnership, however, all other farmers were asked if they were open to exploring the option of entering a farm partnership with a potential successor and the response was positive. **Almost half (14 of 29) of the farmers expressed an openness to exploring the farm partnership model.** This demonstrates that there is significant potential for the farm partnership to be developed to assist with the generational renewal challenge that exists. Policy makers and industry bodies must be aware of this so that policies and frameworks to support the participation of farmers in the farm partnership model can be developed. In addition, some farmers would like to form a partnership but had

no family or potential farming partner. It is suggested that consideration should be given to an incentive scheme which could link up potential “partners” for people who don’t have an obvious successor with those who have an interest in farming but do not have a farm or the means to purchase one. Perhaps a type of partnership that could be structured in a way that would allow the incoming partner to work with the farm owner and thereafter, have an option to purchase/rent the farm either during the life of the farmer or from their estate once they die.

-  This project also provides valuable insights and lessons for stakeholders who advise farmers on farm management issues including agricultural consultants, accountants and solicitors. **These professional advisors need to be cognisant of the holistic approach required for farmers to develop a successful farm succession plan.** Many professional service providers in the agricultural industry tend to focus on short to medium term issues when providing advisory services to the farming community. A recommendation emerging from this project is for professional advisors to engage with farmers more proactively regarding the topic of farm succession, for example, if a farmer meets with their agricultural advisor/accountant/solicitor annually, perhaps every three to five years the topic of farm succession should be discussed to ensure an appropriate succession plan is developed.
-  This project also highlights the traditional tendency of farmers to favour the son as the successor to the farm, notwithstanding the fact that in many instances there is a daughter already working on the farm and interested in farming. **The role of women in the future of agriculture needs to be considered and women need to be supported and encouraged to take up positions on the farm.**
-  Given the concern raised by many farmers surrounding the potential rights of spouses or partners who “marry into” the farm, the law in this regard should be reviewed to consider the implications of this on farm succession. **Consideration should be given to alternative ways of providing for a separating spouse** which perhaps allows another family member to purchase the farm thus providing for the separating spouse financially.
-  Finally, **regarding health and well-being**, this project highlights that premature health problems, exacerbated by a lack of ongoing health assessments (for example, an annual check-up with a GP), and low levels of health-related behaviour in daily life, such as structured exercise and a cardio-protective diet, may pose a risk to activities around retirement for farmers. **This may consequently have an impact on farm succession and their ability to engage in a long, purposeful and active retirement.** Therefore, it is imperative that public health services put focused initiatives in place to engage with the farming community on health and well-being issues and encourage increased farmer participation in health screening programmes. Supports are needed to tailor health services to the needs and realities of farmers, such as opportunistic health assessment in the community and access to diagnostics locally.

# 1. Introduction

**One of the major challenges facing the Irish agricultural industry is an aging farming population.** This is not just an Irish problem, as the EU Commission states that only 7% of farmers are under 35 years of age across all EU member states. With a growing worldwide population, the demand for food is expected to increase by 70% by 2050, therefore the agricultural industry needs a vibrant and committed workforce to achieve such demands. In this context, the timely and smooth transition of farm assets through an effective farm succession plan is fundamental to the sustainability of agriculture in Ireland.

However, the farm succession process can be quite complex and can cause a significant amount of stress which can negatively affect the health and well-being of farmers and others within farm households. Conscious of this complexity through his work as an agricultural consultant, the lead coordinator developed a project proposal on the topic of “Farm Succession and Well-being”, which was successfully funded under the European Innovation Partnership (EIP) and resulted in the completion of this project. **At the project development stage, it was decided that it was important to have a project team consisting of experts in all areas of the farm succession process to complete a full circular analysis of the farm succession process for a selected group of farmers.** The project team is known as the operational group (OG) and consisted of an agricultural consultant (project leader), an accountant/tax specialist, a solicitor, a health and well-being expert, a HSE Men's Health Programme coordinator and an academic researcher (see Section 5 of this report for full details of team members).

To conduct a comprehensive analysis of the farm succession process the project consisted of a number of phases which are described in detail in Section 4 of this report. In summary, interviews and consultation meetings took place between each respective participating farmer and each member of the project's OG. Some of the spouses/partners of the participating farmer also attended the meetings. The data gathered during these interviews and consultation meetings has been analysed to develop the key findings and recommendations of this project. The knowledge gained in this project makes a significant contribution to research knowledge and delivers knowledge for practice in the area of farmer well-being in the process of farm succession. **This project provides a template of best practice that could lead to the development of a policy initiative to support farmers navigate their way through the complex process of farm succession which would have a dual benefit.** It would contribute to the improvement of farmer well-being, and it would assist in the development of sustainable farm enterprises.



The remainder of this report is structured as follows:

- Section 2 provides the background and study context.
- Section 3 details the challenge that farm succession presents.
- Section 4 outlines the research approach adopted.
- Section 5 provides details on the project team members.
- Section 6 delineates the findings of this study.
- Section 7 highlights key project recommendations.
- Section 8 outlines the dissemination plan for the project findings.
- Section 9 conclusion.

## 2. Study Context and Background

According to the EU Commission, 7% of farmers are under 35 years of age across all EU member states. Ireland, although slightly better than the EU statistic, has presently and will continue to face considerable challenges to encourage the transfer of the farm holding and attract the next generation into the industry. **The United Nations (UN), state that the world's population is set to increase by 1.1 billion by 2030 and reach 9.8 billion by 2050** with 50% of the world's population growth to be concentrated in just nine countries (1) . Many of these countries are developing countries, already struggling in harsh weather and environments, presenting considerable challenges to end poverty and hunger.

In the UN Food and Agriculture Organisation's (FAO) published documents 'The future of food and agriculture trends and challenges (2)' and 'How to Feed the World in 2050 (3)' they state the following:

-  Farmers will have to produce 70% more food by 2050 to meet the needs of the world's expected 9 billion population and
-  Annual meat production will need to rise by over 200 million tonnes to reach 470 million tonnes.

These trends mean that market demand for food will continue to grow. Demand for cereals, for both food and animal feed uses is projected to reach some 3 billion tonnes by 2050, up from today's nearly 2.1 billion tonnes. Therefore, world governments will be faced with a balancing act between feeding the world's population whilst ensuring that farming is conducted through productive sustainable farming activities.

In Ireland, the Department of Agriculture, Food and the Marine (DAFM) in their strategic policy document '**Food Wise 2025**', **states that environmental protection and economic competitiveness will be considered as equal and complementary, one will not be achieved at the expense of the other**, but that sustainable growth of the industry is a core element of the plan. Therefore, there needs to be a balance between economic, environmental and social objectives. This is further highlighted in the recent DAFM policy document 'Food Vision 2030'.

In 'Food Vision 2030', it outlines four high level missions underpinned by a series of key goals and actions, which seek to strike this balance:

1. A climate smart, environmentally sustainable agri-food sector;
2. Viable and resilient primary producers with enhanced wellbeing;
3. Food which is safe, nutritious and appealing: Trusted and valued at home and abroad;
4. An innovative, competitive and resilient agri-food sector, driven by technology and talent

1. 2019, United Nations, World Population Prospects 2019: Highlights.
2. UN Food and Agriculture Organisation (FAO) The future of food and agriculture trends and challenges
3. United Nations High Level Expert Forum - How to Feed the World in 2050



The current generation of Irish farmers face their biggest challenges of their careers with fundamental shifts in policy towards a cleaner and greener society, yet with so many demands on producing food. The same farmers have developed their businesses in the past 50 years through policies of encouraging greater production and in more recent decades continuing revised production policies whilst adapting to environmental programmes and regulations. The fundamental shift in policy taking place now, is requesting the same farmers to farm sustainably and embrace environmental programmes to promote and enhance biodiversity and related features on their farms. Farmers have always adapted to change but much of the current narrative for climate change and action implies that farmers need to do it more rapidly as their farm practices are contributing to global warming and related environmental threats. All sectors of society must play their part, but farmers may be forgiven for the many mixed messages, ultimately confusing them, particularly the older generation of farmers. Change is occurring rapidly and many farmers may not have the energy and skills to meet these demands or may not want to be part of it at this stage in their careers. **The number of farmers in the higher age categories in Ireland is very high, so there is a real and serious threat to our sector if these farmers abstain or are apathetic towards agri-policy.** Our sector must investigate and establish the necessary supports required by farmers to promote farm succession to the next generation in order to support the policy changes.

The agricultural industry needs a vibrant and committed workforce to achieve its targets. The scenario of abandoned land and rural areas is not desirable nor an ambition of EU and National policy. Irish agricultural policies in recent years have contributed greatly to encourage younger farmers into the sector through incentives such as the National Reserve and Young Farmer Scheme. **The revised DAFM policy in 2015 to permit persons onto a herd number without a legal interest in the land was a significant shift and successful in addressing some of the challenges.** The CAP 2023-2027 Complimentary Income Support for Young Farmers (CIS-YF) is an extremely attractive scheme with a rate of €175 per hectare per annum up to a maximum of 50 hectares. In terms of the past YFS programme (2015 to 2022) and indeed the current 2023 to 2027 CIS-YF, there is insufficient data to establish if these 'young farmers' have progressed in these farming entities to become the actual farmer and landowner. Anecdotal evidence would suggest that many of the 2015-2022 arrangements have yet to fulfil a complete transfer of the holding but there is optimism that these arrangements will lead to a fulfilled succession transfer in the future. The same optimism is there for the next 5 years during the CAP 2023 – 2027. However, **more needs to be completed as the majority of farms availing of these new policies are those with family members interested and willing to be involved in the farm and being a potential successor.** There are tens of thousands of farmers who are not engaging in such new incentives.

Farm Succession is rarely completed in a holistic approach, engaging with all the necessary experts to assist the farmer and his/her family in allowing the individual to a place of contentment. Contact with experts can be intermittent and used by farmers only when absolutely necessary and the lack of planning, discussion and communication is contributing to increased stress levels with consequential effects on their health. According to **Mental Health Ireland**; 'stress, if not addressed, can lead to poor mental health which can then lead to illness. This can increase the risk for accidental injuries, poor decision-making, and a poorer quality of life in general'.



This project, through leading experts in their own fields completed a full circular process to the farm succession issue with a group of farmer participants. **A close and personal communication plan was operated with these farmers and their families through the lead partner and the Operational Group (OG) over the project duration** to ensure that they received all the necessary expertise and information to assist them to have open discussions. In doing so, an assessment and development of all possible scenarios in securing the future of the farm to the next generation was independently supported by the project experts.

Research and analysis of the industry proves that there is a strong link between stress and farm accidents/well-being of the farmer. Farm succession is the unseen issue, creating so much unnecessary anxiety and very charged emotions in the farmer's mind. An unhealthy mind cannot review and develop a strategic plan of their business to execute a smooth farm succession transition. This project addresses many of these challenges and the results are of significant importance to all stakeholder groups in the agricultural industry. **Unlike any previous projects on farm succession, this EIP provided participating farmers and his/her family regular access to our experts, thus supporting them to deal with their farm succession issues.** We believe that this project makes a significant contribution to research knowledge and delivers information for practice in the specific area of farmer well-being in the process of farm succession. There is a body of research conducted on the topic of farm succession, but very little (if any) relates to the specific issue of farmer well-being in the farmer succession process.

The majority of prior studies report findings concerning farm succession based on survey data which can fail to capture and appreciate the underlying issues that cause stress and pose challenges for farmers in the farm succession process. These issues, that cause stress and pose challenges for farmers, can have a significant impact on the farmer's mental well-being. The undertaking of farmer interviews followed by consultancy meetings by OG experts in this project provides a novel and comprehensive understanding on the topic of farmer well-being in the farm succession process. **In addition, the project provides significant insights which will be shared with industry stakeholders through research dissemination activities.** Most importantly, these insights are provided by farmers on the ground who are going through the lived experience of navigating through the process of farm succession.







### 3. The Challenge

Many partners of the Operational Group (OG) are from farming backgrounds, and some continue to be involved in the home farm or have successfully become the next generation of farmers. These partners have their own real-life experiences around farm succession and understand the complexities, the difficulties and the range of emotions that are triggered when it is discussed. Other partners deal regularly with farmers and understand their challenges in terms of physical health and mental well-being. **All partners know that farm succession challenges can be a very lonely, individualistic, and isolating place to be, with farmers very conscious of not wanting to favour or disappoint those around him or her.** Farmers very rarely analyse their farms strategically, engaging with a range of experts to help them make informed decisions, hence this EIP conducted a full circular analysis and advisory service to support the participating farmers.

Farm succession raises many often difficult and sensitive questions. **Communication and the lack of it, is the predominant cause of tensions in the farm succession issue.**

Farmers usually must raise and discuss the issue directly with their family members, often reluctant due to the fear of misinterpretations, misunderstandings and dread of saying the wrong things when emotions are high. This project has assisted the participating farmers in this process, supporting them in their communication channels with their family members or other relatives, where no immediate family member is identified. The experts have independently supported the farmer through their thought processes and also identified any other support services required from the OG experts.

**Real concerns and uncertainties act as barriers to farmers implementing a succession plan or even starting the conversation.** Many questions are raised during these discussions including:

-  What will I do if I retire?
-  Who will I give my farm to if I have no one interested or an identified successor?
-  Are there tax implications?
-  Where will I live if the dwelling house is part of the transfer and are there consequences on matters such as the Fair Deal scheme?
-  Additionally, there are many concerns regarding income: where will I get my income post transfer?
-  Can the farm provide adequate income for both the retiring generation and the new generation, and could there be a tax issue for my successor?

