

The changing pattern of agricultural land ownership and occupancy in Great Britain in the late twentieth century: An analysis of the workings and findings of the Northfield Committee, 1977–1979

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Abstract

The twentieth century witnessed periodic bouts of public and political concern over who owned and occupied agricultural land in Great Britain. Liberal and then Labour governments were at various times concerned with the domination of landed estates, questions of taxation, land nationalization and the appropriate balance between public and private rights. These issues came increasingly to the fore as the population of the country doubled, public demands for access increased, and, especially after World War II, the urgent need to safeguard and enhance agricultural production. In the 1970s, a new round of concern emerged stimulated by recent incursions into the agricultural land market by new buyers (from home and overseas) who saw land as a safe investment in a period of high inflation and economic instability. This led the government of the day to set up a Parliamentary inquiry under the chairmanship of the Rt Hon Lord Northfield. This inquiry proved unique not just in its remit and eventual depth of treatment but also as a rich source of information on the condition and complexity of land occupancy at that time. Its findings provide a key historical benchmark against which more recent, and much needed, studies of agricultural occupancy change can be judged and critically assessed. The paper provides an account of the ways in which the Northfield committee of inquiry conducted its work, how the debates surrounding its remit evolved and why its recommendations had little immediate impact on public policy at the time.

Access to land, preferably secure access, remains a requirement for most agricultural enterprises. Changing patterns of access, and the motives and expectations of those holding these rights, is thus a matter of considerable importance to our understanding of agricultural efficiency and productivity. A substantial literature exists on how rights to landed property become established and how their almost infinite divisibility can be manipulated.¹ As important are

¹ For example, D.W. Bromley, *Environment and economy: Property rights and public policy* (1991); M. L. Harrison, 'Property rights, philosophies and the justification of planning control', in M. L. Harrison and R. Mordey

the debates surrounding how the wider public interest can be ensured where systems of private property, and the law which sustains them, retain a controlling interest.² These matters assume an even greater significance where land is regarded as in short supply, land-use competition is intense and where land is viewed as a limited but precious national resource.³

Despite the efforts of Cahill and others, there is no easily accessible and comprehensive record of agricultural land ownership and occupancy patterns for England and Wales, especially in the area of private property which today makes more than 90 per cent of the total.⁴ Public debate continues but with minimal legislative response in recent decades in England and Wales, except for the Countryside and Rights of Way Act (2000), although reform has been more actively pursued in Scotland following the passage of the 2003 Land Reform (Scotland) Act.

I

It is now more than 40 years since the Government last initiated a comprehensive review of agricultural land occupancy. In September 1977, the Minister of Agriculture, Fisheries and Food, the Rt Hon. John Silkin, appointed a Committee of Inquiry under the chairmanship of the Rt Hon. Lord Northfield, with the following terms of reference: 'to examine recent trends in agricultural land acquisition and occupancy as they affect the structure of the agricultural industry; and to report'.⁵ The committee's remit did not include Northern Ireland because of the different land tenure system operating in the province, although members of the committee visited four west European countries, including Eire, to gather international experience on land tenure policy.

These broad terms of reference were underlain by a number of specific issues that had been widely discussed in the agricultural press and in Parliament during the previous year and to which the Minister was seeking authoritative answers. These included the reasons for the rising price of farmland and its implications for costs of production and access to the industry, the increasing purchase of agricultural land by financial institutions and overseas buyers, and

Note 1 *continued*

(eds), *Planning control: philosophies, prospects and practices* (1987), pp. 32–58; S. Whatmore, R. Munton and T. Marsden, 'The rural restructuring process: emerging divisions of agricultural property rights', *Regional Stud.* 4 (1990), pp. 235–45.

² I. Hodge and W. Adams, 'Property institutions for land use conservation: towards a post-neoliberal agenda', *J. Rur. Stud.* 36 (2014), pp. 453–62; G. Cox, P. Lowe and M. Winter, 'Private rights and public responsibilities: the prospects for agricultural and environmental controls', *J. Rur. Stud.* 4 (1988), pp. 323–37; G. Parker and N. Ravenscroft, 'Land, rights and the gift: the Countryside and Rights of Way Act 2000 and the negotiation of citizenship', *Sociologia Ruralis* 41 (2001), pp. 381–98.

³ The Government Office for Science, *Land use futures: Making the most of land in the 21st century*

(Foresight Land use Futures Project, 2010); J. Burchardt, J. Doak and G. Parker, *Review of key trends and issues in UK rural land use* (Living Landscapes Project, Final report to the Royal Society, 2020).

⁴ A. Wightman, *Who owns Scotland* (1996); K. Cahill, *Who owns Britain* (2001); R. Munton, 'Rural land ownership in the United Kingdom: changing patterns and future possibilities for land use', *Land Use Policy* 26S (2009), pp. S54–S61; G. Shrubsole, *Who owns England* (2019); A. Butler and M. Winter, *Agricultural tenure in England and Wales, 2007* (Centre for Rural Policy Research, University of Exeter, 2008).

⁵ Report of the Committee of Inquiry into the Acquisition and occupancy of agricultural land, Cmnd 7599 (1979), p. 1. The report is referred to in the remainder of the article as the Northfield Report.

the future of the statutory smallholdings estates.⁶ This agenda is faithfully reproduced in the Note of the committee's first meeting. But almost as soon as it began its work the committee realized that any meaningful investigation of these specific issues would require a much broader analysis of trends in agricultural land tenure, including questions of land ownership as well as land occupancy, and how these sat within a rapidly evolving national economic and political context.

