

# Business and Property Committee

Item No.....

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| <b>Report title:</b>  | <b>County Farms Estate Management Update</b>                 |
| <b>Date of meeting:</b>   | <b>14 March 2018</b>   |
| <b>Responsible Chief Officer:</b>   | <b>Executive Director of Finance and Commercial Services</b> |
| <b>Strategic impact</b><br>The County Farms Estate extends to 16,739 acres, supporting over 145 tenant farmers, and is the third largest local authority farms estate in England & Wales. It is the general aim of the Estate to (a) Provide a 'gateway' into agriculture for people to farm on their own account promoting the integration of good environmental and farming practices whilst ensuring a financial return to the County Council; (b) Judiciously improve it, where appropriate, and support its tenants whilst seeking to grow the operational surplus that it generates to support the other functions of the Council; and, (c) Sustain rural communities by supporting the living, working countryside and providing opportunities for greater public access and understanding of agriculture and the countryside. |  |

## Executive summary

This report provides an update on the County Farms Estate to the Committee since its last meeting, including such matters as the reletting cycle that is currently underway, proposed capital improvements to the Estate, the next Farmers Market and rent collection update.

### Recommendation:

**Business and Property (B&P) Committee is asked to formally:**

- (i) **Note the management update.**

## 1.0 2018 Farm Re-lettings

- 1.1 As reported in January's meeting, we have now begun marketing four farm holdings. The closing date for applications is 12 Noon Friday 9<sup>th</sup> March 2018 and we propose to hold interviews shortly after Easter.
- 1.2 The farms have been advertised through the EDP and Farmers Weekly and both publications have also carried the relettings as positive news stories (please refer to the articles in Appendix 1). In addition, we have promoted the farms through the Council's website and our social media profiles on Facebook ([@norfolkcountyfarms](#)) and Twitter ([@norfolkcfarms](#)) and directly through the National Farmers Union, Tenant Farmers Association, Norfolk

Young Farmers Clubs and the National Federation of Young Farmers Clubs. As a result, we have had an excellent level of interest as evidenced by over 1,300 individual views of the County Farms pages on the Councils website (about 60 views per day since the campaign began).

- 1.3 There have been many enquiries from new entrants or those at the early stages of their agricultural careers as well as expressions of interest from existing Estate tenants considering moving to a larger farm. We are also aware of interest from parties (some direct approaches and others that appear to be using a 'Trojan horse' to apply) who are already active farmers with significant land holdings that we will have to be weeded out in preference to our target audience.
- 1.4 The only negative issue to report was an isolated incident of a prospective tenant turning up unannounced to view a farm outside of the advertised farm viewing day. The sitting tenant was understandably upset by this and reminders about not visiting the farms being advertised were posted on the Councils website and on Facebook. No further incidents have been reported.
- 1.5 The first session of the Farm Applicants Training day was held on Tuesday 13<sup>th</sup> February with the full complement of 24 attendees. This was provided for us through Anglia Rural Consultants and aims to develop applicants' skills in communication, farm appraisal and business planning. The course has received positive feedback from those attending.

## **2.0 Proposed Capital Improvements 2018/19**

- 2.1 The team is currently working through developing a capital investment programme on the Estate to provide some much needed infrastructure to ensure that the farms we offer are fit for purpose.
- 2.2 Items that are provisionally being considered include five general purpose buildings (versatile agricultural buildings that provide crop storage facilities as well as machinery storage and workshop space), land drainage improvements and estate road improvements.
- 2.3 Further details will be reported as the programme develops. It is intended that these investments will underpin existing rent levels as well as provide enhanced revenue opportunities.

## **3.0 County Farms Farmers Market**

- 3.1 Members may recall back in November last year, we invited tenants of the Estate to take part in a pop-up farmers' market in the Marble Map area of County Hall to showcase their produce to the staff. This was a really big hit on the day for staff and tenants alike, some of whom had not previously undertaken any direct selling.

- 3.2 We are proposing to host another farmers' market on Thursday 3<sup>rd</sup> May, which we will be branding as "SpringFest". Preparations for this event are underway and we are aiming to set this up on the forecourt area outside. Being outside will hopefully mean that we may be able to bring small numbers of livestock to add to the event as well as some farm equipment. Childrens' Services have already expressed interest in bringing a party of looked-after children to the market.
- 3.3 As before, Norse are supporting the market through a themed BBQ with produce sourced from the Estate.
- 3.4 We aim to use this as an opportunity to not only promote our tenant farmers and their businesses, but the County Farms Estate and agriculture general.

#### **4.0 Rent Collection**

- 4.1 The last invoice run for Estate rents was 11 October 2017.
- 4.2 By the 11<sup>th</sup> December 2017, the rents were 92% collected and by the beginning of January this year all rent due from October was 100% collected. There were some challenging trading conditions for farmers in 2017 and a few tenants experienced delays to the Basic Payment Scheme Entitlement payments. Therefore, to be 100% collected against that backdrop is an impressive achievement for both tenants and the Farms team.
- 4.3 The next rent invoice run will take place on 6 April 2018.

#### **5.0 Financial implications**

- 5.1 The cost of the Farm Applicant Training day will be in the region of £2,000. However, the course promotes the Council in a positive light and, based on experience of offering similar course in the past, will result in a general increase in the quality of applications received through providing enhanced business skills to the attendees. The cost of marketing is budgeted at £1,200.
- 5.2 The proposed capital projects will be reported on again in due course. Currently we are not in a position to obtain quotations for the work identified whilst the schemes are worked up.
- 5.3 There is no charge to the Estate's tenants in taking a pitch on the farmers' market. There will be infrastructure costs for providing a marquee and these are currently being sought. It is anticipated that this will be less than £1,000.

#### **6.0 Issues, risks and innovation**

- 6.1 The adoption of the proposals in this report will ensure issues and risks are managed around the use and development of the County Farms Estate.

- 6.2 The Farm Applicant Course is an innovative offering from the Council which has been emulated elsewhere (Cambridgeshire). It supports those applying for County Farms holdings but also raises the level of skill amongst potential rural entrepreneurs who, if unsuccessful with their application, can transfer those skills to other business proposals.

If you have any questions about matters contained in this report please get in touch with:

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