Tax concerns also directly affect the legal and farm management issues and are wholly intertwined. Certain farm management options in identifying a suitable successor to retain all farm payments, may not be the ideal candidate from a tax perspective or perhaps more time is required before they become the ideal candidate.

The converse can also occur, where a successor is identified legally but when considered for the farm income and related farm management perspective, they may not be suitable or ready now and perhaps another short-term alternative solution or one involving other family members is preferable. All such issues were discussed and analysed during this project.

**Evidence supports the theory that general farm safety is contributed to by the mental health state and well-being of the farmer.** Additionally, research shows that Ireland loses more farmers to suicide than actual farm accidents. Regretfully, the deterioration of the mental well-being of the farmer in many cases is attributable to increased levels of depression, with farm succession and land/property issues being a contributing factor of such depression.

**Farming is associated with high levels of physical activity**, with 67.2% of Irish farmers meeting recommended targets for weekly physical activity, compared with 54% of males who are not farmers (4). **However, farming is becoming increasingly technological, reducing the need for the traditionally high levels of manual work and physical activity.** In addition, the demanding and unpredictable nature of farming places significant pressures on farmers, which can impact their ability to take care of their mental and physical health.

**It is now widely reported that the physical and mental health of members of the farming community is at increased risk compared with the general population.** The combination of factors associated with life as a farmer may play a role in this risk (5). For example, the majority of farmers in Ireland (86%) are living with overweight or obesity, a figure that is greater than the national average. Farmers in Ireland have a high prevalence of risk factors for cardiovascular disease (CVD), including high cholesterol and elevated blood pressure and CVD is among the most prevalent cause of death in Ireland and globally (6).

Psychosocial factors (7) like stress and depression are also risk factors for CVD and can be a common and accepted aspect of life as a farmer, as work levels and finances fluctuate with the seasons.

According to an Agriland survey (8), 46% of 3,000 respondents reported being impacted personally (26%) or through someone close to them (20%) by depression (9). Crucially, up to 90% of risk for CVD and stroke can be linked to modifiable risk factors, such as diet, physical activity, stress and smoking. This means that by tackling health-related behaviours like regular exercise and stress management, huge positive impacts in health and wellbeing are possible (10).

4 Van Doorn, D., Richardson, N., Meredith, D., McNamara, J., Osbourne, A. and Blake, C., 2017. [online] Teagasc.ie. Available at: <<https://www.teagasc.ie/media/website/publications/2020/Farmers-Have-Hearts---Detailed-Baseline-Report.pdf>> [Accessed 16 November 2020].

5 Van Doorn, D., Richardson, N. and Osborne, A., 2017. Farmers Have Hearts: The Prevalence of Risk Factors for Cardiovascular Disease Among a Subgroup of Irish Livestock Farmers. *Journal of Agromedicine*, 22(3), pp.264-274.

6 WHO, 2021. Cardiovascular diseases (CVDs). Retrieved from: [https://www.who.int/news-room/fact-sheets/detail/cardiovascular-diseases-\(cvds\)](https://www.who.int/news-room/fact-sheets/detail/cardiovascular-diseases-(cvds)) (Accessed 18 June 2021)

7 Rudolphi, J.M., Berg, R.L. & Parsaik, A. 2020. Depression, Anxiety and Stress Among Young Farmers and Ranchers: A Pilot Study. *Community Mental Health Journal*. 56, 126-134. <https://doi.org/10.1007/s10597-019-00480-y>

8 Phelan S. 2019. [online] Farmer survey results: 57% impacted to some degree by anxiety. Agriland.ie. Available at: <https://www.agriland.ie/farming-news/survey-results-mental-health-in-irish-farming/> [Accessed 7 April 2021].

9 Yusuf, S., Hawken, S., Ounpuu, S., et al. INTERHEART Study Investigators. 2004. Effect of potentially modifiable risk factors associated with myocardial infarction in 52 countries (the INTERHEART study): Case-control study. *Lancet*. 364:937-52.

10 De Backer G. 2017. Prevention of cardiovascular disease: recent achievements and remaining challenges. *eJournal of Cardiology Practice*. 15:13.

This project assessed the mental challenges and strains in the process of the farm succession of participant farmers within the group at the very beginning and again at the end of the project. **The project measured the impact of the introduction of all the support services from the OG experts on farm succession on the mental health and wellbeing of the participants.** It also conducted a physical health assessment, as there is a correlation of physical health to mental health and well-being. There is considerable evidence that the succession process on Irish farms can cause considerable stress, anguish and indeed misery. Predominantly, these feelings are attributable to the farmer but other close contacts such as their spouse or partner and family members are affected similarly. Tension between spouses and partners are common, due to misaligned goals for the farm and the expected role of any identified family member successor.

The increasing average age of farmers and the economic vulnerability of many farm enterprises are indicators of the challenges that exist around farm succession, with similar issues noted in other countries. **Research correlates older land-holders with lower production, reduced efficiency and reduced technology adoption, thereby highlighting significant challenges facing the sustainability of farming.** Some of the strongest barriers to innovation in agriculture are identified at farm level and relate to lack of land mobility and aging farmers.

The overarching Key Performance Indicators (KPI's) set at the outset of the project were as follows:

1. Ensuring each farmer will attain sufficient knowledge to allow him/her make decisions in relation to his/her succession plan;
2. Confirming each farmer has been provided with a succession plan tailored for that farmer's specific needs;
3. Safeguarding each farmer towards the next steps to implement the succession plan.
4. Ensuring that any farmer not intending to implement the plan has been provided with an alternative plan that might be more acceptable and achievable for that farmer.
5. Ensuring that each farmer is confident they can implement a succession plan that meets their needs and the needs of their family.

The specific KPI's for each expert within the OG and their relevant field were also identified at the outset of the project and are shown on **Table 1** below. Although each corresponding KPI is unique to that expert, this table shows the significance of ensuring all such experts are involved in the farm succession process as it is a whole circular approach, one leads on to another.

**Table 1: Specific KPI's for each expert area**

Area	Key Performance Indicator (KPI)
1. Legal	<ul style="list-style-type: none"> <li>(a) A “will” completed by each farmer</li> <li>(b) Legal advice on farm transfer provided to each farmer</li> <li>(c) Legal implications of alternative transfer arrangements outlined to each farmer (including alternative business structures such as partnerships and companies)</li> </ul>
2. Tax/Accountant	<ul style="list-style-type: none"> <li>(a) Valuation of farm assets to transfer completed for each farmer (estimated values to be provided by Breian Carroll (lead partner) who also holds an Auctioneering Licence with the Property Services Regulatory Authority (PSRA))</li> <li>(b) Tax implication of transfer established for each farmer/successor including the tax implications of alternative business structures identified.</li> <li>(c) Assessment of post transfer income for each farmer following the transfer to assess financial vulnerability in retirement</li> </ul>
3. Agricultural Consultant	<ul style="list-style-type: none"> <li>(a) Identification of farm successor completed (or consideration given to possible successor)</li> <li>(b) Succession plan (formally documented or informally discussed) completed for each farmer or at least consideration has been given to possible farm transfer arrangements</li> <li>(c) Explore when the succession plan is to be communicated to identified successors and possibly to other family members. A timeline for same should be established</li> <li>(d) A review of the impact of the transfer on subsidy payments and discussion of various farm supports available to assist the successor and retiring farmer transition</li> </ul>
4. Health & Well Being	<ul style="list-style-type: none"> <li>(a) Physical Health assessment conducted on each farmer</li> <li>(b) Mental Wellbeing assessment completed on each farmer</li> <li>(c) Advice on how to deal with issues relating to farm succession causing stress</li> <li>(d) Lifestyle plans discussed with each farmer to help the retiring farmer to prepare for transition into retirement</li> <li>(e) Attendance at initial and end of programme assessments</li> <li>(f) Attendance at education programmes</li> <li>(g) Improvement in cardiovascular risk factor targets</li> <li>(h) Improvement in psychosocial wellbeing, e.g. improved quality of life</li> </ul>
5. Overall EIP Research Project	<ul style="list-style-type: none"> <li>(a) Completion of Final Project Report to DAFM</li> <li>(b) Dissemination of findings to various stakeholder groups in the agricultural industry including farmers, agricultural consultants, rural accountants, and agricultural training &amp; education providers.</li> </ul>

This study conducted interviews and consultancy meetings with farmers to get a deep insight into the challenges and stress of farmers in the farm succession process. Prior studies on this topic have used surveys to get an overview of the general issue of farm succession but fails to capture an account of the real challenges and stress caused to farmers. **Rarely has there been a concerted effort and programme over a sustained period to support farmers on the farm succession issue.**

Publications and commentary on the topic are generally at a level of whether the farmer has identified a successor or not. **The actual reasons and challenges, of which are a multitude, are never fully investigated nor is adequate time spent with farmers to really tease out their concerns. The innovative intervention of this project addresses these challenges.** Hence this project is novel, and the results are of great significance in the ongoing challenge of farm succession in Ireland. It assesses the intricacies of the topic and helps to advise those in government agencies to introduce policy incentives that can address the identified weaknesses within the agri sector on farm succession.



## 4. Research Approach

At the outset of the project, it was envisaged that mental challenges and stress in the process of farm succession may manifest from a myriad of sources, including but not limited to: complicated taxation and legal issues associated with farm transfer and succession, financial matters such as retirement income provision and potential financial vulnerability post farm transfer for the retiring farmer (including dependants), uncertainty surrounding the identification of a successor, and perhaps the potential fear/reluctance of the farmer to retire/cease farming with the loss of their farmer identity.

**Therefore, four overarching objectives of the project were established:**

1. To identify the feelings and thoughts of the farmer, his or her spouse/partner and family member(s) experience on the topic of farm succession planning, how their emotions are affecting their outlook for their future, their relationships, their farm asset and any consequential effects they are experiencing on their physical and mental well-being.
2. To identify the supports and experts required from the OG to help the farmer overcome their emotional and other challenges.
3. To introduce the necessary support systems and experts from the OG to help the farmer through their thought processes and lead them to a peaceful and harmonious decision on the future of their asset.
4. To evaluate the individual farmer, his or her spouse/partner and family member(s), mental and wellbeing state at the end of the process to measure and identify key milestones and gaps in the supports for the farming unit.

**To explore the mental challenges and strains in the process of the farm succession, interviews with farmers was considered the most appropriate method of data collection followed by consultation meetings by OG experts** with farmers to achieve the practical outcomes of the project. Academic literature surrounding the use of interviews as a data collection instrument, note they are advantageous in situations where: there are a large number of questions to be answered, where the questions are either complex or open-ended, and where the order and logic of questioning may need to be varied. They also allow critical factors identified in interviews to be pursued through “probes” to gain more in-depth information on them, allowing the interviewees to explain and elaborate on their responses. In this project the personal experience surrounding the process of farm succession is of central focus.

**Farm succession can be an emotive and highly sensitive issue to discuss with farmers,** therefore, semi-structured interviews were deemed the most appropriate data collection method to adopt. It is also important for farmers to be assured of confidentiality in the data collection process.

A study group of 30 case farmers were chosen to participate in this project, all which were within a 15 mile radius of the OG Lead Partners office, which was the Head Office for the project. Furthermore, all partners of the OG work or reside in the Mayo area, apart from the researcher. Therefore, in terms of the OG and the selected farmers, the project did not encounter any specific geographical challenges.

The study group consisted of a diverse group of farm participants to provide a cross representation of the dynamic family circumstances that exist in farm succession scenarios. A mix of single, married and widowed farmers were included. Both male and female farmers participated in the study. In addition, the group included farm families with and without potential successors. The selection criteria used for selecting project participants is outlined in **Appendix 1**.

The consultation meetings by OG experts provided a significant practical professional service component to case farmers. **The OG experts provided customised advice specific to the individual circumstances of each individual farmer.** The experts within the OG had 'check ins' with each other and identified specific issues following the participant meetings to enable the next expert to focus on a number of key areas or requested issues identified by the farmers. **The introduction of the customised advice specific to the individual circumstances of each individual farmer provided a unique opportunity for each farmer to confront and where possible overcome the stress and challenges they face as they navigate through their farm succession process.** It is hoped that the result for each case farmer is a more well-defined succession plan that can be put into operation by the farmer in the future, thereby overcoming the stress and challenges that existed prior to embarking on this project.

To ensure the successful completion, the project team worked in close collaboration throughout the duration of the project. Online project meetings were held regularly, particularly on the completion of each phase of the project, to ensure the project transitioned smoothly from one phase to the next. To achieve the research project objectives and to operationalise the project, six phases were involved. These phases are summarised in **Table 2** below.

**Table 2: The 6 phases of the project**

Phase	Description of Phase
1. Planning	The OG held planning meetings to comprehensively develop the initial plans for the project and to put in place the necessary structures to operationalise the project to achieve the established research objectives.
2. Data Collection – Phase 1 – Interviews by Researcher	Empirical qualitative data was gathered, by the researcher member of the OG, using semi-structured interviews with each of the 30 case farmers.
3. Data Analysis Stage 1	Interview data collected in Phase 2 was analysed to identify key themes/trends/issues that emerged from the data that warranted further attention in latter phases of the research project. The preliminary findings from the analysis conducted was fed back and discussed with the OG.
4. Data Collection – Phase 2 – Consultation Visits by OG Experts	The Tax Specialist/Accountant, the Solicitor, the Agricultural Consultant and the Health & Well Being Expert all met with each farmer individually to discuss issues relevant to their respective area of expertise on the process of farm succession.
5. Data Analysis Stage 2	Each OG member compiled a written report on their consultation visit(s) with each farmers. The reports were submitted to the OG/shared with the experts (agri-consultant, solicitor, tax expert and researcher) and analysed to identify key issues to feed into the completion of the final project report.
6. Report Write-up and Dissemination of Findings	The final project report was compiled and presented to the DAFM. Other dissemination activities will be conducted post project completion, to transfer the knowledge gained, to industry stakeholder groups.