In section II we provide a brief analysis of this context. In section III we review the committee's membership, its approach to collecting evidence and why delivery of its report was so delayed. In section IV we assess some of the committee's findings, especially its concerns over the future of the let sector, and in section V we discuss some of the problems experienced by the committee in obtaining robust information on the increasingly complicated pattern of occupancy. Finally, we seek to explain why its report had little immediate impact on policy and make a short assessment of how aspects of land occupancy have evolved since 1979 in relation to the committee's expectations.

II

It was no accident that the terms occupancy and acquisition rather than ownership were used in the terms of reference. Land ownership was still associated in the public mind with wealth and power and an obstacle to the democratization of access to the countryside, making a general review of agricultural land tenure a politically sensitive matter. Moreover, the Labour government of the day had already passed legislation on capital taxation and security of tenure for agricultural tenants, both of which would impact more heavily on the agricultural landlord than either the tenant or owner occupier, and may have felt it had already acted enough in this arena. Under Part II of the Agriculture (Miscellaneous Provisions) Act 1976, those tenants holding full agricultural tenancies were granted security of tenure for up to three generations of successor, including the present occupier, provided each successor met eligibility and suitability criteria, potentially reducing the landlord's estate management options such as taking land in hand.⁷ The introduction of Capital Transfer Tax (CTT) to replace Estate Duty, with effect from 1974 for lifetime transfers and from 1975 for transfers on death, discriminated against private landlords by, for example, denying landlords agricultural and business reliefs available to those farming their land. The absence of these reliefs made it very difficult to pass on tenanted estates intact whereas both tenants and owner-occupiers, with careful tax planning, could significantly minimize the impact of the tax.⁸

Beyond this, the more emotive issue of land nationalization was still part of Labour Party policy even if in the world of contemporary politics it was not a priority issue. In the event, the case for land nationalization was readily dismissed by the committee, even if some members thought an extension of public ownership or greater public regulation to meet

⁶ Northfield Report [hereafter, North. Rept], pp. 3–4. The financial institutions are defined as insurance companies, pension funds, property unit trusts and property bonds.

⁷ For a brief review see North. Rept, pp. 104–7.

⁸ North. Rept, pp. 71–8; 216–20; Appendix VIII, pp. 354–9.

specific objectives, such as access to the industry by young farmers without a family farming background, was desirable.⁹

Equally important, the committee was appointed towards the end of a decade of unprecedented change in the political and economic context of the farming industry, including entry into the EEC in 1973, high rates of inflation and an unstable land market. Combined with the introduction of CTT and alterations to tenure legislation these circumstances created novel and increasingly complicated decision-making environments for owners and occupiers. What did not change, at least at this time, was the close cooperation between MAFF and the National Farmers' Union (NFU) in the formulation of agricultural policy and their ability to exclude other interest groups, such as consumers, environmentalists and part-time farmers, from a central role in policy making.¹⁰ From the second half of the 1960s, policy focused upon agricultural expansion seeking to take advantage of new industrial technologies which especially advantaged larger producers. The primary goal was to raise national output at about two and a half per cent per annum with the aim of increasing self-sufficiency in food production.¹¹ Entry to the EEC with its higher support prices and expansionist policies under the CAP also provided the farming community with further confidence to invest where this was possible.¹²

The very high rates of inflation in the 1970s, peaking at 25 per cent in 1975 and averaging 13 per cent per annum over the decade, put a squeeze on farming income and made the use of nominal values to measure change problematic. For example, in 1970, UK aggregate farming income amounted to £575m rising to £1256m by 1977, an increase of 218 per cent.¹³ When adjusted to real values over the same period using the Retail Prices Index, the increase is closer to 5 per cent. Nonetheless, this was a real increase, the gain being shared between fewer farming families, farm holdings declining by about one and a half per cent per annum after allowing for the elimination of very small holdings.¹⁴ Overall, farming businesses, especially the larger ones, were becoming more profitable even if incomes declined right at the end of the decade.

Also, until the early 1960s, there was a close association between farming incomes, rents and agricultural land prices.¹⁵ In the first half of the 1960s land prices rose significantly, whilst farming income did not do so until later in the decade, only for prices to rise sharply again in the 1970s.¹⁶ In nominal terms, the average price for all sales of agricultural land in England

⁹ North. Rept, pp. 235–9.

¹⁰ M. J. Smith, *The politics of agricultural support in Britain* (1990); M. Winter, *Rural politics: policies for agriculture and the environment* (1996).

¹¹ MAFF, *Food from our own resources*, White Paper, Cmnd 6020 (1975); MAFF, *Farming and the nation*, White Paper, Cmnd 7458 (1979).

¹² B. Hill, *Farm incomes, wealth and agricultural policy* (1989); Winter, *Rural politics*.

¹³ MAFF, *Annual review of agriculture 1981*, Cmnd 8132 (1981).

¹⁴ MAFF, DAFS, DANI, *The changing structure of agriculture 1968–1975* (HMSO, 1977); Hill, *Farm*

incomes. See also A. Harrison, *Farms and farm businesses in England* (Dept Agric. Econ. and Mgmt, University of Reading, Misc. Study 62, 1975) for an analysis of farming businesses in relation to farm holdings.

¹⁵ G. H. Peters, 'Recent trends in farm real estate values in England and Wales', *Farm Economist* 11 (1966), pp. 45–60; K. Hyder and A. H. Maunders, 'The price of farms', *Oxford Agrarian Stud.* 4 (1974), pp. 3–14.

