

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

Report of:	Simon Machen, Corporate Director, Growth and Regeneration		
Cabinet Member(s) responsible:	Councillor David Seaton - 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 Peterborough Rural Estate Action Plan attached at Appendix 1 2. Note the tenant specification attached at Appendix 2 3. Note the new entrant lettings process attached at Appendix 3 	

1. ORIGIN OF REPORT

1.1 This report is to update the Scrutiny Committee on progress to date, and to introduce the Action Plan 18/19, the Tenant Specification and the new entrant Lettings Process. These all accord with the agreed Strategy for Management of the Estate (2015).

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is provide an update on the Rural Estate Action Plan and the Rural Estate as a whole, as well as the new management documents.

2.2 This report is for the Growth, Environment and Resources Scrutiny Committee to consider under its Terms of Reference No.3, Section 4 - Overview and Scrutiny Functions, Paragraph 2.1: Functions determined by Council:

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 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 2018-2019, written in accordance with the Strategy for Management of the Peterborough Farms Estate 2015 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 approximately £280k. There have been no recent rent reviews due to the rise in commodity prices and the poor gross margins, and Brexit. Notices were served on all tenants in October 2017 to be completed by October 2018. This will bring rents more in line with other Local Authority owned Estates.

Starter Tenants:

As there have been no starter tenants onto the Estate since the 1990s, there was no previously official process in place.

The attached documents seek to ensure a fair and auditable process when selecting suitable new tenants onto the Estate.

They were piloted during the latest relettings of Moores Farm and Flood Farm, and worked well.

Investment:

- A program of property inspections have been undertaken across the Estate.
- Tracks and roadways are being repaired across the Estate.
- A new grain store has been built at Thorney where Holdings have been amalgamated.
- Another new grain store will be erected at Willow Drove Farm next year, where Holdings have been amalgamated.

The new infrastructure represents the first significant investment in the Rural Estate by the Council since the late 1970s.

Environment:

This remains an ongoing priority and tenants have been keeping records of wildlife sightings. We will be working with Lincolnshire Wildlife Trust over the coming year to promote new habitat on the Estate.

Education:

The education provision remains an ongoing commitment. At the current time we are working with partners to secure funding.

Lettings:**NEW ENTRANTS:**

Moore's Farm has been let.

Flood Farm has been let.

OTHER:

A smallholding on Willow Drove has been let.

The holdings on Willow Drove have been amalgamated and let to a local farming partnership.

The holdings at Thorney have been amalgamated and let to a local farming partnership.

Buildings at Grays Farm have been let.

Several other amalgamations are under discussion at the current time.

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), the Country Land and Business Association and the National Farmers Union.

The tenant specification was written in conjunction with existing tenants.

The new entrant process was written with existing tenants and the Head of Property, taking advice from other local authority Estate managers.

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.

The tenant specification and new entrant process are designed to clarify how the Council selects tenants to ensure a robust and fair process, and manage expectations.

7. REASON FOR THE RECOMMENDATION

- 7.1 The recommendation to approve the 2018/2019 Action Plan, Tenant Specification and New Entrant Process 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 No equalities implications.

Rural Implications

9.4 Improvement of landscape due to longer term tenancies creating increased investment in land management and habitat creation.

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 2018 – 2019
Appendix 2 - Peterborough City Council Rural Estate Tenant Specification
Appendix 3 – New Entrant Policy