The OG believes that this project highlights the importance for farmers to engage with an advisory team (for example: solicitor, accountant and agricultural consultant) to ensure that a smooth transition of their farm to the next generation as it can significantly contribute to alleviating any associated challenges or stress involved. **The lessons learned in this project are shared in this report and contributes to documenting recommended best practice in the process of farm succession**, which in turn will contribute to the reduction of stress and improved mental well-being for farmers

### Official Launch of the EIP

**The official launch of the EIP took place on the 25th of May 2022 in the Gateway Hotel, Swinford, Co. Mayo.** Minister Martin Heydon, T.D. Minister of State at the Department of Agriculture, Food and the Marine with responsibility for Research & Development, Farm Safety and New Market Development was in attendance to meet the farmer participants and their families in addition to the EIP OG team. Earlier in the day he visited the farm of one of the farmer participants, where his son has been identified as the successor to the farm holding. At the official launch, all OG experts presented briefly their views and experiences in the EIP and the key areas of interest and knowledge that were being identified during the farmer meetings. Minister Heydon spoke of having first hand experience on his own farm of the many challenges that can occur during the farm succession process. **Many participating farmers engaged with the Minister and experts by seeking clarifications on some of the key areas in the entire farm succession process.** Minister Heydon also launched the new EIP website [www.farmsuccession-eip.ie](http://www.farmsuccession-eip.ie) which will act as a source of information on the objectives of the project with updates and information on its progress.



**Pictured at the official launch of the Beal Atha na Muice Farm Succession and Well Being EIP Project were back l to r: Christine Oates, Laurence Gaughan, Dr. Lisa Hynes, James Fitzmaurice and Dr. Michael Hayden. Front l to r: Samantha Geraghty, Minister Martin Heydon and Breian Carroll.**

## 5. The Team

This project brought together leading experts in the fields of law, tax/accountancy, physical health, mental health and well-being and agricultural consultancy into the OG, supported by a leading academic and researcher with experience specifically related to farming in Ireland. The project Lead and co-ordinator Breian Carroll and MD of Carroll Consultancy, provides farm advisory services to farmers across the entire Connacht region. He was supported by the Head Administrator of the OG, Christine Oates, who was subsequently replaced by Maeve Nevin. Every member of the OG has detailed knowledge and experience of the structure and dynamics of the farming sector and part of their daily work involves direct discussions with farmers and their families. The impact of their involvement in this project is far reaching, with continuous opportunities to engage with the farming community and sector to disseminate the knowledge gained and in their roles in contributing to public policy for this sector, when asked to make contributions or consultations.

The team is set out below:

### Breian Carroll - Lead Partner (Carroll Consultancy)



Breian is the Managing Director and Senior Agronomist in Carroll Consultancy. He has a Bachelor of Agricultural Science degree from University College Dublin and a Master in Business Practice from UCC and the Irish Management Institute (IMI). He is a DAFM registered farm advisor and was elected as President of the Agricultural Consultants Association (ACA) in July 2007 for a three year period. He currently holds the position of General Secretary of the ACA,

appointed in July 2019. He is a recognised agricultural consultant both within and outside the sector and was a member of the final judging panel for the FBD Young Farmer of the Year awards on two occasions and the Agri-Business Awards 2015 and 2016. As the Lead Partner, he also acted as the Agricultural Consultant for the project, discussing the farm business practicalities, business decisions, farming entities, securing the farm income, transferring the farm payments and all related matters with the selected participants on farm succession. He was also responsible for the entire operations of the EIP including monitoring, compliance and financial requirements, linking in with the partners, assisting in the administration such as the required internal and external reports and the final project report, communications manager to the selected farmer participants, EIP partners and externally with the DAFM, media and other communications channels. He is from a farming background, is a part time farmer and assists his mother in running the family home farm since the passing of his father in 2014.

### Laurence Gaughan – Partner (HSE)



Laurence Gaughan is Regional Project Manager within the Health and Wellbeing division of Community Healthcare West. His qualifications are a BBS and Postgraduate Certificate in Workplace Health and Wellbeing. Laurence has over 30 years' experience at management level within various functions in the HSE. This includes over 20 years' experience of leading and managing interagency projects involving



community and voluntary organisations. From a farming background, he has a keen interest in rural development and in the farming sector. He has extensive experience in organising Men's Health initiatives including the annual men's health week programme in the West. Laurence was one of the founder members of the Mayo Men on the Move programme which is now a national physical activity programme for men. With a strong sense of local knowledge and commitment, Laurence was ideally placed to act as advisor to the OG and to coordinate the various health and wellbeing aspects of this programme in conjunction with the other health experts.

#### **Samantha Geraghty – Partner (P. O'Connor & Son)**



Samantha is a partner in the firm of P. O'Connor & Son. She is a Solicitor, Chartered Tax advisor, Notary Public, Legal Representative & Tribunal Chairperson with Mental Health Commission. Samantha gives advice in many areas of Commercial Law, including banking, property and agreements. She has acted in relation to many farm transfers, sales and purchases and related matters over her 20 year career. She represents Bank of Ireland in her capacity as panel solicitor often

taking security over farmland, piggeries and poultry houses, slatted houses, and such like in support of agri loans. She is also a panel solicitor for Bord na Mona dealing with registration of bogland, easements and turbary right issues. Within the EIP project, Samantha arranged consultation meetings with the farmer participants to discuss their intentions for succession and designed a succession plan of action for the farmer, dealing with items such as wills, powers of attorney, enduring powers, farm partnerships, leases, transfers, options and sales. She ensured all aspects of her work within the OG were in compliance with its data protection and associated compliance obligations.

#### **James Fitzmaurice – Partner (RBK)**



James is a Business Advisor, Tax Expert FCCA (Fellow of the Association of Chartered Certified Accountants). He is partner with RBK Business Advisors, a 17 partner Accountancy, taxation and business advisory firm. He is the lead specialist in the Agri Business Sector for the firm and has been advising the sector for over 24 years. He has a large portfolio of farming and Agri Business clients and specialises in advising on taxation and financial matters relating to

farm successions. Within this project, James met every farmer candidate to discuss their current financial affairs, their farm asset and outlining all the possible tax implications/available exemptions, potential future income, pensions, scenario analysis, farmer specific solutions and all related issues. James also acted as an advisor to the OG in relation to auditing and compliance and support the lead partner in the financial requirements/regulations of the EIP. James also assisted as Financial Officer for the OG and Lead Partner. James is from a farming background, having successfully succeeded his parents in operating the family farm.







### Dr. Michael Hayden – Partner (Researcher at Maynooth University)



Michael is an Assistant Professor of Accounting in the School of Business at Maynooth University. He is a Chartered Accountant and lectures in the areas of financial management, management accounting and financial accounting. Michael comes from a farming background, and this ignited his research interests in the agricultural industry on which he completed his PhD. Michael is an experienced researcher and disseminates his research at national and international conferences. He has published his research in leading national and international peer reviewed journals. He has also won an award for his research and has secured significant amounts of research funding for agricultural research projects.

Michael's research output include:

-  Hayden, M., McNally, B., and Kinsella, A. (2021). Exploring State Pension Provision Policy for the Farming Community. Forthcoming Paper accepted for publication in the Journal of Rural Studies.
-  Hayden, M., Mattimoe, M., Jack, L. (2021) Sensemaking and the Influencing Factors on Farmer Decision-making. Journal of Rural Studies. Vol (84): pp. 31-44.
-  Hayden, M., Mattimoe, M., Jack, L. (2021) Sensemaking and Financial Management in the Decision-making Process of Farmers. Forthcoming paper accepted for publication in the Journal of Accounting and Organisational Change.
-  Hayden, M. (2020). COVID-19 and the Agricultural Industry. Accountancy Ireland Published by Chartered Accountants Ireland.

Hayden, M. (2017). Sensemaking and Financial Decision-making on Irish Farming. PhD Thesis. Dublin City University.

Michael's role in this project as lead researcher involved interviewing all participating farmers at the outset of the project and in conjunction with OG partners, establishing the relevant questions and areas to be evaluated during farmer meetings with OG experts. Michael also conducted the data analysis phases of the project, developed the project findings and was involved in compiling the final project report.

### Dr Lisa Hynes – Partner (CROI)



Lisa is a health psychologist and Head of Health Programmes with Croí, the West of Ireland Cardiac & Stroke Foundation (Qualifications: BA, MPsychSc, PhD, CPsychol, PsSI). Lisa completed a PhD in Psychology & Health in NUIG in 2015. Since then, Lisa has held three postdoctoral research/project management positions in Ireland and the United States focusing on self-management support for chronic conditions in primary and secondary care settings, across a range of conditions

and populations. Experienced in the development and evaluation of health behaviour change interventions, Lisa has published, presented and collaborated widely. A core feature of Lisa's work is stakeholder engagement, referring to the involvement of key stakeholders such as programme participants in programme development.

Lisa is the Chair of the Psychological Society of Ireland Division of Health Psychology, and the 2020 recipient of the Hannah McGee Excellence in Research/Practice Award. Drawing on her extensive experience in behavioural science and in her current role as Head of Health Programmes with Croí, Lisa was ideally placed to design and deliver the health & well-being element of the programme. She was responsible for the physical and mental well-being element of the project, conducted the farmer reviews and interviews and supported the OG in terms of feedback and other interventions that must be introduced. Lisa was supported in the EIP by her Croí colleagues including Madeline Rabbit who is Nurse Lead with Croí Third Age Mayo project.

#### **Christine Oates and Maeve Nevin – Head Administrators (Carroll Consultancy)**

Christine acted as Head Administrator for the majority of the project time of the EIP and was replaced by Maeve Nevin in the final months of the project. Their responsibilities as Head Administrators for the EIP included supporting the lead partner in setting up OG meetings/expert meeting with farmers, meeting agendas, communicating all updates to the project partners/participating farmers, setting up financial and monitoring requirements, assisting with the corresponding EIP reports, issuing partner payments, collating all partner reports and coordinating all administration duties of the project.

## 6. Project Findings

As outlined in section 4, this project involved two primary data collection phases. Phase 1 involved interviews with farmers by the research member of the OG. Phase 2 consisted of consultation meetings with farmers by each of the OG experts (agricultural consultant, accountant/tax specialist, solicitor, health and well-being expert). The data collected during each phase was analysed and the findings are presented in Sections 6.1 and 6.2 respectively. At the end of the project all farmers were asked for some feedback regarding their participation in the project, findings from this feedback are outlined in Section 6.3.

### 6.1 Initial interviews with farmers

**At the outset of the project, interviews were conducted with each farmer by the researcher member of the OG to gather empirical qualitative data that provided an initial insight into each farmers circumstances/ plans regarding the process of farm succession** for their farm enterprise. The purpose of these initial interviews was for the researcher to document the farmers circumstances regarding farm succession at the beginning of this project by exploring:

- The extent to which each farmer had considered or had a succession plan in place (if any).
- If each farmer understood the tax and legal implications of having (or not) a succession plan in place and if they had considered the financial implications of a proposed transfer, including retirement income provision post farm transfer.
- The extent to which the farm succession process had caused stress or posed challenges for each farmer.

**A semi-structured interview guide was developed to explore various matters concerning the farm succession process.** The interview guide was developed in sections which related to specific areas of the project. Section 1 gathered background and demographic information on each interviewee. Section 2 focused on questions that gathered information on the farmers plans regarding farm succession that could be explored and probed further in subsequent meetings with the Agricultural Consultant Member of the OG. Section 3, focused on legal matters while Section 4 focused on Tax/Accounting matters, the information gathered in these sections were explored further by the Solicitor and Accountant members of the OG during their meetings with farmers. Finally, Section 5, explored the health & well-being issues associated with farm succession for each farmer, the issues raised in this section assisted the health & well-being expert member of the OG to gain an insight into any stress or worries associated with the farm succession process for each farmer.

The initial interviews with each farmer revealed that each farmer's experience and circumstances regarding farm succession is quite unique and that each farmer has their own individual "story" to tell about their farm succession process. **However, when the data collected during these interviews was analysed, some reoccurring trends and common themes emerged from the data.** Despite each individual farmers process of farm succession being very personal and unique to the circumstances of their farm enterprise and their farm household, many of the issues uncovered and discussed during the

interviews are common across many of the participating farms. Therefore, this project helps us to develop a more in-depth understanding of the challenges, stress and concerns faced by many farmers when engaging in the farm succession process.

The key findings that emerged from each of the respective sections of the interview guide are now discussed.