¹⁶ R. J. C. Munton, 'An analysis of price trends in the agricultural land market of England and Wales', *Tijdschrift voor Econ. en Soc. Geographie* 67 (1976), pp. 202–12; North. Rept, pp. 91–102.

and Wales increased from £510 per hectare in 1970 to £1802 per hectare in 1977, farm rents responding similarly after 1974.¹⁷ In real terms, indexing 1970 at 100, prices reached 236 in 1973, declined to 150 by 1977 but rose again to 191 by 1980.¹⁸

Explanations for the greater rise in land prices than farming incomes include roll-over capital gains concessions in the early part of the decade, capital taxation considerations, growing recognition of the investment potential of farmland and, linked to this, increasing land purchase by financial institutions from the later 1960s.¹⁹ All these considerations, combined with a declining proportion of the farmed area being offered for sale, contributed to the rise in land prices. But these effects were often seen as less important than the purchasing activities of existing farmers encouraged by rising incomes which, in turn, could be attributed in part to high support prices under the CAP.²⁰ As reported by the Northfield committee, in 1978, single individuals (usually farmers) made up 86.6 per cent of all land purchasers in England and Wales and they were responsible for 71 per cent of the area transacted.²¹ Just about all those who owned land were gaining from real rises in farming income and land prices in the period prior to the committee's establishment, even if many owners chose to see higher land prices as a difficulty rather than an opportunity.²²

III

The members of the Northfield Committee and their occupations are listed in Table 1. Without question, all were highly respected, well-connected and practising members of their professions. Collectively, they were selected to provide a wide range of independent expertise within the land tenure field across all parts of Great Britain. Two external advisers were also appointed to support the committee in its work. They were Alister Sutherland (University of Cambridge) who advised on economic matters and Richard Munton (University College London) who advised on the activities of the financial institutions and the agricultural land market. They were invited to all the main committee meetings, to sub-committees where relevant, to public meetings and visits, and to discussions with those organizations central to the committee's remit. For example, Richard Munton took part in nearly 50 such meetings and discussions, had regular interchange with individual members of the committee and secretariat, and provided detailed commentary on drafts of parts of the final report.²³

Collectively, the members were pragmatists and it is not surprising, perhaps, that a committee including many established farming and landowning interests started from a

¹⁷ North. Rept, pp. 91-102.

¹⁸ There are constant problems in comparing like with like land price series and so these figures should be seen as indicative rather than precise.

¹⁹ R. J. C. Munton, 'Financial institutions: their ownership of agricultural land in Great Britain', *Area* 9 (1977), pp. 29-37; see also North. Rept, Appendix V, pp. 304-39.

²⁰ Hyder and Maunder, 'The price of farms'; B. Traill, 'The effect of price support policies on agricultural

investment, employment, farm incomes and land values in the United Kingdom', *J. Agric. Econ.* 33 (1982), pp. 369-86.

²¹ North. Rept, pp. 63-7.

²² H. Newby, C. Bell, D. Rose and P. Saunders, *Property, paternalism and power: class and control in rural England* (1978), ch. 3, pp. 73-145.

²³ They were appointed in time to attend the Dec. 1977 committee meeting, missing the first two meetings of the main committee.

TABLE 1. Membership of the Northfield Committee

<i>Name</i>	<i>Occupation</i>
The Rt Hon Lord Northfield	Politician (Labour Life Peer)
Martin Argles	Chartered Surveyor
Denis Carter (later Lord Carter)	Farmer – England
Oscar Colburn	Farmer – England
Peter Giffard	Barrister/Landowner
Arthur Green	Financial Institutions Representative
Alexander Kenworthy	Agricultural Journalist
Alistair MacLeary	Academic (Scottish Land Law)
Watson Peat	Farmer – Scotland
Leonard Pike	Trade Union Official (NUAAW)
Ernest Richards	Farmer – Wales

Sources: Northfield Committee Report, p. (iii); personal knowledge.

position that its recommendations should not lead to radical change. Recommendations should seek, they asserted, to:

preserve a spread of ownership types, occupancy and farm size; attempting to build upon what we already have; and avoiding changes that would lead to a rigid or uniform structure... and to enable British agriculture to retain as much diversity as possible in its structure so that it can continue to respond to changing circumstances.²⁴

This perspective led some observers to suggest that the committee was always intent upon supporting the status quo.²⁵ Whilst this is probably largely true it is not clear that all the members set out with this intention when they were appointed. But as the inquiry developed most members thought the level of concern expressed by parliamentarians, the press and in much of the written evidence, was overstated.

The committee was especially concerned to facilitate two main objectives for policy and these acted as key tests later in the inquiry when recommendations for change were being debated. The first was to promote an efficient agriculture and the second to retain personal commitment and incentive for all those working in the industry. In this sense the committee endorsed the post-World War II consensus that agriculture should retain its primary productivist position over competing interests in the countryside and was, at least implicitly, supportive of the current expansionist policy. To achieve this, the current diversity of landholding was seen as essential. It did, however, also accept that a successful farming industry depended in part upon the retention of viable rural communities and the conservation and preservation of the countryside. Although not the dominant perspective, it led the committee to argue that a

²⁴ North. Rept, p. 8.

²⁵ For example, B. Keatley, 'Northfield – a muffled report', *Estates Gazette* 251 (1979), pp. 250–1.

holistic position should be adopted when evaluating potential future patterns of ownership and occupancy, adding a further dimension to debates among committee members.

