

GROWTH, ENVIRONMENT AND RESOURCES SCRUTINY COMMITTEE	AGENDA ITEM No. 7
5 MARCH 2018	PUBLIC REPORT

Report of:	Simon Machen, Corporate Director, Growth and Regeneration		
Cabinet Member(s) responsible:	Cabinet Member for Resources		
Contact Officer(s):	Bridget Slade: Rural Estate Manager	Tel. 07920160393	

PETERBOROUGH RURAL (FARMS) ESTATE ACTION PLAN UPDATE

R E C O M M E N D A T I O N S	
FROM: Rural Estate Manager	Deadline date: N/A
<p>It is recommended that the Growth, Environment and Resources Scrutiny Committee:</p> <ol style="list-style-type: none"> 1. Note the progress that has been made on the Peterborough Farm Estate Action Plan 2. Agree to receive an annual update in September 3. Note the name change from Farms Estate to Rural Estate 	

1. ORIGIN OF REPORT

1.1 This report is to update the Scrutiny Committee on progress to date, following the approval of the Strategy for the Management of the Farms Estate approved by Cabinet in July 2015 (the Agreed Management Strategy).

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is provide an update on implementation of the Rural Estate Action Plan 2017/18 and the Rural Estate as a whole.
- 2.2 This report is for the Growth, Environment and Resources Scrutiny Committee to consider under its Terms of Reference No.5. Economic Development and Regeneration including Strategic Housing and Strategic Planning.
- 2.3 This report links to the delivery of sustainable growth through the effective management of the Rural Estate.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	N/A
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4. BACKGROUND AND KEY ISSUES

4.1 Background:

Peterborough City Council owns in the region of 3000 acres of agricultural land, which is let to

twenty two tenants on long-term Agricultural Holdings Act tenancies and short and long term Farm Business Tenancies.

The Estate has previously been known as the Farms Estate, but has been updated to the Rural Estate to reflect the fact it is more than just farms. The Rural Estate offers opportunities for rural businesses, farm diversification, and service provision.

The Estate is retained to provide an investment to the Council in the form of rental income, to provide opportunities for new entrants into farming, and to fulfil specific objectives such as education, environment, and social as well as economic benefit to the people of Peterborough. The Rural Estate Action Plan runs in line with the farming year and the tenancy year, from October to October in each year.

4.2

Key Updates:

The Peterborough Rural Estate Action Plan 2017-2018, written in accordance with the Strategy for Management of the Peterborough Farms Estate has been updated and précised below:

Vision:

The vision for the Estate remains the same; to amalgamate smaller holdings into larger holdings which can be financially sustainable, as well as continuing to provide some smaller holdings for new entrants into Farming.

Rent:

The rent roll stands at £281,221. There have been no rent reviews for five years due to the rise in commodity prices, the poor gross margins and Brexit. Notices were served on all tenants in October 2017 to be completed by October 2018.

Starter Tenants:

It was agreed that the holdings of Moores and Pepperlake Farm should be amalgamated and let as one holding to provide new entrants with a more viable opportunity. Instead of two 50 acre holdings there will be one 100 acre holding in line with the Agreed Management Strategy.

The tenant of Flood Farm has surrendered his tenancy, and as a result, two opportunities for new entrants are currently being advertised. The policy to inform the selection process will be road tested this year and amended to provide a robust and auditable tool for future new entrant lettings.

Following recommendations both internally and externally, the initial tenancy length for new entrants will start at ten years, rather than five years.

Investment:

- The bungalow at Moores Farm has been fully renovated. Further repair works to buildings at Moores Farm are now underway as a result of the recent high winds.
- A program of property inspections have been undertaken across the Estate.
- Lists of outstanding repairs have been drawn up and passed on to Amey.
- A drainage scheme has taken place at Lower Willow Farm, the Council has committed not to let land which is not fit for purpose, i.e, not croppable.

The next Action Plan will have a focus on the repair of tracks and roadways, as a response to feedback form the tenants and general public.

There is an obvious requirement for more suitable agricultural buildings on the Estate which is recognised. This will be considered seriously, with regard to the Strategy and amalgamation of holdings to ensure any new buildings are put in suitable and logical locations. This will be looked into further in subsequent Action Plans as the holdings are amalgamated.

Environment:

This remains an ongoing priority and will be addressed further in the 2017/2018 Action Plan.

Education:

Discussions with a number of education providers have been undertaken and will be ongoing in order to meet this objective.

Lettings:

Grays Farm and Hill Farm were both let on 10 year FBTs – marketed in 2016 with tenants taking possession in early 2017. These were let on the open market to existing farm businesses in order to maximise rental income. The holdings have since been inspected and the new tenants have undertaken various boundary clearance and drain cleaning before cropping.

Land at Olympia Farm has been let to a diversified business of game bird rearing on a 10 year FBT.

Sales:

The Council has committed to retention of the Estate since 2015, but will look to realise windfall sales disposals of redundant farm buildings and small areas of land where they surplus to agricultural requirement and can provide significant capital receipts.

One surplus house, yard and building will be sold to a sitting tenant this year.

5. CONSULTATION

- 5.1 The Action Plan has been written by the Rural Estate Manager following consultation with the Peterborough Farm Tenants Association, individual tenants, the Head of Property, the Corporate Director of Growth and Regeneration, and Councillor Seaton, the Cabinet Member for Resources.

The Action Plan was also circulated to the Tenant Farms Association (national) and the National Farmers Union.

6. ANTICIPATED OUTCOMES OR IMPACT

- 6.1 The outcome of the publication and approval of the annual Action Plan will be to inform the tenants and other interested parties of the Peterborough Rural Estate of how the Council is delivering the Agreed Management Strategy in practical terms. All management actions will be justified and clarified. This will assist in the maintaining of a good Landlord/Tenant relationship.

7. REASON FOR THE RECOMMENDATION

- 7.1 The recommendation to note the update to the 2016/2017 Action Plan has been based on the service provision, delivery of the agreed Strategy and investment return provided by the Rural Estate.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 NA.

9. IMPLICATIONS**Financial Implications**

- 9.1 No financial implications beyond the usual Rural Estate revenue and capital budget.

Legal Implications

- 9.2 No legal implications.

Equalities Implications

- 9.3 By giving all tenants a fair size holding in line with the Approved Strategy we are improving the equality in the Rural Estate.

Rural Implications

9.4 Rural implications as outlined above.

9.5 None.

10. BACKGROUND DOCUMENTS

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

10.1 The Strategy for the Management of the Farms Estate (approved Cabinet in July 2015) [Strategy for the Management of the Farms Estate](#)

11. APPENDICES

11.1 Appendix 1 - The Rural Estate Action Plan 2017 – 2018