### 6.1.1 Background and Demographic Profile

Thirty interviews were conducted, 26 were with male farmers, 1 was with a female farmer and on 3 occasions the interview was conducted with the farmer with his wife present. The experts reported that where the farmer's wife was present, she was most anxious that a farm succession plan be commenced and seriously discussed. The nature of farming in the geographical area of Mayo resulted in all farmers interviewed operating a beef farming enterprise, with a small number also having a sheep enterprise. **The average age of farmers interviewed was 65 years.** Regarding the marital status of farmers interviewed; 23 were married, 1 separated, 1 widowed and 5 were single. Eight of the farmers had no children. Farmers were a mix of full-time and part-time, with 10 working full-time on the farm and 20 having off farm employment. **The average size of farm enterprise owned/operated by the farmers interviewed was 68 acres**, varying from the smallest of 30 acres to the largest of 140 acres. In terms of formal agricultural qualifications, only two of the 30 interviewed had an agricultural qualification. Finally, regarding the legal structure of the farm businesses, 29 of the farmers were operating under a sole trader structure, with only one farmer operating in a farm partnership.

### 6.1.2 Farm Succession and the Agricultural Consultant

This section of the interview guide focused on exploring if farmers had a plan for the future of their farm once they decide to stop farming. If they had a plan, that plan was documented and if they did not have a plan, farmers were probed as to what circumstances have given rise to the situation of not having a plan in place. **When farmers were asked if they had a plan for the future of their farm once they decided to stop farming, only 50% stated that they did.**

Regarding the 15 farmers who had a plan in place at the outset of this project, all farmers stated that their intended plan was to transfer the farm to one of their children in the future. **Interestingly, of the 15 farmers who stated that they had a plan, none of them had a formal written plan documented**, and many of them had not even communicated the plan to the successor and/or other family members. When these farmers were probed as to the reason for not communicating their plan, some felt it may cause a family argument and therefore it is best not to discuss it, and others believed that it is best that the plan is revealed when the farmer dies. This suggests that farm succession is an issue which is not widely discussed among family members and that a shift in culture is required.

Of the fifteen farmers that stated that they did not have a plan in place, various family circumstances have resulted in this situation. The five single farmers, all who have no children, were very uncertain as to what to do with the farm in the future. A further three farmers were married but have no children and were therefore in a similar situation to the single farmers whereby they were not sure who to transfer the farm to in the future. On the other hand, six of the farmers who had no plan in place have children. For four of these farmers, a plan had not yet been developed because the children are not interested in farming or because those children are not ready to take over the farm presently.

The remaining two farmers who had children but did not have a plan in place was because they have a number of children interested in farming and they had not come to a decision as to who they would transfer the farm to in the future.

These farmers, that did not have a succession plan in place at the outset of this project, were probed as to why they have not developed a plan. **Many of the farmers were very aware that they need to put a plan in place but justified their decision by outlining that: either they had no clear potential successor identified and were waiting for one to come forward, or they had several potential successors and were waiting to see which would be the best option.** Other farmers noted that they were putting off their decision or simply did not get around to putting a plan in place, with some farmers of the attitude that it will all work itself out eventually and it will be for the next generation to sort out when the time comes i.e. when the farmer dies. Despite these honest reasons put forward by the farmers for not having a succession plan in place, **the majority of the farmers looked upon this current project as an excellent opportunity to rectify the situation by developing a plan during this process.**

### 6.1.3 The Legal Aspects of Farm Succession

This section of the interview guide focused on exploring if farmers had considered the legal aspects of the process of putting a succession plan in place and/or discussed it with a solicitor. **When farmers were asked if they ever discussed the process of farm succession in any meaningful way (apart from making a will) with a solicitor, only seven of the 30 farmers acknowledged that they did.** This is surprising given that the process of farm succession has many legal elements and therefore, one might expect that farmers would seek advice and guidance on such important aspects. However, this does not appear to be the case based on the conversations undertaken with the farmers participating in this project.

One of the primary legal instruments to provide a succession plan is a will. Therefore, much of this part of the interview focused on discussing if each farmer had a will in place and/or if they had sought legal advice on the legal implication of a potential succession plan. When farmers were asked if they had a will made, it was discovered that 11 farmers had not made a will which clearly provided for farm succession. Many had made “holding wills” or provisional will which merely provided for all property to go to the spouse upon the death of the farmer and thereafter all assets to be divided between the children. Such a will would actually cause problems in terms of farm succession and could in fact, result in a farm having to be sold in order for each child to receive their rightful inheritance under such a will.

**Of the remaining 19 farmers that stated that they do have a will in place, nine of those stated that it needed to be updated, as it did not reflect their current succession plan/wishes.** This overview shows that, at the outset of this project, 66% of the farmers interviewed did not have a will in place that reflected their intentions in respect of a succession plan, or in the absence of a succession plan, one that did not state who they wished their farm to be transferred to upon their death. This confirmed that a significant number of the farmers in this study needed assistance in formulating a succession plan and putting a will in place to reflect same. During the planning stages of this project, the OG legal expert highlighted the importance of other legal instruments for farmers. For example “a Power of Attorney” or “an Enduring Power of Attorney” are instruments which appoints individuals to look after ones business affairs if one becomes mentally and/or physically unwell. Such legal instruments are particularly relevant for members of the farming community.



When farmers that participated in this study were asked if they had any such legal instruments in place, all farmers revealed that they did not. This gave further confirmation that participating farmers needed considerable assistance and advice regarding the legal aspects of farm succession.

#### 6.1.4 The Financial/Taxation Aspects of Farm Succession

This section of the interview guide focused on exploring if farmers had considered the financial/taxation aspects of the process of putting a succession plan in place and/or discussed same with an accountant. When farmers were asked if they ever discussed the financial/taxation issues surrounding farm succession in any meaningful way with their accountant, only three of the 30 farmers acknowledged that they did. Similar to the role of the solicitor in succession planning, **it is surprising the low level of engagement of the participated farmers in this project with their accountant in the farm succession process given the financial/taxation implications of enacting a succession plan.** It is quite concerning that despite 50% of the farmers outlining that they had a succession plan in place, only 10% of farmers appear to have discussed the financial/taxation implications of such a plan.

One of the important elements of financial planning in respect to farm succession is that farmers should consider the financial implications of a proposed transfer, **particularly its effect on retirement income provision for the farmer post farm transfer.** In this regard farmers were asked if they had a private pension in place to supplement farm income post transfer. Only eight of the farmers noted that they had a private pension and many of them noted that it was quite modest. However, many farmers, 16 of the 30 interviewed, emphasised that their spouse had a good occupational pension (for example, many of the farmers wives were nurses or teachers) and this appeared to be an important source of retirement income for both the farmer and his wife. Turning to state pension provision, some of the farmers noted that they had already qualified for either the state pension (contributory or non-contributory). For farmers who had not reached retirement age, many appeared unsure as to whether they would qualify for the state pension (contributory or non-contributory) in the future and outlined that this was a financial issue that they would need to explore in the near future. Recent research at Maynooth University has found that many farmers find themselves in a position at retirement where they fail to qualify for the state pension (contributory/non-contributory). Therefore, this is an issue that these farmers should seek clarification on.

Another key issue explored in the farmer interviews when financial/taxation matters were discussed, was Farm Partnerships. Farm partnerships are well documented in the agricultural industry as an effective way to transfer farms from one generation to another, while allowing retiring farmers to remain involved in farming and facilitating new entrant farmers access into farming. There are also numerous tax credits/reliefs associated with farm partnership structures. **Of the 30 farmers interviewed at the outset of the project, only one farmer was operating their farm in a farm partnership.** During the interviews all other farmers were asked if they were open to exploring the option of entering a farm partnership with a potential successor. The response was quite positive with almost half (14 of 29) of the farmers open to exploring this option. At this stage of the project, this was noted as a key issue for other OG members (Agricultural Consultant/Accountant/Solicitor) to discuss with each farmer in subsequent meetings. Regarding the 15 farmers who were not open to the possibility of entering a farm partnership, many cited that they did not have any viable potential partner to enter a farm partnership while others simply did not see it as a potential option that would suit their current circumstances.



### 6.1.5 Health & Well-being Aspects of Farm Succession

The final element of the initial interview with farmers focused on the health and well-being aspects of farm succession. This primarily focused on exploring the various issues that caused farmers stress or worry when navigating the process of farm succession. **Some farmers noted that the process of farm succession did not cause them any significant amount of stress or worry as they had a plan in place which evolved quite naturally due to the presence of an obvious farm successor.** On the other hand, many of the discussions with farmers in this study highlights that the process of farm succession is not a straightforward process and that it causes a considerable amount of stress and worry for many farmers. This complexity is illuminated by the fact that 50% of the farmers interviewed in this study did not have a succession plan in place for their farm enterprise at the outset of this project. During the initial interviews, farmers revealed several issues that caused them stress or worry when developing, or attempting to develop, a succession plan. Such stresses or worries do not only appear to be present for farmers who have no potential successor identified but are also evident in situations where farmers have identified potential successors.

Many farmers highlighted that deciding on who the right successor for the farm enterprise can cause stress. For example, where a farmer has several children interested in farming, it can be very difficult to decide on a viable succession plan that will suit all family members. **Some other farmers stated that they have a fear that the farm will be broken up into smaller parts upon their death, whereas they would prefer for the farm to remain as an operating farm within the family.** Therefore, many farmers were quite concerned over what a potential successor would do with the farm post transfer.

Another source of stress that emerged from these interviews was that **some farmers were experiencing frustration because none of their children were interested in taking over the farm in the future.** The children of some farmers have moved abroad and have no intention of returning to the family farm, while other children have pursued rewarding careers in other industries and therefore do not wish to manage the family farm. Many of the farmers acknowledged that they understand the lack of interest from their children, as farming is quite often not an attractive business for younger people to enter, given the poor financial reward and long working hours. Despite this understanding, **they still find it difficult to accept that their children do not wish to carry on the family farm, a farm for which has been in the family for several generations in many cases.**

Many farmers alluded to how discussing the topic of farm succession within farming families, or with potential successors, can cause a significant amount of stress. This stress can manifest itself in many ways. There is concern over what family members will think of the succession plan and/or a concern that revealing a succession plan will cause arguments between family members. In this respect, some farmers felt there is a lot of pressure on them regarding “what is the right thing to do” in the eyes of others and they feel “guilty” if a potential plan does not favour all concerned – a situation which is sometimes unavoidable. **Essentially many farmers wanted to be in a situation at the end of the project where they have peace of mind by putting their affairs in order.**

Some farmers appeared to focus on worries of a different nature; many of which related to their own financial and/or healthcare needs post farm transfer. Firstly, financial concerns, were two-fold. Many had concerns about potential tax liabilities on the transfer of farm assets based on various options of the succession plan. Farmers also were concerned that

if they transferred their farm assets before death, as part of a succession plan, **would they have sufficient retirement income to live comfortably post farm transfer.** Secondly, healthcare concerns, which related to the cost of potential future healthcare requirements, whereby farmers were worried as to who would look after them in their old age and assist them financially with healthcare needs, if required. Related to this area of concern, many farmers alluded to the states “fair deal scheme” and wondered if or how any farm transfer decision would affect future nursing home or healthcare costs.

Overall, the process of farm succession is not always a straight-forward process for many farm families. As noted above, it can cause significant stress and worry in farm households. **Such stress and worry can have a negative impact on a farmer’s overall health and well-being,** therefore, the health and well-being expert member of the OG explored the overall health and well-being of each participating farmer throughout the duration of this project.

### 6.1.6 Section Summary

The circumstances uncovered during these initial interviews were documented and each farmer’s “story” of farm succession was summarised and presented to all members of the OG. This process facilitated each OG member being armed with details of each farmers situation, which provided them with an initial understanding of their plan (or lack of, in many situations) regarding farm succession, prior to their individual meetings with each farmer.

## 6.2 Findings from Farmer Meetings with OG Experts

**All OG experts met each of the 30 farmers individually for a consultation meeting to discuss the farm succession process.** Each of the sub-sections that follow now outline the main findings from each respective meeting.

### 6.2.1. Farmer meetings with Agricultural Consultant

The first expert to meet the farmers after the initial meeting with the researcher was the Agricultural Consultant. The purpose of these meetings was for the Agricultural Consultant to discuss each farmers succession plan (or potential options for a plan) in more detail. At the outset of the project there were four Key Performance Indicators (KPI’s) developed for this element of the project, which were as follows:

- a) Identification of farm successor completed (or consideration given to possible successor).
- b) Succession plan (formally documented or informally discussed) completed for each farmer or at least consideration has been given to possible farm transfer arrangements.
- c) Explore when the succession plan is to be communicated to identified successors and possibly to other family members. A timeline for same should be established.
- d) A review of the impact of the transfer on subsidy payments and discussion of various farm supports available to assist the successor and retiring farmer transition.

During the researcher meetings with farmers, it was established that 15 of the 30 farmers participating in this project did not have a succession plan in place, this was reconfirmed by the Agricultural Consultant. Regarding the 15 farmers that had a succession plan in

place the Agricultural Consultant explored these plans with farmers to ensure that each respective farmer was happy with their plan and if there were any issues that they would like to discuss regarding their respective plan. Most of these farmers confirmed that they were happy with their plan and would like to take the opportunity in this project to review the financial/tax and/or legal implications of their proposed succession plan. The Agricultural Consultant confirmed with these farmers that there would be an opportunity to review such matters in their meetings with the Accountant/Tax Specialist and Solicitor OG members during subsequent phases of this project.

**Regarding the 15 farmers who did not have a succession plan in place, many of them had family circumstances which resulted in no obvious farm successor.** Many of the participants did not have children to pass the farm onto, while others had children who were not interested in becoming a successor for their farm. Many of these farmers acknowledged that the circumstances of having no identified successor caused them a significant amount of stress or concern. Therefore, the Agricultural Consultant focused on exploring possible succession options with each farmer with the aim of developing a succession plan within the timeframe of this project.