The committee took nearly two years to publish its findings, the report being submitted in May 1979 to the then minister, the Rt Hon. Peter Walker, in Mrs Thatcher's first government. In government, it had been previously assumed informally that the report, focusing upon a small number of largely discrete topics, would be available in six months. The long delay reflected the lack of precise and reliable information in key areas, the large quantities of evidence submitted to the inquiry and the committee's efforts to draw extensively on the knowledge of the many professionals working on land tenure. But all these reasons were secondary to the broad approach adopted by the committee which went well beyond matters specifically identified by the Minister. As the report explains, these included 'the increasing impact of capital and revenue taxation, changes in security of tenure legislation, growth in farm size, loss of land from agriculture, increases in rents and land prices, the relative profitability of in-hand farming compared to letting, the effects of inflation and changes in the forms of occupancy', some of which were to prove more contentious and time consuming than the agenda highlighted by the Minister.²⁶

The committee wrote to a wide range of bodies known to be interested and active in the subject matter and through a Press Notice invited anyone else who wished to do so to submit written evidence. The response was considerable. Many organizations wrote to the committee more than once, others were contacted several times and others conducted surveys of their members to collect up-to-date factual information and views.²⁷ For example, by the end of the inquiry, the Inland Revenue had made 12 separate submissions, MAFF and the NFU 11 submissions each, the Country Landowners' Association nine and the Royal Institution of Chartered Surveyors seven. The ALI/EVIDENCE series (see below) which identifies 174 written submissions includes supplementary evidence on a further 91 occasions from these same organizations.

The report makes clear that the written evidence was too extensive to justify its publication at the time. Instead, it says that most of the written evidence and some of the committee's background papers would be made available to public inspection at MAFF's main library in London, at the Welsh Office libraries in Cardiff and Aberystwyth and in the Department of Agriculture and Fisheries for Scotland's library in Edinburgh. But it was not until October 2018 that MAFF's set of papers was made available in The National Archives (TNA).²⁸ The information now available in TNA, termed here the 'Northfield Papers', have been used in the preparation of this account along with a second set of papers now held in Professor Marsden's private library, although the numbering system used here is based upon that developed by the committee secretariat rather than that at TNA.²⁹ The Northfield papers are extensive and

²⁶ North. Rept, pp. 5–6.

²⁷ Some key organizations had prepared reports just prior to the committee's establishment. See, for example, Royal Institution of Chartered Surveyors, *The future pattern of landownership and occupation* (1977); Country Landowners' Association, *The future of*

landownership: a discussion paper (1976).

²⁸ Held in TNA folio MAF 763. Recent enquiries have led to no response from the other libraries.

²⁹ This set of 'Northfield Papers', more than 95% complete, can be consulted by contacting Professor Marsden at MarsdenTK@cf.ac.uk.

consist largely of notes on committee meetings and three main series of papers. One series is made up of the written evidence submitted to the committee (ALI/EVIDENCE/ 1-174), including the Secretary's summaries of their contents where appropriate. A second series consists of internal analyses prepared by members of the committee, its advisers and the secretariat, and drafts of the final report (ALI/ 1-115). The third series, produced largely by the secretariat (NS/ 1-167), contains a range of material including purely administrative matters, reports of sub-committee meetings and schedules for field visits.

The committee decided not to take formal oral evidence. Instead, it embarked on a series of meetings with major organizations which had submitted written evidence. The meetings varied widely in content and purpose. Some were with government bodies, including the Inland Revenue, MAFF, the Association of County Councils and the Highland Islands Development Board; others with major organizations, such as the NFU, the Country Landowners' Association and major firms of land agents; with institutional owners, such as the Crown Estate Commissioners and the Church Commissioners; and with members of umbrella bodies in the finance sector including the British Insurance Association and Committee of Property Unit Trusts. To ensure that non-metropolitan views were not overlooked, the committee undertook a series of regional visits where farmers, landowners and land agents were met and questioned, followed by public meetings which were open to anyone to attend.³⁰ Most of the time at these meetings was spent in very lively question and answer sessions reflecting different local agendas.

Together, these decisions undermined any possibility that the committee could conclude its work in six months. After two months, the initial time given to organizations to respond with their evidence, only 50 per cent had done so. Many requested an extension so that the fruits of their own inquiries could be included. Virtually every organization invited to prepare written evidence did so, whilst almost every academic known to be working in the field also contributed.³¹ Their evidence was invaluable because the Committee did not have the means to conduct its own investigations. Only in one area, the amount of agricultural land owned by traditional institutions and public sector bodies, did the committee secretariat work closely with an outside organization, in this case the Centre for Agricultural Strategy at the University of Reading, to produce a definitive set of figures.³² As it turned out, their separate inquiries led to a similar overall figure of ownership of approximately 1.5 million hectares or 8.5 per cent of agricultural land in Great Britain.

These circumstances placed the Chairman in a difficult position between his political masters and the committee. The Note of the November 1977 committee meeting reads 'In discussion of the future programme of the work and timing [of the report], the Chairman emphasized that he was anxious to meet the Minister's timetable. It was important to produce a report which gave major pointers on the important topics rather than a lengthy survey of the whole situation. After discussion, it was agreed that the absolute deadline for completion

³⁰ North. Rept, pp. 2-3.

³¹ Only two organizations, including the Conservative Party, declined to give evidence.

³² A. Harrison, R. B. Tranter and R. S. Gibbs,

Landownership by public and semi-public institutions in the UK (Centre for Agricultural Strategy, Paper 3, University of Reading, 1977).

of the report should be June 1978'.³³ The committee would, in due course, neither accept this interpretation of its remit nor even the revised timetable. Concerns over the financial institutions, overseas buyers of land and the Smallholdings Estates, central to the Minister's agenda, were viewed as a necessary part of the whole but by no means a sufficient account of current occupancy circumstances.

