

NFUS Position: LFASS Rebasing and Future Support

Overview

The Less Favoured Area Support Scheme (LFASS) remains a vital mechanism for sustaining agricultural activity and rural communities across Scotland's most fragile areas. However, the current scheme is based on historic livestock data from 2009, resulting in misalignment between payments and present-day farming activity.

Position on Rebasing

NFUS recognises the long-standing concerns regarding the lack of rebasing within LFASS. However, given repeated refusals from Scottish Government and the significant complexity and risk associated with reforming the current scheme, the position of the LFA Committees is to:

- **Draw a line under rebasing**
- **Focus efforts on practical and deliverable solutions**

Rebasing would require substantial legislative and technical changes, risk unintended redistribution of support, and divert critical resource away from developing future support frameworks.

Immediate Priority: Targeted Use of Underspend

NFUS is concerned by the consistent annual underspend within the LFASS budget. At a time when active farmers are being under-supported, this represents a missed opportunity.

NFUS therefore calls for:

- Utilisation of LFASS underspend to "level up" active businesses
- Support targeted at:
 - Active farmers with significantly increased stocking levels
 - New entrants disadvantaged by historic baselines
- Introduction of a case-by-case review or appeals mechanism to address clear anomalies

This approach provides a pragmatic, achievable alternative to rebasing while ensuring funding reaches those delivering real agricultural activity.

Future Support Framework

NFUS supports the Scottish Government's direction of travel toward a modernised support framework, provided it delivers:

- A clear focus on **genuine agricultural activity**
- Fair recognition of **regional and land-type differences**
- A system that reflects **current, not historic, production levels**
- **Timely implementation** to avoid further loss of agricultural capacity

Future support must balance:

- Productivity and activity
 - The sustainability of extensive and low-input systems
 - The critical role of farming in underpinning rural communities
-

Key Principles

NFUS believes future LFA support must:

- Direct funding to active farmers
 - Be data-driven and regularly updated
 - Avoid unnecessary complexity while recognising land diversity
 - Support new entrants and generational renewal
 - Maintain critical livestock mass in fragile areas
-

Conclusion

While rebasing LFASS is no longer a viable option, immediate action is required to address clear inequities within the current scheme. NFUS will prioritise advocating for the targeted use of underspend to support active farmers in the short term, while working with Scottish Government to co-design a fair, effective, and future-focused support system.