In the first instance, discussions were held with these farmers to explore potential successors. As discussions evolved it was discovered that in many cases, farmers in this situation had never taken the time to adequately explore succession options and that this project was providing them with an ideal opportunity to do so. Interestingly many of the farmers acknowledged that they had never discussed farm succession with family members (or where applicable extended family members – for example, nieces/nephews) to any meaningful extent. During the meetings between farmers and the Agricultural Consultant, **some farmers did identify potential successors, therefore, an action point for these farmers in this phase of the project was to have discussions with family members and potential successors.** Unfortunately, some farmers found it difficult to identify an appropriate successor which meant that alternative plans for their farm was necessary to explore.

Alternatives were largely determined by the retirement plans of each farmer. There is a culture in farming for farmers not to retire and this was evident for many of the farmers participating in this project. **Many of the farmers who failed to identify a potential successor proclaimed that they intend to farm as long as they are able and are adverse to retirement.** In such instances it is intended that the farm transfer will happen upon death. For farmers who do wish to retire and have failed to identify a potential successor, a minority noted that selling the farm in the future was an option. However, the option of leasing appeared to be more appealing for many.

During these interviews, the Agricultural Consultant stressed to participating farmers the importance of communicating their succession plans to potential successors (and other family members where relevant), **and where possible putting a time frame on when an intended transfer of the farm assets would take place.** In this respect, the agricultural consultant probed farmers to put a time frame on an intended transfer. Responses revealed that 12 farmers intended to transfer their farm to a successor in the short term (three to five years), four farmers expressed it would be in the medium term (five to ten years), while three farmers outlined that it would be more long term (ten years plus). Nine of the farmers, all who have failed to identify a potential successor, were unable to state a time frame given the uncertainty of their succession plan. These responses highlighted how the absence of a farm successor poses a serious challenge to the sustainability of rural farms as the timely transition of farms to the next generation is delayed.

Finally, the Agricultural Consultant reviewed each farmers succession plan to check if there were actions that could be taken to ensure farmers and/or their successors qualified for available supports from the Department of Agriculture, Food and the Marine (DAFM) to assist with farm transfers. **It was discovered that in seven of the 15 cases where a succession plan was in place, an identified successor did not have a required farm education qualifications but had the potential to complete one before reaching the age limit of a young trained farmer, which is currently 40 years of age.** Many of the farmers were unaware of the conditions of availing of such supports – this highlights the importance of farmers engaging with their agricultural consultant/farm advisor when developing a succession plan to ensure that the appropriate steps are taken for the most efficient execution of a plan.

### 6.2.2 Farmer meetings with Accountant/Tax Specialist

Subsequent to farmers meeting with the Agricultural Consultant member of the OG to discuss their succession plan (or potential options for a plan) in detail, each farmer met with the Accountant/Tax Specialist member of the OG to discuss any financial and taxation related matters regarding potential succession plans under consideration. At the outset of the project there were three Key Performance Indicators (KPI's) developed for this element of the project, which were as follows:

- a) Valuation of farm assets to transfer completed for each farmer.
- b) Tax implication of transfer established for each farmer/successor including the tax implications of alternative business structures identified.
- c) Assessment of post transfer income for each farmer post transfer to assess financial vulnerability in retirement.

The Lead Partner and Agricultural Consultant member of the OG possesses an Auctioneering qualification and an approved licence. He provided the OG with an **estimated market value of the 30 participants farm properties and their residence(s), particularly to assist the OG Accountant/Tax Specialist.** A review of the valuation of farm assets showed that the **average value of farmland and buildings owned by the 30 farmers who participated in this study was €460,000 and the average value for the family home of the farmers was €270,000.** The majority of family homes are part of the farm holding and when we assessed the total value of farm assets (including other smaller items), an average value of €725,000 was determined per participant.

The average value of assets of €725,000 explored in this project is a considerable amount and could result in considerable potential tax liabilities on transfer from farmer to farm successor. However, if farmers engage with an accountant/tax advisor, potential liabilities can be significantly reduced and quite often eliminated if the transfer is structured correctly and planned for, well in advance. Therefore, we believe that **it is imperative for farmers to be aware of such tax planning considerations** when considering a succession plan. This is particularly relevant given that **only 10% of the group had previously contacted their accountant/advisor to get advice on farm succession.**

This study highlighted many key considerations for farmers regarding potential tax liabilities that could arise on the transfer of farm assets, primarily in the areas of Capital Gains Tax (CGT), Capital Acquisitions Tax (CAT) and Stamp Duty (ST) and how they could be minimised through careful planning. In regard to each of these areas of taxation (CGT/CAT/SD), there are various reliefs available to farmers and many of the meetings with



farmers focused on exploring potential reliefs applicable to each farmer based on their specific circumstances, farm succession plan under consideration and the value of farm assets being transferred. This involved the Accountant/Tax Specialist explain the conditions of various reliefs available to farmers in respect to farm transfers such as Agricultural Relief, reliefs associated with Young Trained Farmers and Consanguinity Relief. **The meetings also explored the importance of timing of transfers and the difference between lifetime transfers and transfers on death and how a change in the successors circumstances in the future could impact on potential reliefs.**

The primary relief discussed with farmers during the meetings was Agricultural Relief. This relief means that, subject to specific conditions, if a person receives a gift or an inheritance of agricultural property they may qualify for Agricultural Relief, thereby reducing the taxable value of the property (including land) by 90%. Many of the farmers in this study were not aware that this relief existed, and of those who were aware, many were not clear on the qualifying conditions and/or were unsure whether it would apply in their individual circumstances. Therefore, during these meetings the Accountant/Tax Specialist spent time explaining the qualifying conditions of the relief to farmers.

Once farmers were briefed on this relief, understandably, **many were anxious to gain advice from the Accountant/Tax Specialist as to how the transfer of their farm assets could be structured for their successor to avail of this relief.** Upon review of the circumstances outlined by many of the farmers by the Accountant/Tax Specialist it appeared that in that majority of cases, succession plans could be structured in a manner whereby Agricultural Relief would apply, thereby reducing the potential tax liabilities for farm successors. However, in some instances this involved the farmer being advised to make amendments to their succession plan by restructuring it in a way that meant their farm successor would qualify for the relief. Some farmers, who were considering transferring their farm assets to a successor who did not intend to farm the land post-transfer, were pleasantly surprised to hear that, despite their intended successor not being an “active farmer” they may still qualify for Agricultural Relief. **These instances highlight the importance of farmers taking time to carefully plan their farm transfers, and during this time they should seek advice from a tax specialist** so that farm transfers can be structured in a manner to minimise tax liabilities for all concerned.

One of the most common issues arising, based on the circumstances of potential succession plans discussed, **was the importance of getting the timing of transfers right so that the conditions of specific taxation reliefs available would be met and therefore, potential tax liabilities would be reduced.** This aspect of “timing the transfer” was important from a number of perspectives. In many instances the difference between a “lifetime transfer” and “a transfer on death” appeared to have a significant impact on the potential tax liabilities for many of the participating farmers. It was evident from the meetings conducted that most of the farmers in such circumstances were not aware of how these two separate and distinct transfer timeline options could give rise to varying potential tax liabilities. For example, **it was clear from many of the case farms that if a farmer made a lifetime transfer, compared to a transfer on death, it would significantly reduce the potential tax liability for the farm successor.** This was mainly evident in circumstances whereby, if a farmer transferred the farmland and farm buildings only (excluding the family home) during their lifetime, the successor could avail of Agricultural Relief. Whereas, if the farmer waited to transfer the entire farm assets (farmland, farm buildings and family home) until death, the successor may not avail of Agricultural Relief and a significant tax liability would arise. In terms of “timing the transfer”, another



important aspect for many of the case farms was the age of the potential successor, as some taxation reliefs were only available to farmer successors before they reach a certain age and hence any succession plan would need to be enacted before the farm successor reached that age so that potential taxation liabilities could be reduced/eliminated. **A further benefit of the planned lifetime transfer is that it would provide certainty to both the farmer and successor in evaluating the tax consequences of the transfer.**

Another important lesson arose during the course of the meetings between farmers and the Accountant/Tax Specialists, when some farmers outlined that their intention was to leave their farm between a number of children, in equal shares, in their “will”. The Accountant/Tax Specialist outlined that in such circumstances that while it may be tax efficient, as each child may not get assets with a value in excess of the CAT threshold for transfers between a parent and a child, and therefore avoid any major tax liabilities for each successor, other difficulties may arise if a number of children owned the land jointly. For example, it may not be possible for the land to remain farmed within the family, as one of the children may wish for the farm to be sold. In such circumstances it may be best for a farmer to split a farm into separate parcels, and therefore it is an individual decision for each successor as to their intentions for the future of the farm. However, **splitting the farm between a number of successors may be detrimental to the long-term viability and sustainability of the farm enterprise.**

A key area of focus in this aspect of the project was the **exploration of collaborative farming structures** (for example Farm Partnerships) to facilitate the transfer of farm assets. There are numerous financial/taxation benefits to encourage farmers to enter farm partnerships as they are seen as a good mechanism to assist older farmers transition to retirement and to encourage new entrant farmers into the industry. During the initial researcher interviews with farmers, when they were asked if they were open to exploring the option of entering a farm partnership with a potential successor, approximately 50% of the farmers were open to exploring this option. During the meetings with the Accountant/Tax Specialist, the financial/taxation elements of **entering a farm partnership** with a potential successor was discussed in detail. This resulted in **eight of the farmers expressing an interest in forming a farm partnership** and noted that they will follow this up as a possibility in the future. In Ireland there is a relatively low up-take for farm partnerships, however, the meetings with this group of farmers confirms that if farmers are educated and informed about the potential benefits of them, perhaps the up take would be much higher.

The final section of the meetings between farmers and the Accountant/Tax Specialist focused on a review of post transfer income for each farmer. This was deemed important as many farmers may feel financially vulnerable in retirement and as a result may be quite adverse to the idea of transferring assets before death, even though it may reduce potential tax liabilities if they did not wait until death to transfer. **The majority of farmers did not appear to be overly concerned about financial security post transfer as many of them were in situations where they and/or their spouse were in receipt of a pension.** Other farmers acknowledged that they had a level of savings which they believed would be adequate for them to live comfortably post transfer. On the other hand, some of the farmers outlined that they will not transfer their farm assets before death because they do wish to keep them as a means of financial security in old age. Some will continue to farm until death or ill-health, while others expressed a wish to retire and lease the land for a steady income in retirement. The various circumstances outlined by each farmer highlighted the importance of farmers considering their post transfer income needs and incorporating this into their succession plan.

Related to the issue of financial security in retirement or post transfer of farm assets, **the topic of how potential future healthcare needs may be funded arose in many of the Accountant/Tax Specialists conversations with farmers.** In this respect, the application of the **Fair Deal Scheme (FDS)** was of primary concern and how it affected the transfer of farm assets. Most farmers were unsure as to how the FDS operated and were concerned if a portion of their farm assets may be subject to government ownership under the scheme in the future.

Again, the timing of farm asset transfers was of utmost importance in this respect. Under the terms of the FDS any assets transferred within the past five years are included under the financial assessment for an applicant. Therefore, if a farmer wishes for farm assets (including the farm household) to be excluded in the financial assessment to qualify for health care under the FDS, it must be transferred during the farmers lifetime (not on death) and at least five years before a farmer enters the FDS. In the event that a farm is taken into account for the FDS, the majority of farmers were unaware that the farm would only form part of the financial assessment for a period of 3 years were a farm successor had been identified. **The prominence of the discussion on this issue with the farmers highlights the concerns and worry that can be caused by a lack of knowledge around such issues** and again demonstrates the importance of farmers engaging with advisory services to become informed.

### 6.2.3 Farmer meetings with Solicitor








Subsequent to participating farmers meeting with the Accountant/Tax Specialist of the OG to discuss their succession plan (or potential options for a plan) in detail, each farmer met with the Solicitor member of the OG to discuss any legal matters regarding potential succession plans under consideration. At the outset of the project there were three Key Performance Indicators (KPI's) developed for this element of the project, which were as follows:

- a) Determine if “a will” is made by each farmer.
- b) Legal advice on farm transfer provided to each farmer.
- c) Legal implications of alternative transfer arrangements outlined to each farmer (including alternative business structures such as partnerships or companies).

During the initial interviews with farmers at the outset of the project by the researcher member of the OG, **it was discovered that 11 farmers had not made a will to state who their farm passes to after their death**, or where applicable, the death of their spouse. Furthermore, of the remaining 19 farmers that stated that they do have a **WILL** in place, nine of those stated that it needed to be updated, as it did not reflect their current succession plan/wishes. Therefore, the solicitor focused their conversation with many farmers on the importance of putting a will in place, or if a will is in place, the importance of ensuring that it is up to date to accurately reflect the current wishes of each farmer. During the solicitor meetings, **many of the farmers who had not got a will in place, or who needed to update it, explored potential options about how their farm assets could be bequeathed in a will, and the legal implications of same.** In fact, in the intervening few months between the initial interview of farmers on this project and the solicitor meetings, two of the farmers who had not got a will in place at the outset made their will. Many other farmers confirmed that they intended to make a will with their own solicitor in the near future, and that this decision was greatly influenced by their participation in this project.

