

CABINET	AGENDA ITEM No. 6
20 JULY 2015	PUBLIC REPORT

Cabinet Member(s) responsible:	Councillor David Seaton – Cabinet Member for Resources	
Contact Officer(s):	Jonathan Lewis – Service Director – Education, Resources and Corporate Property	Tel. 01733 863912

STRATEGY FOR THE MANAGEMENT OF THE FARMS ESTATE

RECOMMENDATIONS	
FROM : Sustainable Growth and Environmental Capital Scrutiny Committee	Deadline date : n/a
That Cabinet adopts the proposed strategy for the management of Peterborough City Council's Farms Estate.	

1. ORIGIN OF REPORT

- 1.1 This report is submitted to Cabinet following the completion of a task and finish group instigated by the Sustainable Growth and Environmental Capital Scrutiny Committee. The Task and Finish Group objective was to review the future management of the Council's Farms Estate with a view to help informing and developing a long term strategy for the development of the estate.
- 1.2 The Group was established by the Committee at its meeting on 20 January 2014. At its meeting on the 17 March 2015, the Committee endorsed the Strategy for the Management of the Farms Estate and recommended the Strategy to Cabinet for approval.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to seek endorsement of the proposed Strategy for the management of the Peterborough City Council Farms Estate.
- 2.2 This report is for Cabinet to consider under its Terms of Reference No. 3.2.4 to promote the Council's corporate and key strategies and Peterborough's Community Strategy and approve strategies and cross-cutting programmes not included within the Council's major policy and budget framework.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO
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4. PETERBOROUGH CITY COUNCIL FARM STRATEGY

4.1 The Peterborough Farms Estate was purchased by the Council approximately 100 years ago. It is a statutory smallholdings estate held by the Council under the provisions of the Agriculture Act 1970. Section 39 of the Act states;

“In the performance of their functions under this Part of this Act smallholding authorities, having regard to the general interest of agriculture and of good estate management, shall make it their general aim to provide opportunities for persons to be farmers on their own account”.

4.2 The farms estate consists of a total land area of 1,217 hectares (3,007 acres) consisting of:

- 15 equipped holdings (with house and buildings)
- 7 holdings with land and some buildings (no dwelling)
- 12 bare-land lettings (no buildings)

4.3 The estate is located in three areas of the city: Newborough, Thorney and Fengate. Newborough has by far the largest number of assets and accounts for nearly 90% of the estate by area. The farm estate the Council retains is a valued and important aspect of the work of the city council and the character of the authority. It is a long term holding, held for the benefit of the City of Peterborough. The Council needs to protect these assets whilst maximising the financial benefit of these assets and enhancing the rural economy. There has not been a significant review of the farms estate for many years and at the meeting of the Sustainable Growth and Environmental Capital Scrutiny Committee on the 20 January 2014, it was proposed to establish a task and finish group to develop a formal strategy. A cross party group was formed.

4.4 The terms of reference for this group were as follows -

- Ensure that the profile of the farm estate is raised, within the Council and to members, also to the public including the key role it has played for the City over a number of years going back to 1913.
- Develop a strategy for the farm estate and its use into the future.
- Consider options around realising maximum value from the estate, including financial, social and environmental returns. Financial considerations include options for sale, expansion, rental levels, alternative uses, attracting external funding or invest to save proposals.

4.5 Eight meetings were held during 2014 to ensure members understood the farm estate operation and develop an appropriate strategy.

4.6 The draft strategy went to the Scrutiny Panel on the 21 January 2015 and the committee asked for further clarity over the financial business case for the retention of the farm estate. An analysis showed that the long term holding of the farm estates outweighs the financial benefit from the sale. The retention of the farm estate meets Central government policy that encourages all the remaining small holdings authorities, such as Peterborough, to retain and develop their farms estates. In 2004 Lord Whitty wrote to all small holdings authorities to confirm the following stated aims:

- To provide opportunities for new entrants into farming
- To provide examples of best practice
- To provide a positive link between the city and the surrounding rural land
- To support the local rural economy

4.7 Attached in Appendix 1 is the proposed Farm Strategy that was agreed by Scrutiny to recommend to Cabinet in March. An action plan to meet the strategic objectives is currently being worked on and has been shared with the Peterborough City Farm Tenants Association.

5. CONSULTATION

- 5.1 The Task and Finish Group worked with a number of key stakeholders. A key part of the Group's work has been to undertake visits to the Farms Estate and discuss the Strategy with tenant farmers. A working group was formed with representatives from the Peterborough City Farm Tenants Association (PCFTA) and these included –
- William and Margaret Cave (Eardely Grange Farm, Speechleys Drove)
 - Jonathan Woodroffe (Eardely Grange Farm, Wrights Drove)
 - Alan Skeels (Hurn Farm)
 - John Harris (Lodge Farm, Thorney)
- 5.2 The Task and Finish Group would like to thank everybody who assisted them during the course of the investigation for their support and openness. This assistance was greatly appreciated.

6. ANTICIPATED OUTCOMES

- 6.1 If adopted by Cabinet, the Strategy will be mobilised through an action plan which is currently being developed in conjunction with the PCFTA to look at how the farm estate can be used to its maximum benefit – both financially and non-financially.

7. REASONS FOR RECOMMENDATIONS

- 7.1 Effective ownership of an agricultural estate requires a long-term view to ensure sustainable management. Decisions made can affect the estate for many years and decades. Without a clear understanding of the aims of the Council with regard to the estate, effective management is handicapped. On occasion quick decisions are required to take advantage of events. In recent years there has not been an agreed strategy for the estate to enable such decisions to be made, resulting in lost opportunities. A clear strategy also should act as a means of informing the Council so that it has an understanding of the asset and the reasons for its ownership. The Council's Farm Estate is a long term positive asset held by the Council for the benefit of the rural community. It produces a steady stream of income and employment for the wider city of Peterborough. The Farm Strategy has been produced in conjunction with our tenant farmers

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 None. There is no recorded publically held strategy for the management of the farms estate. This provides a transparent framework for their future operation and ownership.

9. IMPLICATIONS

- 9.1 The Strategy provides a framework within which reflects the long term planning of the farm estate. This will be updated every five years in line with changes in the economy and any legal and financial constraints prevalent at the time. Any proposals around delivering the Strategy will be considered in the action plan being developed and subject to appropriate decision making.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

None

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