Illustrative of the consequences of broadening the agenda, particularly regarding the private landlord and the prospects for the let sector, is the treatment of two early draft papers submitted by the committee's advisers. At its sixth meeting in early March 1978, the draft report on the activities of the financial institutions (ALI/21), one of the most contentious issues before the committee began its work, was reviewed and largely agreed with final revisions to be made in the next couple of months. By contrast, at the fifth meeting in February, a draft paper entitled 'Notes on capital taxation and farm structure' (ALI/15) not only revealed the huge complexities of the topic but also major differences of view among committee members. In an effort to make progress, the draft paper was sent for comment to officials in MAFF and then to the Inland Revenue and HM Treasury. Their replies also took different positions both between themselves and with the author, initiating a fractious debate that continued up to the writing of the final report a year later. The notion of a linear process of evidence collection, analysis, debate and conclusion was proving inadequate leading to a more reflective and cyclical process of deliberation. Furthermore, each time the committee held a 'brainstorming' meeting, as in June 1978, to allow a more considered discussion than was possible in committee meetings, the outcome was more often a further set of questions to address rather than newly agreed positions on the existing agenda. It is no surprise that the outcome was a report that contained a long list of conclusions and recommendations, 127 in all, of which only 18 had unanimous support. Many of the remaining 109 were often arrived at after considerable discussion and compromise.

All this material fed into the committee's internal reports and analyses (ALI/ 1-121). They offer interesting insights into the work of the committee and its advisers. Collectively, they lend as much 'explanation' to the final text as does the externally generated written evidence. There are 121 reports and a further 20 addenda largely prepared by the Secretary or a member of his team. The advisers also contributed to, or sole authored, nearly 30 papers and members of the committee at least another 23. Most of the latter were written in the summer and autumn of 1978 when debates over what the report should recommend were at their most intense. Several of the reports reveal the committee's developing agenda (ALI/ 4;15;21;48;65;80) and even the frustration of the advisers as they sought to get the committee to think more clearly and precisely about its objectives and how they were to be achieved (ALI/ 83;85).

IV

The final report of over 350 pages is, in places, dense and technical. It is divided into two main parts. In the first, the committee describes its approach and what was known about patterns of ownership and occupancy in the 1970s. In the second, the matters raised by the Minister are addressed chapter by chapter but with an additional long section on the private landlord

³³ North. Comm., Minute of committee meeting, Nov. 1977.

and the let sector. Two members of the committee, Oscar Colburn and Watson Peat, at the last moment wrote an 'alternative view' which is published after the main report.³⁴ In particular, they adopt a less charitable position towards the new buyers in the land market than the rest of the committee and were more concerned about the future prospects for private landlords, the let sector and family farming. It was agreed, however, that their account should not be treated as a minority report and they signed the final report.

Space limits in this paper do not allow us to review all the evidence. The report itself does this very thoroughly. Instead, a brief summary is provided here of the evidence and conclusions reached on new buyers in the land market and then more space is given to the debate around the future of the let sector. Critical views were expressed by most respondents on the potential impact of capital taxes, especially CTT, on the future of private landlordism, the vibrancy of the let sector, and the future efficiency of the farming industry. Most respondents also found little, if anything, positive to say about the foreign ownership of land, even if those best placed to know, the chartered surveying profession, thought this to be largely a non-issue given the limited impact of foreign buyers on the land market, especially in England and Wales. Getting accurate information proved impossible with the best guess being that overseas purchasers held between 200,000 and 300,000 hectares mainly concentrated in upland estates in Scotland. Their purchasing, and selling, of these estates have a long history but had increased in recent years. Perhaps one-third of this area had been acquired during the 1970s. The committee concluded that, with the possible exception of highland Scotland, limits on such acquisitions were not justified even if buying could be expected to continue whilst land prices in Great Britain remained lower than in most of the EEC.³⁵

Most respondents were also opposed to the financial institutions, viewing them as absentee landlords disconnected from their properties and blaming them, without much supporting evidence, of causing the general rise in land prices and farm rents since the mid-1960s. The committee disputed this latter claim even if it accepted that their purchasing might have contributed to rising land prices on high quality let land in lowland, eastern England where most of the acquisition had occurred.³⁶ By 1978, the financial institutions were thought to own about 215,000 hectares, or 1.2 per cent of the agricultural area, contributing to perhaps 3 per cent of total agricultural output because of the quality of land they had purchased. Attempting to predict the scale of future acquisitions was especially difficult because it meant assessing the future nature of the national economy as much as changing opportunities in the agricultural land market, never mind the effects of recent tenure legislation and tax changes on the actions of private landlords. After extensive debate, the committee decided simply to project forward net purchase at between 24,000 and 40,000 hectares per annum based on recent experience. By 2020, these projections would have given an overall figure of between 1.22 and 1.90 million hectares or between 6.9 per cent and 10.7 per cent of the 1978 agricultural area. The committee thought the lower figure the more likely primarily because of a falling supply of good quality farmland to purchase, the increasing maturity of pension funds and an expected decline in the rate of inflation.³⁷

³⁴ North. Rept, pp. 258–86.

³⁵ North. Rept, pp. 168–71.

³⁶ North. Rept, pp. 59–60.

³⁷ North. Rept, pp. 133–6.

The committee and respondents were especially concerned about the future of the let sector and private landlordism, a subject that was not among the priorities identified by the Minister. The committee was aware that the let sector had been in decline throughout the twentieth century from about 90 per cent of the farmed area in 1908 to about 45 per cent in the mid-1970s, a process of change that contributed to the rise of mixed tenure on many farms.³⁸ Moreover, the latter proportion was almost certainly an overestimate. Some of this land was not being rented at ‘arms length’ as the occupier also had an interest in the ownership of the land through, for example, a family farming company or various forms of partnership, often established for taxation reasons. Harrison had investigated this emerging situation in an earlier study of farm business forms and his conclusions were confirmed by a range of empirical studies conducted around the time the committee was sitting.³⁹ From these, the committee judged that only 35–40 per cent of all farmland was being rented at ‘arms length’, and this proportion would fall further, exacerbated by the small number of new farms available to rent. The real question was by how much.