However, it was observed by the solicitor in the farmer meetings that **a small number of farmers**, despite having discussed various options with the agricultural consultant, the accountant/tax specialist and now the solicitor member of the OG, **were struggling to arrive at a decision as to whom to transfer their farm assets in a will**. This unwillingness to commit to a decision regarding the transfer of farm assets via a will highlights that there may be underlying psychological reasons that explain this; an issue which could be explored in future research. **This unwillingness also shows how complex an issue farm succession can be for farmers, and how it can cause a considerable amount of stress and worry in such instances**. It appeared that there were two primary causes for farmers struggling to arrive at a decision; firstly, some of the farmers had no identified successor and were in a predicament as to who to bequeath their farm assets, and secondly, some farmers sighted family make-up situations making their decision difficult (for example, separation, divorce, estranged children and widowed with children with new partner).

In fact, many if not most of the farmers were reluctant to engage fully initially in the discussion with the solicitor. **There seemed to be a “fear” that they would be forced to implement a plan and dispose of their farm there and then**. However, once a rapport was established between the farmer and the solicitor, the farmers opened up and spoke freely of their fears and concerns regarding farm succession. **Many expressed concerns which they thought were unique to them or their family such as:**

-  A child (often the intended successor) being in an unstable marriage/relationship and fears that the family farm would be lost in the event of divorce or separation proceedings.
-  The intended successor not being in any relationship and fears that “he/she” would not have a family to pass the farm onto.
-  The intended successor not being in any way interested in farming having already chosen a trade, profession or occupation that provided a more regular and stable income. In a number of cases, the entire family (often 3, 4 and 5 children) had all emigrated to Australia, the UK and Canada.
-  The farmer not having any family themselves and having to look further afield for a successor – to nieces and nephews. In this instance, there was a secondary fear that if they disposed of the farm, they would not have any security for their old age as they did not have children of their own to care for them.
-  The farmer being left idle if they transferred the farm during their lifetimes – a fear of giving up control and having no say in the running of the farm.
-  A failure to talk about the farm within the family; children afraid to ask what the intentions of the parent were for fear of being accused of gold digging or a fear on the part of the parent to ask a child if they were interested in taking over the farm for fear of upsetting the other children or for fear of putting pressure on that child to stay at home and provide care for the parent in return for the farm.
-  A fear of transferring the land “too early” as the successor could sell up.

- 🌱 A desire to “rule from the grave”, the land must stay in the family for generations to come and cannot be sold or mortgaged.
- 🌱 A preference on the part of the farmer to retain ownership during their lifetime and to pass the farm on foot of a will versus a reluctance on the part of the successor to become actively involved with the farm on the basis of the ‘word of mouth’ promise that “it will be yours”. A fear on the part of the successor that they will maybe change after they have invested years working on the farm.

**What became obvious very soon into this project was that the fears and concerns of farmers were common to all farmers and that there was a real need to “start the conversation” especially in the home.**

The solicitor endeavoured to encourage conversation within the family surrounding farm succession and encouraged both the recipient and the donor to obtain advice together regarding the proposed plan. The solicitor also encouraged farmers to get continuous and ongoing advice as laws and tax regimes change. Many farmers had viewed the making of a will as “a last step” rather than the “first step” of the succession plan process. The solicitor encouraged the participants to continuously review their wills, update their wills and change their wills as and when their circumstances changed through life (a 5-year review was recommended).

Farmers were not only advised by the solicitor about the importance of having a **will** in place, they were also advised about the importance of having a **Power of Attorney** (appointment of someone to look after your affairs if you are mentally well but physically unable – temporary or permanently) and/or an **Enduring Power of Attorney** (appointment of someone to look after your affairs if you are mentally unwell) in place. It appears that only one of the 30 participating farmers interviewed have a Power of Attorney in place. Given the nature of running a farm business, if a farmer become physically and/or mentally unwell, be that on a temporary or permanent basis, the solicitor explained to each participating farmer the importance of having such legal instruments in place. **When this issue was discussed with farmers, most were open to the idea and realised the importance of putting them in place.** Some farmers provided examples of why they were very much in favour of such legal instruments. One farmer noted that his sister had developed the illness dementia, and how it is possible that he could in the future. Another farmer outlined that he was involved in a serious accident previously which left him unable to farm for a period of time. Such examples highlight instances of where farmers should have a **Power of Attorney** in place. Essentially many farmers were acutely conscious of the difficulties which arise when a person loses capacity either as a result of a diagnosis of dementia or a brain injury from their own personal experience of elderly relatives or neighbours but had been unaware of the steps that could be taken to allow the farm to be operated by a third party in this eventuality such as the enduring power of attorney. All participants without exception were keen to learn more about this process.

Regarding the legal advice on farm transfers, many of the conversations that the solicitor had with farmers **revolved around the difference between an inter vivos (lifetime) transfer of farm assets, compared with transfer on death on foot of a will or intestacy.** The solicitor explained that the primary difference was the financial consequences regarding potential tax liabilities (CGT, CAT and SD) and that such issues should be discussed and clarified with an accountant/tax advisor (note: in this project these potential tax liabilities were discussed in the accountant/tax specialist meetings with farmers).



**A small number of farmers highlighted to the solicitor that some of the title deeds to their land were not in order and the solicitor recommended how to resolve this issue.**

The solicitor also advised the farmers on the implications for the succession of the farm in the event that the farmer died suddenly or unexpectedly without having made a will.

**Interestingly the interviews with the solicitor revealed inconsistencies between the advice being offered by other OG partners (accountant/tax expert and solicitor) as a result of anomalies which exist between tax (financial perspective) and succession (legal perspective).** One example of this, which arose with a number of participants, was advice from the Accountant/Tax specialist to transfer the family home with the farm in order for the recipient to be able to avail of agricultural relief on the value of the house. However, the solicitor advised farmers not to dispose of their family home until their death ensuring they had the security of home ownership until their death. This highlights a need for the legislature to allow for a farmhouse to be disposed of separately to the farm while still applying the same agricultural relief. Another interesting observation from the solicitor interviews was despite a number of participants having a daughter actively involved on the farm, and in some cases caring for the elderly farmer, no consideration was given to the daughter being the preferred successor. **The traditional idea of passing the farm to the son appears to be imbedded in Irish culture.** The solicitor is of the view that the role of women in the future of farming in Ireland needs to be acknowledged, encouraged and supported.

Finally, the numerous farmers who had expressed an interest in forming a farm partnership during earlier meetings in this project were advised by the solicitor of the legal implications of partnerships as an ownership structure. As a result of learning about the operational structure and benefits of farm partnerships, and the important role that they can play in the farm succession process, it was evident that some farmers would explore this option further with others highlighting that they intended to enter a partnership with their identified successor/s. On the other hand, some farmers would like to form a partnership, but had no family or potential farming partner. **It is suggested that consideration should be given to an incentive which could link up potential “partners” for people who don’t have an obvious successor with those who have an interest in farming but do not have a farm or the means to purchase one.**

Overall, the farmer meetings with the solicitor member of the OG revealed that all participating farmers have legal matters to address in the future to ensure that they have a comprehensive succession plan in place. For some farmers, only minor issues need to be addressed, but **most of the farmers participating in this project have several legal issues that need to be addressed. Until such issues are fully addressed, many of the farmers in this project will continue to endure a level of stress and worry associated with farm succession.** Such stress and worry can in most cases be resolved by putting the appropriate legal instruments in place with a solicitor. Moreover, farmers were encouraged by the solicitor to “talk” about their concerns with potential successors, family and indeed other farmers to explore and consider all possibilities. The solicitor was satisfied that by the end of the process, all farmers had an understanding of what legal steps they could take to protect the future of their farms while maintaining an involvement and a degree of security. The participants were equipped with the knowledge required to at least broach the subject of farm succession with their immediate families and most importantly, the knowledge that the expertise was readily available to them to provide further advice, support and guidance once a plan was being considered surrounding its future (or immediate) implementation.



The solicitor is hopeful that farmers will continue to engage with the OG partners, or any other professional advisors they choose to retain, so as to continue the discussion regarding the future of their farm to ensure that whatever is ultimately implemented is the best plan to meet their needs and alleviate the concerns of that farmer.

#### 6.2.4 Farmer meetings with Health & Well-Being Expert

The Health and Well-being expert members of the OG met with farmers at the outset (February 2022) and the end of the project (August 2022) to assess the overall health and well-being of participant farmers. **The initial meeting was focused on gathering information on each farmer regarding the status of their Health and Well-Being at the start of the project, while the final meeting was to re-assess each farmer's health & well-being at the end and compare any changes throughout the duration of the project.** At the outset of the project there were several Key Performance Indicators (KPI's) developed for this element of the project, which were as follows:

- (a) Physical Health assessment conducted on each farmer.
- (b) Mental Wellbeing assessment completed on each farmer.
- (c) Advice on how to deal with issues relating to farm succession causing stress.
- (d) Lifestyle plans discussed with each farmer to help the retiring farmer to prepare for transition into retirement.
- (e) Attendance at initial and end of programme assessments.
- (f) Attendance at education programmes.
- (g) Improvement in cardiovascular risk factor targets.
- (h) Improvement in psychosocial wellbeing, e.g. improved quality of life.

Initially, a physical health assessment was conducted on each farmer. The assessments revealed that many of the participating farmers had physical health problems. During the assessments, **18 of the 30 farmers identified that they had experience of an ongoing or recent health concern**, predominantly uncontrolled blood pressure, which is the main risk factor for a cardiac event or stroke, as well as joint issues and infections. During the assessments, common physical health problems and risk factors that were identified, including: elevated blood pressure, cardiovascular issues, high cholesterol, and high BMI results with associated weight management issues. In some instances, farmers were aware of such health problems but in many cases, they were not, **and the results of the medical examinations conducted resulted in those farmers being recommended to attend their own GP** for further monitoring and/or treatment.

While attending these health checks **some farmers described stress and worry related to the implications for their day-to-day work on the farm of an accident or developing a health problem.** They worried about what would happen to the farm if they had to go to hospital in the morning, and described putting off and cancelling health related appointments to avoid finding out about issues or because they did not have enough support to free them up to attend. This has significant implications for the current and future health and wellbeing of these farmers, as demonstrated through the outcomes of the health checks completed as part of this project. Premature health problems

exacerbated by a lack of ongoing health assessments, for example an annual check-up with a GP, and low levels of health-related behaviour in daily life, such as structured exercise and a cardio-protective diet, may pose a risk to activities around retirement for farmers, such as farm succession and their ability to engage in a long, purposeful and active retirement.

In this initial consultation, the mental well-being of each farmer was also assessed. This was undertaken by asking farmers to provide a self-assessment of stresses, worries or concerns that they had, particularly in regard to farm succession. **At the outset of this project many of the farmers displayed a significant level of stress/worry regarding farm succession**, which manifested itself in various ways as documented previously in Section 6.1.5 of this report. These stresses and worries were recounted and discussed in more detail between the respective farmers and the Health & Well-being expert of the OG. Interestingly, in these latter meetings farmers did reveal other sources of stress (apart from farm succession) in their lives, which included: their general health, other aspects of their working life, and farming more generally. **During these meetings advice was provided to farmers on how such stresses could be managed and dealt with.**

It is also important to highlight that some farmers did report that farm succession caused them “low” or “no” stress. However, despite them acknowledging this, some reported sleepless nights, and some did not seem quite ready to engage with succession planning. **Of the farmers who described themselves as experiencing “low” or “no” stress around farm succession, many had a succession plan in place that they felt positive about, with many of them excited for this phase of their lives.** This highlights the positive effect of having a succession plan in place and how it can improve a farmer’s health and well-being. As part of this project participating farmers attended a group Health & Well-being meeting and were given educational documentation regarding the importance of farmers focusing on caring for both their physical and mental health. This also included the provision of information on lifestyle plans to help retiring farmers prepare for the process of farm succession and where applicable, retirement.

Once farmers had met with each OG member (Agricultural Consultant, Solicitor and Accountant/Tax Specialist) the health & well-being expert reassessed the physical and mental health of each farmer to explore if the farmers participation in this project had any effect on either their physical and/or mental health. Regarding physical health, the reassessment of physical health at the end of the project (August 2022), compared to the start of the project (February 2022) highlighted that for many of the participating farmers their physical health status had improved. It is important to note that from a health perspective, the duration between the two health assessments and the level of intervention on the health side would not have been sufficient for significant improvements in clinical outcomes. However, in terms of demonstrating the impact of the project, the improved behavioural outcomes are what is important. **Many of the farmers are more engaged with looking after their physical health (for example, attending their GP and follow-up medical appointments) as a result of participating in this project.** This outcome is an important measure of the success of this pilot project in regard to improving farmer health and well-being.

In many instances, farmers explained to the Health & Well-being expert that their improved health was directly related to how the results of the initial physical assessment encouraged them to visit their own GP to follow up on medical issues that were diagnosed. Farmers in such cases highlighted several positive developments regarding their physical health. For example, some farmers highlighted how they are now under more regular review by their GP resulting in some GP's prescribing new medications and/or changing existing medications for farmers based on the results of this initial assessment. Moreover, in some cases their GP has referred them for further testing and monitoring of medical issues that were identified through their participation in this project. **For farmers who had poor physical health results at the initial medical assessments and no improvement was noted at the latter medical assessment, the Health & Well-being expert, reiterated the importance of such farmers seeking additional medical attention and encouraged them to do so.**

Similarly, the reassessment of mental health at the end of the project (August 2022), compared to the start of the project (February 2022) highlighted that for many of the participating farmers their mental health status had improved. Several farmers highlighted how the process of speaking to the various OG experts about the process of farm succession helped them to formulate a succession plan and thereby reduce the stress and worries that it caused them. For example, **some farmers described how “a weight was lifted” in their process of developing a succession plan and that this project helped to “focus the mind” on the task in hand, while others highlighted how they have more certainty and optimism** as they now have a succession plan to focus on and implement going forward. In a minority of cases, some farmers reported that at the end of this project, some stress and worry remain regarding farm succession. For example, one farmer explained that stress is manifested by the potential changes that a succession plan will bring to the daily operation of the farm enterprise. Another farmer outlined that he still finds it difficult to discuss the process developing a succession plan with family members as none of his children are interested in farming – a situation the farmer finds it very hard to accept. In this instance, the Health & Well-being expert has referred the farmer expert for additional support services to help overcome/resolve the stress and worry associated with this situation. This example illuminates how complex the process of farm succession can be for some farm families and demonstrates the negative effect it can have on the health & well-being of family members.

