Suffolk County Council: The County Farms Estate - Future Direction

Background: Suffolk is a traditionally rural County, and Suffolk County Council owns the fourth largest Local Authority rural estate in England and Wales ,comprising of 5,019 hectares (12,426 acres), largely let, with 127 tenants, together with a small amount of residential and commercial occupiers, and represents a significant income stream to the Council, both through rental and capital receipts.

Many County Councils and Unitary Authorities own a rural estate, known either as a Smallholdings Estate or, more usually, "The County Farms Estate" (CFE). These were first set up just before WW1, but their expansion really followed the first World War and second World War to provide returning soldiers with employment and a home.

The Suffolk CFE includes strategically important land on the urban fringes of some of Suffolk's largest towns, with substantial areas situated around Lowestoft, Mildenhall, Hadleigh, Sudbury and Ipswich. The nature of the area is such that the vast majority of the farms are in arable production, with standard wheat/barley/oil seed rape production although with some root crops such as potatoes in the north west of the County where the soil type allows.

In January 2019 a Policy Development Panel (PDP) was instigated to review and set out the Estate Strategic Direction and policies, subsequently ratified by Cabinet. The remit was broad and enabled the Panel to examine all options for the future of the Estate. The Councillor led Panel used evidence from internal and external witnesses, including professional rural consultants and organisations, Councillors, farmers, environmentalists, and tenants to draft objectives and policies designed to enable the estate to be run in a wholly commercial manner, that creates opportunities wherever possible, whilst also working collaboratively with stakeholders to improve resilience in rural communities and the environment.

The endorsed objectives and policies for the estate management of the Estate are programmed to inform policy until 2029.

In summary, the principles accepted covered the issues of Estate Ownership, Commercialisation, Agricultural matters, and Environmental and Community interaction.

In more detail the outcomes were as follows:

Estate Ownership: The PDP considered all options in terms of the Estate retention or disposal and concluded that the Estate remained very important to the County, as the Estate represents good value for money and contributes to the Council's Strategic Priorities. Linked to this, Estate Objectives were agreed, including to run the estate commercially, utilising estate assets to promote and compliment the Council's strategic priorities,

including economic growth, social capital and Greenest County, and providing sites for new development. Disposals will only occur as part of the Council's wider disposal process, with planning permission for non-agricultural use, or the when the asset has no strategic value or does not contribute to the Estate objectives.

Acquisitions should be considered where there is strategic value to the estate, produces a revenue return, or replaces land sold for development purposes.

Commercialisation: The PDP concluded that the management of the Estate should be commercially focused and addressed the following issues:

- Non-Agricultural Development: to continue to take a fully commercial approach to
 promoting potential development sites (residential, commercial and industrial), to
 include renewable energy projects, and to work with tenants and partners, including
 District and Parish Councils where appropriate, to investigate all potential income
 streams, supported by a robust business case.
- Farm Diversification: The Panel confirmed that the Estate should promote tenant led diversification (subject to a suitable business plan), with examples cited as considering converting suitable farm buildings for office, retail, industrial or mixed-use schemes.
- Investment and Maintenance: to invest in the Estate proactively where investment produces a return to the Council that meets its standard investment threshold or where there are strategic gains to the Council or estate.

The **Agricultural Future** of the Estate: the Panel confirmed that new entrants should continue to be encouraged to apply for tenancies when opportunities allow, and applicants will be expected to provide a completed application plan and business plan, including cash flow forecasts, evidence of sufficient financial support, and be able to demonstrate knowledge of and/or experience in the type of farming or enterprise for which they are applying. Initial tenancies will be granted for 5 years.

Existing tenants who wish to renew their tenancies on expiry will be able to apply for a further term as per the above process and will be expected to demonstrate that they have grown their business successfully and how they intend to develop their business in the future. Existing successful tenants will be offered a term of up to 15 years.

The policy regarding rent reviews remains that they will be treated as being set at a commercial level.

Sub-letting will be permissible for specialist cropping, provided that it amounts to no more than 20% of the holding, and subject to a suitable cropping Licence.

The Panel recommended that Retirement Tenancies can be extended for up to 5 years, provided this does not conflict with the Council's broader strategy.

Environment and Social: The PDP was unanimous in supporting additional public access across the County Farm Estate where this is appropriate. There are currently 54 km of public rights of way, although no formal permissive access. The potential for permissive routes was recognised for tenants to maximise funding under a new agricultural payment scheme.

Suffolk County Council has actively endorsed Care Farm initiatives, to reduce the cost of ongoing health care and improve community pastoral care, and will continue to do so. Pathways Farm at Lowestoft is a prime example of a County Farm holding. Pathways Care Farm operates from an 11-acre site in North Lowestoft which consists of a small area of agricultural land and a range of traditional agricultural buildings and a period house. This property came back to Suffolk County Council following the retirement of the previous tenant.

This provided an opportunity to offer the property to let for a social enterprise purpose. Pathways Care Farm gives vulnerable people the opportunity to learn, re-build and grow through a range of hands-on farming activities. Approximately 50 vulnerable people a week attend.

SCC actively seek to promote and support alternative energy solutions and engage with partners to green initiatives, be it solar power, wind farms etc., and encourage our tenants to be mindful of opportunities

Additionally, the Panel undertook to:

- manage existing and to plant new woodland either to help create new community assets, where appropriate, or to help with the strategic promotion of land for development.
- look for opportunities for new, appropriate in-hand environmental land management schemes that do not impact on the estate's main objectives.
- promote the use of environmental land management schemes to farm tenants across the whole estate to improve both biodiversity and permissive access.
- look to create new rights of way on County Farms land where appropriate.
- continue to work with local Councils and other local stakeholders to promote community schemes where these support the Council's priorities and provide a lasting legacy.

Implementation: Work has started to embed the new policies within the Suffolk County Farms framework, with the production of a new dedicated website, providing an enhanced range of information, and new lettings details at the appropriate time. The current available holdings can be found at <u>Suffolk County Farms Estate</u>.

Tenants meetings are being planned to more fully explain the future management direction and the Estate is again being reviewed to identify future core holdings, development opportunities, investment opportunities and alternative income streams.

Simon Cartmell FRICS FAAV

Corporate Landlord Manager, Suffolk County Council