The committee attempted to estimate the future size of the let sector up to 2020. This proved very difficult to do not least because of the wide and varying range of pressures operating on landlords of different kinds. For example, the traditional institutions and public sector owners let almost all their land as they had no interest in farming it, and they were expected to continue doing so. As it has turned out, since the 1970s some public sector landowners have been privatized and local authorities have been squeezed financially leading them to sell some of their landed assets.⁴⁰ Even more importantly, estimating the future behaviour of private landlords, who in the 1970s owned more than 70 per cent of tenanted land, was especially problematic because recent capital taxation legislation was expected to undermine their resolve to continue letting land often taking it in hand when the opportunity arose. Alternatively, whilst the increased security afforded tenants under the 1976 Act might maintain the area of let land for a period it could also have the opposite effect of encouraging landlords to sell the vacant possession to sitting tenants. The committee concluded that the ‘arms length’ tenanted sector would constitute no more than 20–25 per cent of the farmed area by 2020 with the private landlord contributing only about half of this.

Such an outcome would represent a major structural shift in agricultural land tenure but why was the committee so concerned about this change? In the first place, the great majority of those submitting written evidence emphasized the virtues, even national sanctity, of the landlord-tenant system. It was argued that the system provided opportunities for aspiring farmers without substantial assets to enter the industry – keeping the farming ladder alive – by avoiding the mortgage costs of land purchase in an era of high land prices; it allowed the sharing of capital and expertise between landlord and tenant; and together these

³⁸ B. Hill, ‘The rise of the mixed tenure farm: an examination of official statistics’, *J. Agric. Econ.* 25 (1974), pp. 177–82.

³⁹ Harrison, *Farmers and farm businesses*; MAFF, *Wyre Forest Survey* (1977); D. Rose, H. Newby, P. Saunders and C. Bell, ‘Land tenure and official statistics’, *J. Agric. Econ.*, 28 (1977), pp. 69–75; J. M. Abecassis,

‘A survey of private agricultural land ownership in England 1977–8’ (Unpubl. Paper, Agric. Econ. Soc. Conference 1978); Agriculture EDC, *The ownership of land by agricultural landlords in England and Wales* (1977).

⁴⁰ Shrubsole, *Who owns England*, ch. 6, pp. 137–82.

advantages would improve the tenant's chances of survival in periods of economic difficulty. The committee accepted these arguments but it received mixed evidence on whether tenants were economically more efficient than owner-occupiers, a key criterion in its assessment of the worth of alternative occupancy forms. As a result it merely concluded that 'there is a good case for retaining a healthy and reasonably substantial let sector' without ever defining the phrase 'reasonably substantial'.⁴¹ Subsequent research by Hill and Gasson indicates that mixed-tenure farms performed better than either those that were wholly owner-occupied or rented.⁴²

The report goes on to say that landlordism requires a range of particular skills and therefore the 'owner, whether an individual or an institution, should be capable of properly performing the functions of ownership. We therefore believe it does matter who owns the land, although we do not wish to imply that any one type of owner is necessarily best'.⁴³ This conclusion neither afforded private landlords a privileged position among owners nor did it stop the debate over whether, in current circumstances, extra reliefs should be given to the private landlord. These possibilities are extensively reviewed in the report but the majority of the committee was unprepared to go further than offering a few concessions, and even then, many of its recommendations were prefaced by statements such as 'a majority of us' or 'some of us'.⁴⁴ For example, in the light of limited information, the committee urged the government to set in hand further studies of the effects of CTT on let estates, and although it would not concede that rents should be treated as earned income, private landlords should be able to submit a management charge for work done against income tax. Again, whilst it did not propose repeal of the 1976 legislation on tenant succession, it did suggest a tightening of the rules surrounding the eligibility and suitability of successors which would act in favour of the landlord.⁴⁵ Throughout, a majority on the committee sought to ensure that private agricultural landlords were not treated as even more exceptional cases than they already were in society's taxation system.⁴⁶

Finally, the level of attention given by the committee to the tenanted sector and the role of the private landlord was unfortunate in the sense that it makes the committee seem more concerned about protecting a past and declining structure of agricultural land tenure than investigating the opportunities provided both by owner-occupied and mixed-tenure farms in their increasing range of forms. It is fair to say that the committee received much more evidence on the fortunes of the tenanted sector despite the fact it constituted less than half the area occupied. The impression is left that the committee assumed that the growing number of family-based owner occupiers and mixed-tenure farmers could look after themselves, especially in this period of relative productive prosperity for the farming industry. It even debated whether large farms should be restricted in their total size and the area of in-hand farming on let estates should be capped, although it quickly concluded that no such restrictions should be imposed.⁴⁷

⁴¹ North. Rept, p. 209.

⁴² B. Hill and R. Gasson, 'Farm tenure and farming practice', *J. Agric. Econ.* 36 (1985), pp. 171–85.

⁴³ North. Rept, p. 210.

⁴⁴ North. Rept, p. 215.

⁴⁵ North. Rept, pp. 226–7.

⁴⁶ North. Rept, pp. 216–20.

⁴⁷ North. Rept, pp. 232–3; 249–50.

It can also be argued that the committee took a complacent view of the potential debt consequences of the rise in owner occupation at a time of high land prices. In its evidence (ALI/EVIDENCE 34), the Agricultural Mortgage Corporation noted an upsurge in the 1970s in the purchase of freeholds by sitting tenants and the acquisition of extra land by all kinds of occupier, mainly to fuel farm size enlargement tied to family succession goals. Mortgage interest as a percentage of farming income rose from about 10 per cent in the 1970s to more than 20 per cent by the early 1980s.⁴⁸ In a context of low gearing, owner-occupiers' land rights were seen by lending institutions as a primary source of collateral. Variably, of course, these rights could be constrained by the lender as interest payments rose. This financial squeeze could only be offset by falling interest rates and by rising land prices in real terms, which did not occur in the 1980s, in a period when net farming income was also declining. As land was increasingly being seen as an investment as well as a means of production, the committee should perhaps have investigated further the prospect of this indirect financialization of the industry alongside the direct land purchases by financial institutions.