In summary, the results of the health & wellbeing assessments conducted in this project highlights the importance of farmers focusing on both their physical and mental health. The health & well-being OG member highlighted that some of the physical health problems identified in their physical health assessments can quite often be caused or heightened due to stress or worry. This highlights the significant challenges that the process of farm succession can cause. **While it is clearly evident from the findings of this study that the process of farm succession can cause mental stress for farmers, it is important to emphasise that such stress and worry can contribute to a deterioration in the physical health of farmers, although such a connection is not always obvious.** Multi-disciplinary projects such as this one can provide individualised support for farmers at a time in their lives when they need multifaceted support to help ensure they move into the next phase of their lives successfully.

6.3 Findings from End of Project Review

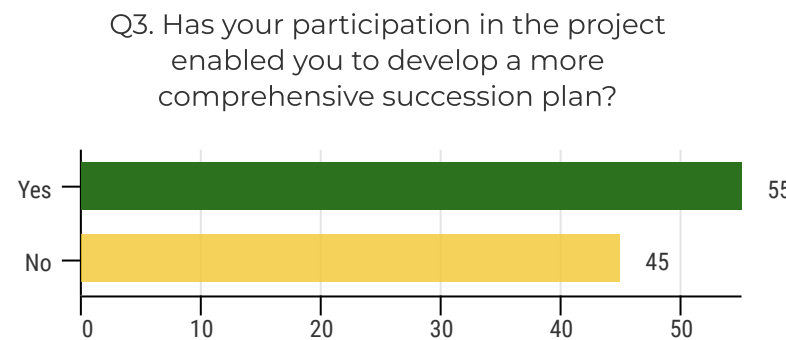
At the end of the project all 30 farmers were asked for feedback regarding their participation in the project. 29 completed the task as 1 participant was unable due to ill health at that time. 10 questions were asked and a summary of some of the answers to those questions are outlined below. When farmers were asked if they were glad that they participated in the project, all 30 farmers replied yes (note **Figure 3** below), which demonstrates the positive impact that participating in the project had on those involved.

Figure 3: Q1. In hindsight, are you glad you participated in the project?



Subsequently farmers were asked if their participation in the project enabled them to develop a more comprehensive succession plan (see **Figure 4** below). Over half of the participants proclaimed that it did (55%), and when the remaining (45%) of responses were reviewed, it emerged that many of those farmers already had a well-developed succession plan in place at the outset of the project, therefore, further improvement was not required. **Of the 55% of farmers who developed a more comprehensive plan within this project many of them stressed how the project greatly assisted them by putting into motion the process of developing a succession plan.** For example, several farmers have put a “will” in place within the duration of this project, and other farmers have gathered information which have allowed them to explore various succession plan options.

Figure 4: has your participation in the project enabled you to develop a more comprehensive succession plan?

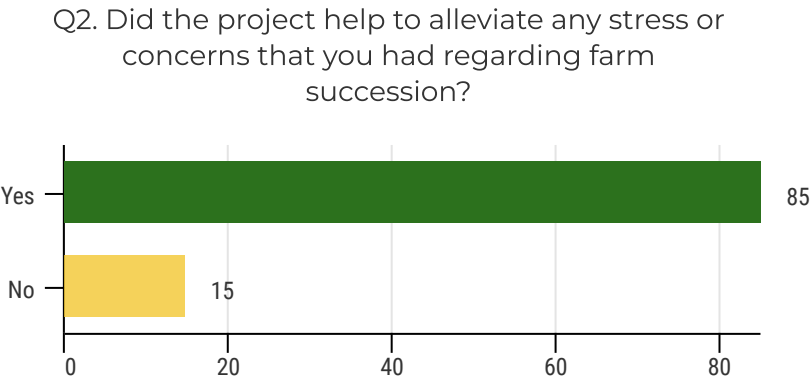


When farmers were asked about the main benefits of participating in the project, responses focused on a number of key areas. Overall participants outlined how they mainly benefited by having the great opportunity to ask questions and gather information

on issues that concerned them from the experts within the project operational group. In particular, an emphasis was placed on the benefit of asking questions regarding the taxation and legal ramifications of potential farm transfers. On a related matter, many farmers highlighted how **the project benefited them hugely by providing them with the impetus to discuss the issue of farm succession with the experts as this opportunity never presented itself before.** Some farmers also highlighted how the project helped them to realise the importance of putting a succession plan in place and how there was little benefit of delaying or putting off the process any longer. Many of the participating farmers also declared that the health & well-being element of the project really benefitted them. The incorporation of a “health-check” for each farmer within this project provided many of the farmers with an opportunity to review their physical health, an activity that many would not have engaged in otherwise. Furthermore, the results of these health checks raised health concerns for some farmers and encouraged them to engage in follow up health check with their own GP.

Farmers were also asked if there were any elements of the project that they believed could have been improved, or if there were any other services that they would have liked to see included in the project. **Overall, farmers were very complementary regarding how the project was conducted with no major issues noted for improvement and no other services expressed for inclusion.** In fact, many highlighted how the project was very comprehensive, addressed all necessary issues regarding farm succession and was very professionally organised in a confidential environment. A few farmers highlighted how they did find it difficult to understand some specific taxation and legal matters regarding their individual farm succession circumstances and that they will need to seek further clarity on the issues concerned. Farmers were asked if they felt that the project helped alleviate some of the stress and concerns related to farm succession that they were experiencing at the outset of the project (see **Figure 5**).

**Figure 5: did the project help to alleviate any stress or concerns that you had regarding farm succession?**



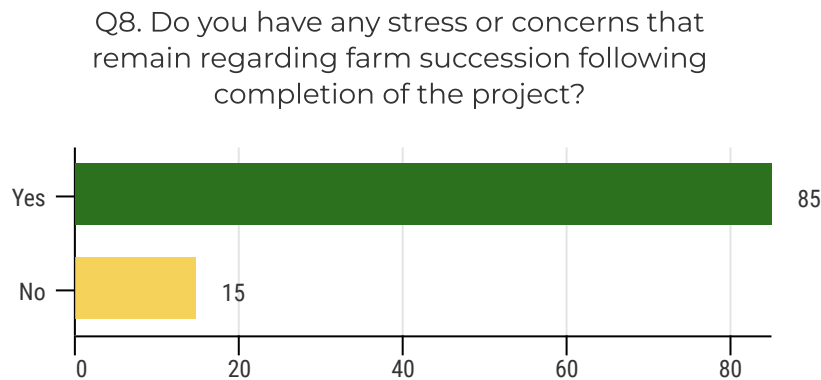
The response was very positive with 85% of farmers acknowledging that their participation in the project helped to alleviate such stress and concerns. When probed as to how the project helped in this respect, many farmers emphasised how discussing the issues on



farm succession, in the various project meetings with the respective OG members, provided them with detailed information and assisted them to gain clarity on issues, particularly regarding the legal and financial/taxation aspects farm transfers.

For the remaining 15% of farmers, unfortunately some concern and stress remain and the results of questions 2 and 8, as outlined in **Figures 5** (above) **and 6** (below) identify those challenges. Question 8 relates directly to those 15%. These farmers are finding it very difficult to develop an appropriate succession plan for their farm enterprise and have some key decisions to make regarding the future of their farm.

**Figure 6: do you have any stress or concerns that remain regarding farm succession following completion of the project?**



Overall, the feedback from farmers who participated in this study is very positive. **All of them were very satisfied to have participated in the project and the majority conveyed that the project helped them to develop a more comprehensive succession plan.** Based on this success, one of the key recommendations from this project is that this project should be used as a template to develop a scheme for farmers to support them to put a succession plan in place (see section 7 for full details).

## 7. Project Recommendations

A timely and smooth transfer of farmer assets from one generation to the next is crucial to the sustainability of Irish Agriculture. Generational renewal is a key element of agricultural policies, both in the EU and Ireland. Therefore, this EIP provides some key recommendations for consideration by policy makers and industry stakeholders to assist farmers transition through the process of farm succession.

**First**, the importance of developing a comprehensive **succession plan needs to be communicated to members of the farming community to ensure the sustainability of Irish farms**. Farmers also need to be made aware that professional services providers such as agricultural consultants/farm advisors, accountants and solicitors have a key role to play in assisting farmers in the process of developing an effective succession plan, given their expert knowledge in this area.

**Second**, within the industry there appears to be a **culture of secrecy and a practice of not discussing the topic of farm succession within farm households**, and not discussing it to any meaningful extent with professional advisors (agricultural consultants/accountants/solicitors). This cultural issue needs to be addressed by communicating to farmers the benefits of starting the conversation early within farm families and the importance of discussing the issue with professional advisors.

**Third**, the **DAFM strategic policy paper ‘Food Vision 2030’ sets out 4 main missions with specific goals and actions** within each mission to support the farming sector and assist it in meeting its climate and other targets. Mission 2, **Goal 4 sets out key actions relating to generational renewal**, and it states: ‘Generational renewal of primary producers is critically important to ensuring the future viability and social sustainability of the Irish agri-food sector and of rural Ireland. In addition, young farmers and fishers tend to be early adopters of new technologies and practices, which can act as a catalyst for others to follow. It is important to recognise that there is more to generational renewal than incentivising young farmers and that it is equally important to consider older and retiring farmers’. Furthermore, there are three actions set out for generational renewal:

- Action 3: Continue to provide appropriate CAP and CFP supports to encourage generational renewal.
- Action 4: Pursue progressive taxation policies, especially to promote land mobility and assist succession, including the early inter-generational transfer of farms, to support both younger and older farmers.
- Action 5: Support and further develop collaborative farming models.

The findings of this project reaffirm the need for these actions as called for in ‘Food Vision 2030’ and recommends further work in these critical areas to support generational renewal in Irish agriculture.

**Fourth**, under various agricultural policy schemes financial support is available to farmers to assist them with the cost of various initiatives, yet there is no financial support available to farmers to assist them in the specific area of farm succession. This issue needs to be addressed by putting in place a financial package which farmers can avail of to assist them

in succession planning. For example, the process undertaken in the EIP could provide a template of best practice that could be developed at a **national level whereby farmers could be provided with financial assistance to pay for the cost of a meeting with four professionals (an agricultural consultant, an accountant, a solicitor and a health & well-being expert) on the specific issue of farm succession.** In this regard and considering the commitment to assist generational renewal in 'Food Vision 2030', the EIP organisational group recommends an initial financial budget of €9m to be allocated to the agricultural sector to assist 10,000 farmers with farm succession, in a programme that mirrors this EIP. A targeted grant support scheme would be setup to enable farmers to receive 60% grant aid on fulfilling certain conditions. Similar incentives are in place for registered farm partnerships. Currently tax relief is available for a farm partnership which qualifies as a Succession Farm Partnership. This is a Registered Farm Partnership whereby a farmer agrees to transfer at least 80% of the farm assets to a chosen successor within a specified period. While acknowledging that our initial recommendation is a significant amount of money, it is important to highlight that this initiative has the potential to deliver significant long-term benefits in terms of contributing positively to the sustainability of Irish agriculture. Furthermore, in comparison to some short-term agricultural support initiatives in recent years, the long-term benefits of an initiative on farm succession would deliver significant value for money.

**Fifth**, throughout this project the collaborative farming model of farm partnerships was discussed extensively with farmers as a mechanism which could potentially support the farm succession process. Of the 30 farmers participating in this project only one farmed in partnership, however, all other farmers were asked if they were open to exploring the option of entering a farm partnership with a potential successor and the response was quite positive. Almost half (14 of 29) of the farmers expressed an openness to exploring the farm partnership model. **This demonstrates that there is significant potential for the farm partnership to be developed in Ireland as a means of assisting with the generational renewal challenge that exists.** Policy makers and industry bodies need to be aware of this so that policies and frameworks to support the participation of farmers in the farm partnership model can be developed. In addition, some farmers would like to form a partnership but had no family or potential farming partner. It is suggested that **consideration should be given to an incentive scheme which could link up potential "partners"** for people who don't have an obvious successor with those who have an interest in farming but do not have a farm or the means to purchase one. Perhaps a type of partnership that could be structured in a way that would allow the incoming partner to work with the farm owner and thereafter, have an option to purchase/rent the farm either during the life of the farmer or from their estate once they die.

**Sixth**, this project provides valuable insights and lessons for stakeholders who advise farmers on farm management issues, including: agricultural consultants, accountants and solicitors. These professional advisors need to be cognisant of the holistic approach required for farmers to develop a successful farm succession plan. Many professional service providers in the agricultural industry tend to focus on short to medium term issues when providing advisory services to the farming community. **A recommendation emerging from this project is for professional advisors to engage with farmers more proactively regarding the topic of farm succession.** For example, if a farmer meets with their agricultural advisor/accountant/solicitor on an annual basis, perhaps every three to five years the topic of farm succession should be discussed to ensure an appropriate succession plan is developed.





