

PETERBOROUGH



CITY COUNCIL

PETERBOROUGH RURAL ESTATE ACTION PLAN 2017-2018



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NPS PETERBOROUGH

VISION

- The vision is for the estate to consist of 6 full time holdings of approximately 400 acres each. This would leave some 500 acres, about 1/6 of the current estate, available for new entrants into farming as starter farms and for social uses such as education.
- Farms will be amalgamated over the next few years until the vision is achieved.

INTRODUCTION

This document aims to outline the process by which the Peterborough City Council Rural Estate (hereafter referred to as The Rural Estate) will be managed on a day to day basis for the year October 2017 to October 2018.

The Action Plan is to be read alongside the Strategy for the Management of the Farms Estate (March 2014), as the one informs the other. The Action Plan is divided into objectives as per the Strategy – these are Financial and Investment, Agricultural, and Social & Environmental.

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.

FINANCIAL and INVESTMENT

Tracks and Roadways

For the year 2017 – 2018, the focus will be on bringing the many tracks and roadways across the Estate up to scratch. A tender process is currently underway in order to establish best value and quality for crushed brick and planings, and surveying and marking up have been undertaken where there is immediate requirement.

The material for roads and tracks will be provided by the Council, and labour will be provided by the Tenants, as is stated in the Tenancy Agreements. Where tracks are shared by tenants then those tenants should agree between themselves how labour will be undertaken.

Any requests for materials must be made to the Rural Estate Manager, in order for materials to be ordered.

Repairs

Historically, repairs have been undertaken across the Estate in a reactionary manner. It is hoped that in future, a repair and maintenance programme will be developed which will be more proactive, although it is worth noting that as most of the buildings on the Estate were erected in the 1970s, the repairs required are extensive, and in some instances total replacement will be necessary.

Tenants are reminded that under the terms of their tenancy agreements, it is their duty to report repairs to the Landlord. If an item requires immediate attention, please make

this clear when it is reported. Repairs should be reported directly to the Rural Estate Manager.

Capital Projects

A drainage scheme on Willow Drove has been signed off and works are set to be completed in 2017.

Where holdings are so wet as to be uncroppable, despite the best endeavours of the tenant, the Landlord will – within reason – carry the cost of a drainage scheme in order to invest in the asset of the land, and maintain the income earning potential of that asset.

Where a drainage scheme would merely improve poor yields on land which is capable of holding a crop, then the Landlord will enter into a Finance Agreement with the tenant in order to assist the tenant in maintaining the land.

If there are other capital projects that tenants would like the Landlord to consider, then tenants may submit a business case for consideration. This should outline what the capital project is, the financial and agricultural benefits of the project, and the cost of the project. Capital projects will usually be subject to Finance Agreements if they are approved.

Rent

Rents are currently, for the most part, set at fairly modest levels, and, for the most part, have not been subject to rent review for some time. This has been due to the uncertainty before, during and after the proposed Solar scheme and the Brexit vote.

As the Solar scheme was abortive, and the potential loss of subsidies due to Brexit is not an immediate concern, notices for rent review will be served this year for rent reviews to be undertaken across the board in Autumn next year.

Rents will be set at financially sustainable levels. When letting starter holdings this might result in rents at the lower end of the market levels. Where appropriate, non-financial benefits to the Council, environment and community will be taken into account when assessing acceptable rent levels.

Disposals

The Council has no plans to sell off any farm holdings in 2017/2018, and there is nothing identified in the Strategy.

According to the Strategy, small disposals which maximise revenue for the Council will be considered on the Rural Estate. Some land off Gas Lane, and an area of land off Willow Drove may be sold as garden extensions during 2017. Out-dated farm buildings which are obsolete for the purposes of modern agriculture will be considered if they are no longer required. These will provide a capital receipt for the Council.

The disposal of Fletchers Farm Buildings for residential conversion will be explored further in 2017.

In order to achieve the strategic goal of six full-time holdings (plus some opportunity for new entrants) not all of the current residential units will be required where the Council considers properties to be surplus in respect of the strategic goal tenants might be

offered the opportunity to purchase the freehold of those properties subject to independent valuation.

If there are any farm tenants who wish to purchase the rural residential property that they rent from the Council under their agricultural lease, they may request to do so. This will be considered on a case by case basis as the situation is fluid in relation to how we achieve the six full-time holdings plus new entrants' holdings and that each case will be taken on its particular situation and merits.

AGRICULTURAL

New Entrants

An official policy for New Entrants, the selection process, and a tenant specification are being drawn up at present.

Potential starter tenants will be expected to submit a business plan, financial forecast for the first two years, and a record of experience to the Landlord, who will utilise an appropriate scoring matrix in order to process the submissions and shortlist applicants for interview.

Moore's Farm and Pepperlake Farm will be amalgamated to form one holding with a bungalow and buildings, and will be advertised to let shortly after Christmas 2017. Interviews will take place in the spring, and the successful applicant will have ample time to plan for a start date of October 2017.

Lettings

The Council will aim to let land on longer-term agreements when appropriate. A 10-year term will generally be the minimum length considered when reletting land although each letting will be considered on a case-by-case basis.

Various short term FBTs running from October 2016 to October 2017 will be rolled over for a further year until 2018 to allow tenants proper time to plan ahead for their businesses.

From October 2018 short term FBTs will no longer be utilised, except in exceptional circumstances.