V

In hindsight, whilst the timing of the inquiry was not accidental, in some respects it was unfortunate in that significant changes to occupancy and acquisition which had begun to emerge in the late 1960s were only just being recognized as potential signifiers of a different future. The recency of these events made acquiring hard evidence of the consequences of change difficult to come by. It was clear that these forces were leading to more complex divisions of property rights but would they prove deleterious to agricultural production in the long run? The committee decided that much of the written evidence had over-emphasized the adverse consequences for the farming industry and this in turn reinforced members' natural caution in making proposals for legislative change. It also strengthened the committee's view, made at several points in the report, that new sources of information on land ownership and occupation were required if bold recommendations were to be made with confidence. The committee concluded that the information held by HM Land Registry for England and Wales was not only incomplete and difficult to access but also often only recorded legal title rather than disclose who held the beneficial rights of ownership.⁴⁹ Despite the difficulties in doing so, the committee concluded that 'in the long term, a full system of land registration with land use identified and beneficial interests visible' was desirable.⁵⁰ This proposal was linked to the committee's final recommendation that the government should establish 'a source of permanent, independent advice on agricultural land acquisition and occupancy', something that has not been put in place.⁵¹

⁴⁸ S. Whatmore, 'Landownership relations and the development of modern British agriculture', in G. Cox, P. Lowe and M. Winter (eds), *Agriculture: people and policies* (1986), pp. 105–25; see also A. Burrell, B. Hill and J. Medland, *A statistical handbook of UK agriculture* (1985).

⁴⁹ North. Rept, p. 112.

⁵⁰ North. Rept, pp. 115. With reference to Scotland and the Register of Sasines, see Environmental Resources Management, *Ownership of land holdings in rural Scotland* (2001), Scottish Executive Central Research Unit.

⁵¹ North. Rept, p. 258.

The committee's caution is well illustrated by its treatment of the findings of the Agriculture EDC, Abecassis and Wyre Forest surveys of the different ways private land was held by individuals either solely, in partnership, or in family companies and trusts.⁵² These surveys revealed the range and complexity of landholding forms in existence, the pattern of which varied between large let estates at one extreme to the predominance of individual ownerships in the Wyre Forest, an area dominated by small family farms, at the other. The three surveys had different objectives but all recorded rapid change during the 1970's partly stimulated by the introduction of CTT. Abecassis examined 79 ownerships in excess of 400 hectares on which two-thirds of the land was held in various forms of trust. The Agriculture EDC conducted a much larger survey of 1685 estates, predominantly tenanted land, where less land was held in trust (34 per cent) and more in individual or joint ownership (38 per cent). The Wyre Forest survey carried out by MAFF established the existence of 323 different ownerships over an area of less than 9,000 hectares. Here, more than half the land was still held in individual ownership with a further 20 per cent in joint ownership or partnership arrangements. But because each of these studies included only a small sample of landowners, less so in the case of the Agriculture EDC, and could not claim to be wholly representative of occupancy patterns more generally, the committee was inclined to downplay their significance as a source of reliable information about an emerging future.

The Wyre Forest survey had proved difficult and time-consuming to conduct but in revealing the growing complexity of property rights on even small farms it also provided clues as to how any independent body on agricultural land occupancy should go about its monitoring work. The committee was inclined to support the idea of adding extra questions to the Annual Agricultural (June) Census because of the Census' existence and its general acceptance by the farming community. But it is very doubtful that a few extra questions on the census form would successfully monitor the increasing complexity of property rights in a situation where some occupiers claimed they were not always sure whether to return their land as either tenanted or owner occupied on the existing census form. To establish trends it would be much more helpful to select a sample of ownerships in different parts of the country which would then be revisited periodically in person to record detailed changes. Surprisingly, the committee did not debate whether the Farm Business Survey could be used to track occupancy changes on a sample of farms.

VI

The inquiry's report failed to receive much policy attention despite its comprehensive and detailed analysis. With hindsight, it is reasonable to speculate that its lack of impact arose from both the way the committee conducted the inquiry and the pending external political and parliamentary changes beyond its control. The professional land community had responded at length to the committee's requests for information and opinion. For some, the extensive process of evidence collection raised expectations of radical recommendations but for many it had done its job in reinforcing the status quo whilst assuaging the political fears of overseas

⁵² See note 39.

and financial investors. It could also be seen as providing political closure, at least for the time being, on greater landowner taxation or even land nationalization.

The report is an excellent source of information but, although well written, it is often difficult to get a clear policy steer from the text because the committee failed to reach unanimous agreement on most of the issues. Moreover, the failure to make the written evidence available to public scrutiny just after publication did not help. The length of time taken to prepare the report also meant that following the general election in May 1979 it was submitted to an incoming Conservative government which had not initiated the inquiry. The new government was not under the same obligation to respond to it and having received the report just after it came into power it was more concerned with its own manifesto commitments.

Even more pertinently, why should it respond to a report that had concluded there was no major land occupancy crisis? The key reasons for the inquiry were, in the committee's view, neither fully substantiated nor seen as necessarily long-term features of the industry. Rising land prices were viewed primarily as a product of current economic circumstances to which existing occupiers contributed by being the majority purchasers of land for sale. Those members of the committee most concerned about recent occupancy changes were also least inclined to increase state regulation of the land market. Change was to be achieved through adjusting, usually reducing, tax burdens, and this at a time when state regulation was still a normal part of political culture. Others, in the light of the evidence, were not inclined to intervene much at all. Effectively, a committee of inquiry set up under a Labour government adopted a posture more in tune with the thinking of subsequent Conservative administrations.