**Seventh**, this project also highlights the traditional tendency of farmers to favour the son as the successor to the farm, notwithstanding the fact that in many instances there is a daughter already working on the farm and interested in farming. **The role of women in the future of agriculture needs to be considered and women need to be supported and encouraged to take up positions on the farm.**

**Eight**, given the concern raised by many farmers surrounding the potential rights of spouses or partners who **“marry into” the farm, the law in this regard should be reviewed to consider the implications of this on farm succession.** Consideration should be given to alternative ways of providing for a separating spouse which perhaps allows another family member to purchase the farm thus providing for the separating spouse financially.

**Ninth**, regarding health and well-being, this project highlights that premature health problems exacerbated by a lack of ongoing health assessments (for example, an annual check-up with a GP), and low levels of health-related behaviour in daily life, such as structured exercise and a cardio-protective diet, may pose a risk to activities around retirement for farmers. This may consequently have an impact on farm succession and their ability to engage in a long, purposeful and active retirement. Therefore, **it is imperative that public health services put focused initiatives in place to engage with the farming community on health and well-being issues and encourage increased farmer participation in health screening programmes.** Supports are needed to tailor health services to the needs and realities of farmers, such as opportunistic health assessment in the community and access to diagnostics locally.

## 8. Dissemination of Project Findings

This study provides a holistic and comprehensive in-depth analysis of issues and challenges relating to farm succession that impact farmer well-being. The findings and recommendations of this project will be communicated to various stakeholder groups in the agricultural industry and consist of:

-  Knowledge will be shared with farmers to educate them of the potential issues that can cause stress and pose as challenges in the farm succession process. In addition, key lessons and advice that emerge from this project on how to overcome such issues and improve farmer well-being will be communicated to farmers.
-  The findings will be shared with professional advisors (agricultural consultants and rural accountants) around key criteria that need to be considered by farmers in the farm succession process. In addition, key areas where farmers require advice from professional advisors will be highlighted.
-  Education and training providers for farmers must also be informed of this EIPs findings, to assist in the dissemination of information on the farm succession process.
-  The EIP's recommendations will be shared with policy developers to advise them of key issues facing the farming community in relation to farm succession and policy initiatives that must be implemented to overcome such issues.

Research findings will be disseminated in academic journals and conferences to encourage discussion, debate and further research on this important subject.

To share and transfer knowledge through dissemination of the findings, conclusions and recommendations to the various stakeholder groups above, the following channels will be used:

-  Official launch of the final report by Minister Martin Heydon and the DAFM.
-  Key media briefings and publicity through the agri press outlets to promote the results of the EIP and support by the DAFM in this important topic.
-  Online promotion via our dedicated project webpage and other social media activities will be created to inform stakeholder groups of the project.
-  As the OG partners are members of Professional Industry Organisations, they will play a key role in the development of dissemination activities in their organisations and sectors.
-  Where requested, presentations/seminars/interactive workshops will be held to collaborate and share knowledge with key stakeholders in the industry with OG members available to attend and support.



- 1 Policy briefing will be prepared and disseminated to regulatory stakeholders.
- 1 Publication of summary research outputs targeting stakeholder group industry publications.
- 1 This Final Project Report, presented to the DAFM, comprehensively communicates all findings and recommendations to them. DAFM may then disseminate this report to other stakeholder groups in the agricultural industry.
- 1 Research findings will be published and available for reference at national/international research conferences to promote debate and further research on this important subject.
- 1 Publication of research findings in academic journals to further promote debate and further research to the wider community.

The specific promotion of the project has been and will continue to be undertaken through a dedicated website, linked to social media channels such as Facebook, LinkedIn and Twitter. A summary of the key findings and recommendations will be shared through these mediums to alert farmers and other stakeholders to the valued information attained from the programme. The experts' firms are active on social media and possess their own websites and they will support the communication of the project findings.

Each OG partner are members of their own professional bodies and associations. The OG will disseminate the project results from the agricultural consultancy aspect i.e. **Breian Carroll** the Lead Partner through the following mediums: all private agricultural consultants and advisors through the Agricultural Consultants Association (ACA), through opportunities such as open public consultations on policy and through submissions in the written form to the DAFM and other government agencies. Opportunities will also present at many DAFM and other related agricultural workshops to outline the EIP project and its concept, design, interventions and results. The programme will have wider adaptability in terms of the new EU Common Agricultural Policy and the project will coincide with the development and any associated amendments of Ireland's CAP Strategic Plan. In the previous Knowledge Transfer Programme for farmers in Ireland through the previous RDP, an introduction to farm succession was a mandatory element of this programme. It is envisaged that the data and findings of this project will be presented by the OG and Lead Partner for consideration in future agricultural policies. The Lead Partner is a regular contributor to Mid-West radio including Farming Matters and its peak audience can reach in excess of 25,000 at its time slot of 10pm every Wednesday night.

The other OG partners will assist and disseminate the findings of the project through additional channels in their expert fields through representative bodies. Specifically, the legal expert **Samantha Geraghty** of **P. O'Connor & Son** will have access to disseminate results through her firm's website, the firm's Facebook page, the Legal Gazette, by email to all solicitors within Ireland via the Law Society E-Zine, by circular through MSBA channels to all Mayo Solicitors, joint press releases to local and national media and through direct discussions/engagement with the wide client portfolio. She is also a regular contributor on Radio na Gaeltachta, which is a National Airwave, and farmers and the wider community, especially in these areas, will be reached and will use these opportunities where they arise to promote the EIP's findings.

**Michael Hayden** as the **OG researcher** has considerable experience in completing academic papers on farmers and the agricultural sector. Our project results will be critical through inclusion and referencing on future papers on the farm succession topic. Such inclusion has wide opportunities for dissemination through media posts, website links, additional research projects, publications and discussions by many academics, particularly those directly related to the farming sector. Michael will use these opportunities to promote the EIP and its results.

**James Fitzmaurice** as the tax expert will avail of the vast opportunities within his network and employer **RBK** to disseminate the project results and reach the wider community. RBK Business Advisors will publicise the project results through social media, interviews and print press. The firm has a considerable portfolio of farming and Agri Business clients for whom succession is an issue and they will leverage off the EIP findings in assessing needs of the existing and future client base. James and his firm regularly hold events and seminars and will present the key take away's from the EIP to a wider audience when farm succession is being discussed.

**Lisa Hynes** and the health and well-being experts in the OG have vast communications networks in their fields for the disseminating the project results. Any findings from this project will have wide reaching consequences for farmer's health and well-being with recommendations to be included in future health programmes and policies. **Croí** are extremely active online through social media and other channels and the project results will be shared across these platforms.

Having **Laurence Gaughan** as the **HSE** representative on the OG will greatly support the disseminations and inclusion of the project results in policy initiatives in his agency. He will also advise the OG on additional opportunities for the results to be communicated across all health agencies and bodies.

The OG are very satisfied that all project findings and results will be funnelled to farmers and the wider farming community through extensive media and online coverage as indicated above. As all experts within the OG are leading specialists in their own fields with an underlining commitment to farm succession and associated health and well-being of farmers and their families, they will be actively and very proud to assist in the dissemination of all the project results.

## 9. Conclusion

Given the importance of farm succession and generational renewal to the future of Irish agriculture, this project set out to gain an in-depth understanding of the farm succession process. By establishing a group of experts to comprehensively analyse the process of farm succession, through interviews and meetings with 30 participating farmers, this study develops a comprehensive understanding of the challenges, stress and concerns faced by many farmers in that process.

**The research conducted revealed that 50% of the farmers participating in this study did not have a succession plan in place at the outset of the project.** Furthermore, “a will” is one of the primary instruments to operationalise a succession plan, and of the 30 participating farmers, **66% did not have a will in place that reflected their current intentions as to who they wished their farm assets to be transferred to upon death.** Throughout the project, it was also discovered that **the majority of farmers, had never discussed the process of farm succession to any meaningful extent** with their respective agricultural consultant, accountant or solicitor before participating in this project. These findings reveal that there is scope for a significant amount of work to be done for most farmers in the area of farm succession.

This project documents several issues that can cause a significant amount of stress or worry for farmers when developing a succession plan. **Such stresses or worries do not only appear to be present for farmers who have no potential successor identified but are also evident in situations where farmers have identified potential successors.** For some farmers, stress emerges from being unable to decide who the right successor for the farm enterprise is, while for others, frustration exists due to potential successors not being interested in taking over the farm. **Stress or worry linked to what other family members may think of a potential succession plan is also an issue.** Financial and legal concerns regarding the appropriate manner to structure the transfer of farm assets also appears to be common. Finally, stress or worry over retirement income and/or future healthcare costs, post the transfer of farm assets, appears to cause a considerable amount of concern for farmers.

There are several positive outcomes from this project for the participating farmers which demonstrates the projects effectiveness. **All farmers participating in the project confirmed that they were happy that they had participated and over half of the participants (55%) noted that their participation in the project assisted them to develop a more comprehensive farm succession plan.**

The project provided farmers with the impetus to discuss the issue of farm succession with the professional experts and it afforded the opportunity to ask questions on issues that concerned them. Participation in this project resulted in many of the participating farmers putting “a will” in place, or where necessary updating an existing will to reflect their current succession plan more accurately. Perhaps most importantly, **85% of the farmers that participated in this project acknowledged that their participation helped to alleviate some of the stress and worry that existed for them at the outset of this project regarding farm succession.**

This EIP provides some key recommendations for consideration by policy makers and industry stakeholders. The **importance of developing a comprehensive succession plan needs to be communicated to members of the farming community to ensure the sustainability of Irish farms**. Furthermore, the culture within the industry of not discussing the topic of farm succession within farm households, and not discussing it to any meaningful extent with professional advisors (agricultural consultants/accountants/solicitors) must be addressed by communicating to farmers the benefits of starting the conversation early within farm families and by highlighting how professional advisors can greatly assist farmers with developing a comprehensive succession plan. Finally, **a financial package to assist farmers to develop a succession plan needs to be incorporated into Irish agricultural policy**. For example, the process undertaken in the EIP could provide a template of best practice that could be developed at a national level whereby farmers could be provided with financial assistance to pay for the cost of a meeting with four professionals (an agricultural consultant, an accountant, a solicitor and a health & well-being expert) on the specific issue of farm succession. The **strategic benefits of such an initiative on farm succession would deliver significant value for money in the long-term and contribute positively to developing sustainable farm enterprises for the future**.

The **project team would like to sincerely thank** the funders (DAFM) of this important EIP project as it is envisaged that the knowledge gained in this project will make a significant contribution to research knowledge and delivers information for practice in the area of farmer well-being in the process of farm succession. It is also hoped that policy changes will be forthcoming, as this project has the potential to act as a template for best practice regarding how farmers can engage in developing a comprehensive succession plan to ensure the survival of their farm enterprise for future generations. Thank you to all participating farmers for their commitment and dedication to the entire project and their willingness to engage openly on this very important subject matter.

# Appendix 1: Selection Criteria for Project Participants

1. The following categories of farmers were selected by the Lead partner (Breian Carroll) at the commencement of the project as a method to shortlist the firm's (Carroll Consultancy) client base:
  - Married/Partners/Couples with children.
  - Married/Partners/Couples without children.
  - Single male farmers.
  - Single female farmers.
  - Separated/divorced persons.
  - Widowed persons.
2. Participants were identified using the age profile that reflects the Irish agricultural industry, with a proportion of participants in the mid to older age profile and a small number under those age groups.
3. Participating farmers were also selected on the basis that they were active farmers.
4. The initial selection process identified in the region of 75 suitable farmers across all categories.
5. These farmers were then assessed further by the lead partner based on his knowledge/interaction with the farmer/family and discussions on farm succession, their spouse/partner (where available) and suitability to the fundamental objectives to the project. 46 farmers were shortlisted following this process.
6. The short list was further evaluated by the lead partner and the final selection of 30 participants was completed based on his knowledge and experience of the farmers likely commitment to the EIP project over a sustained period of 18 months, whilst ensuring the categories were not undermined by the final selection process.
7. From the remaining farmers, 5 farmers based on the categories at number 1 above, were identified as replacements in the event that any of the 30 selected farmers wished to withdraw or were unable to continue due to personal reasons.
8. No replacements were required as the final selected 30 farmers remained in the project for its full duration.



## Appendix 2: Project Finances

Project Finances			
<b>Personnel Costs</b>			
<b>Expert Costs and Services</b>	Carroll Consultancy	€18,450.00	
	RBK	€18,450.00	
	Michael Hayden	€24,680.00	
	CROI	€5,249.00	
	Laurence Gaughan	€758.00	
	P.O' Connor & Son	€18,450.00	
		€86,037.00	€86,037.00
<b>Project Management Costs</b>		€15,670.20	
<b>Project Administration Costs</b>		€10,975.00	
<b>Phone, Broadband &amp; Electricity</b>		€1094.07	
<b>Postage</b>		€225.00	
<b>Office Supplies: paper, envelopes &amp; printing</b>		€200.00	
<b>Printing costs for final report</b>		€750.00	
<b>Audit Fee</b>		€615.00	
		€29,529.27	€29,529.27
		<b>Total Costs</b>	<b>€115,566.27</b>





## BEAL ATHA NA MUICE FARM SUCCESSION & WELL BEING EIP



**An Roinn Talmhaíochta,  
Bia agus Mara**  
Department of Agriculture,  
Food and the Marine



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