Tenants are reminded that under the terms of their tenancies, they must farm the land themselves, and not use contractors for the majority of the operational farming. Failure to farm the land in accordance with the tenancy agreement may result in a notice to quit.

Although Local Authority Agricultural Holdings Act tenancies are not subject to succession rights, successions have historically occurred on the Rural Estate where a tenant's immediate family member has an interest in farming, relevant experience, and wishes to succeed to the tenancy. In future, direct successions will not take place, but where a tenant's son or daughter wishes to farm alongside their father then joint tenancies will be considered, with appropriate terms and rents. These will be form a new Farm Business Tenancy for both parties, to replace the old Agricultural Holdings Act tenancy. If tenants wish to explore this avenue then they are encouraged to inform their landlord; please get in touch with the Rural Estate Manager at your earliest opportunity.

Retirement Tenancies

In the past, it has been the case that tenants on 1986 Act “Retirement Tenancies” have been able to continue to farm their smallholding beyond retirement age. Whilst there is nothing wrong with this, it has led to less land becoming available and fewer opportunities for new entrants to farming, which contradicts the ethos of a County Farms Estate.

In future, it is intended that tenants who hold “retirement tenancies” will be served a Notice to Quit under case A and offered alternative housing when they reach their State retirement age, in order to free up more land for holding amalgamations and new entrants, as per the Strategy.

If you are affected by this or would like to discuss your options please do not hesitate to contact the Rural Estate Manager.

Amalgamations

According to the strategy the future of the Rural Estate involves amalgamations of holdings to form larger more financially viable blocks of roughly 400 acres each, as well as at least two starter holdings. These amalgamations will take place as land becomes vacant.

Whilst this continues to be the vision for the Estate, we will continue to work towards this goal, and it will remain part of the agreed strategy.

SOCIAL & ENVIRONMENTAL

Social - Education

The rural estate has a potential educational value and the Council is in discussion with a number of education providers for use of part of the estate for educational purposes. In the past, Fletchers Farm was considered for educational purposes, but we are now looking elsewhere on the Estate. The use of the Estate for service provision is of great importance to the Council, and tenants’ co-operation with the Council in order to find areas which are perhaps less suited to commercial agricultural operations for education provision is appreciated.

Tenants are encouraged to take part in L.E.A.F’s Open Farm Sunday Initiative in order to promote a greater understanding to the community of how food is produced. Several tenants were present at Park Farm Thorney for Open Farm Sunday 2017, and it is accepted that as Park Farm is set up for public demonstrations and has such a high number of visitors for this event, it would be unfeasible for Council farm tenants to run their own events on this day. I would like to encourage more tenants to show their support for this initiative, either by volunteering on the day, or by attending in a visitor capacity to show support.

We will also be exploring the option of having a Peterborough Rural Estate stand, to showcase who we are and what we do to the local community for Open Farm Sunday 2018.

Social – General

Tenants have suffered in the last couple of years with a rise in rural crime, particularly hare coursing. Tenants have worked together, and worked with the police in order to contain this issue and prevent it from becoming more serious. Tenants are to be commended for this common sense approach, and it is hoped that the efforts will continue and the hare coursers will get the message the Peterborough Rural Estate does not welcome this type of illegal activity.

Environmental

Tenants' businesses need to be financially as well as environmentally sustainable. As advised by the RSPB in 2010, habitat schemes should generally be directed towards low quality land. The farms estate's priority shall be food production but there is scope for improving wildlife habitat as well as landscape without compromising the agricultural output of the estate.

The estate at Newborough is likely to remain a largely agricultural fenland landscape for the foreseeable future.

Although the Farms Estate encourages environmentally sustainable farming, the onus will be on the tenant to apply for mid and higher tier Countryside Stewardship schemes and to comply with cross compliance, and the Council will accept no liability arising from a tenant's failure to adhere to his or her agreement.

Soil testing is a good way of monitoring farming practice across the Estate, the farms are only as good as their soil, and this must be farmed sustainably and kept healthy for future generations. Four yearly soil testing as part of Farm Assurance schemes is standard on most farms, and tenants are encouraged to share this information with the Landlord for monitoring purposes – some tenants already do this.

Wildlife is in abundance across the Estate; The owl box at Lodge Farm Thorney has had another successful year. Barn owls have been spotted in several fields. Lapwings have been in abundance, particularly in the west of the Estate. A tenant on one holding has reported seeing: Fallow, Muntjac, kingfishers, lesser spotted woodpeckers, buzzards, red kite, skylarks, corn buntings, barn owls and kestrels.

Tenants are encouraged to report wildlife sightings in order to inform our records and show what an environmentally diverse place the Rural Estate is.

2017/18 Summary of Actions – PROVISIONAL ONLY	
Finance and Investment	Repairs and replacements of tracks and roadways across whole estate. Further capital projects to be informed by tenant's agricultural/business requirements.
Lettings	Moores/Pepperlake Farm to be let as one holding to a new entrant, advertised in January 2018 – October start date.
Rents	Rent reviews to be undertaken in 2018. Notices served October 2017.
Disposals	Land at Gas Lane Land at Willow Drove Fletchers Farm Buildings
Social & Environmental	Focus on education, sites to be found on the Estate for various educational uses, timeline Sept 2018.

If you wish to discuss anything in this Action Plan, please contact the Rural Estate Manager:

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