As we look back more than 40 years since the publication of the report, the main difficulty we now face is the lack of an equivalent evidence base. This would allow a more informed position to be taken on the prospects for landholding and farming businesses following Brexit and a series of trade deals that could affect domestic production in a situation where the government is no longer making a commitment to a given level of national food self-sufficiency.

There has been no public inquiry since 1979. Instead, we have several pieces of academic research based largely on sample farm surveys, reliable information on net farming income over the whole period and on the land market in England and Wales up to the year 2000. In brief, this latter source of information allows us to say that during the rest of the twentieth century after Northfield, agricultural land prices continued to rise in nominal but not in real terms, only increasing in real terms during this century, especially since the financial crisis of 2008. These land price trends are set against a background of a significant fall in net farming income in both current and real terms in the 1980s, with only a small rise in current terms in recent years, helping to explain the continuing search by farming families for new on-farm and off-farm sources of income to ensure the survival of the farm business. Once again, as in the 1970s, land prices have risen faster than net farming income. To today's occupiers, the 1970s not only seemed, but was, a decade of relative prosperity.

The information we have on the land market from the annual returns of DEFRA and the Valuation Office Agency up until year 2000 also record a continuing and significant decline in the amount of land sold, in England falling by about one-third between the early 1980s and the end of the century. Farmers consistently dominated this declining market being responsible for more than 80 per cent of all transactions. In 1978, financial institutions were net purchasers

and involved in about 10 per cent of market transactions, but by 1987–88 they were significant net sellers, and by the year 2000 had almost completely left the market. Their withdrawal, despite the committee's positive projections of future purchases, not only reflects the decline in inflation and a more secure national economy in the late twentieth century but also the substantial decline in net farming income which the committee did not anticipate.

There has been empirically and theoretically well-grounded research into agricultural land occupancy following Northfield. The largest such study, which collected detailed evidence on occupancy change on more than 400 farms in five different parts of England between 1970 and the mid-1980s, confirmed in detail much of the thinking of the committee. For example, the findings revealed growth in owner-occupation, more complex divisions and greater flexibility of property rights, increased farm size and substantial land mobility when gross rather than net change figures are uncovered. More importantly, whilst these trends were occurring in all parts of the country they were happening at different rates.⁵³ A later national study revealed a significant growth of unconventional forms of insecure, short term tenancies outside the 1976 legislation, mainly to the advantage of established farm businesses, as occupiers traded off insecurity against access to additional land.⁵⁴ Partly in response to this important piece of research, and in an attempt to regularize the situation, the Agricultural Tenancies Act (1995) was passed allowing for the introduction of more flexible farm business tenancies. A follow up study in 2007 indicated that despite growth in farm business tenancies this change had not reduced the number of informal agreements. If anything, they had increased.⁵⁵

These changes to the forms of tenancies, especially the growth of farm business tenancies largely at the expense of full agricultural tenancies, and the increasing use of informal agreements, make comparisons with the predictions for 2020 put forward by the Northfield committee hazardous at best. The only regular source of contemporary information, based on the June Agricultural Census returns and just for England, does not allow for tenants' ownership interests in the land they 'rent'.⁵⁶ Without further research, the best we can suggest is that the introduction of farm business tenancies has seemed to slow the growth of owner-occupation during this century. The returns for 2020 indicate that owner-occupation accounts for about 60 per cent of the farmed area in England (probably too low a figure) with full agricultural tenancies making up a mere 13 per cent and farm business tenancies a further 12 per cent, most of the remaining 'tenanted' area being farmed under a variety of short-term arrangements.

⁵³ See, for example, Whatmore *et al.*, 'Rural restructuring process'; T. K. Marsden, 'Capitalist farming and the family farm: a case study', *Sociology* 18 (1984), pp. 205–24; R. J. C. Munton and T. K. Marsden, 'Dualism or diversity in family farming? Patterns of occupancy change in British agriculture', *Geoforum* 22 (1991), pp. 105–17.

⁵⁴ M. Winter, C. Richardson, C. Short and C. Watkins, *Agricultural land tenure in England and Wales* (Royal Institution of Chartered Surveyors, 1990).

⁵⁵ Butler and Winter, *Agricultural tenure*; see also

R. Burton and N. Walford, 'Multiple succession and land division on family farms in the South East of England: a counterbalance to agricultural concentration?', *J. Rur. Stud.* 21 (2005), pp. 335–47; B. Ilbery, D. Maye, D. Watts and L. Holloway, 'Property matters: agricultural restructuring and changing landlord-tenant relationships in England', *Geoforum* 41 (2010), pp. 423–34.

⁵⁶ DEFRA, *Farming statistics – land use, livestock populations and agricultural workforce: land owned or rented on agricultural holdings, England* (2021).

All these studies, whilst important in their own terms, are no substitute for a comprehensive study of today's circumstances. This would provide consistent information on land occupancy and the full distribution of property rights on farms, alongside a better understanding of whether today's occupiers are able and willing to respond positively to the major policy changes currently being expected of them. We are reminded of the Northfield Committee's second objective for policy – the need to retain personal commitment and incentive among occupiers – in a world where the growing competition for rural land from a larger and more affluent population has challenged the post-war presumption that farming should be viewed as having the highest priority in determining rural land use. The farming community is increasingly exposed to the requirements of residential, recreational and environmental interests, even if it often treats these interests as the sources of new non-farming income streams essential to their survival. In retrospect, the agricultural land occupancy and ownership changes of the 1970s, the circumstances of which the Northfield Committee struggled to understand, now seem to constitute a particularly atypical decade.