

# Central Bedfordshire Council

Executive

9 October 2018

## Farm Estate Plan – Adoption of Plan

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**Report of:** Cllr Eugene Ghent, Executive Member for Assets and Housing

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**This report relates to a decision that is Key**

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### Purpose of this report

1. To provide feedback on the public consultation, present the final Farms Estate Plan, and to seek approval from Executive to adopt the Plan.

### RECOMMENDATIONS

The Executive is asked to:

1. **note the results of the public consultation on the Draft Farms Estate Plan; and**
2. **adopt the Farms Estate Plan.**

### Overview and Scrutiny Comments/Recommendations

2. Verbal updates were provided to the Corporate Resources Overview and Scrutiny Committee on the 27<sup>th</sup> July 2017 and the 22<sup>nd</sup> of March 2018. A draft report to Executive in June 2018 was reviewed by the Corporate Resources Overview and Scrutiny Committee on the 31<sup>st</sup> of May and comments from the Committee were circulated to Executive. An update was provided on 28<sup>th</sup> August and the report proceeds with the full endorsement of the committee.

## Issues

### Background Information

3. A draft Farms Estate Plan was approved for public consultation by Executive in June. A copy of the Executive report is provided at Appendix A.
4. The option approved at the Executive meeting in June was:  
*Retention and proactive management – retaining land to meet wider Council objectives and generate revenue income, through fewer but larger holdings, with a diversified mix of farming*  
*Reason recommended:*  
*Proactive management of an estate retained at a viable size, with acquisition of land as required to achieve this will ensure the Council meets the priorities set out below and provide an improved framework to meet the challenges and opportunities within the rural economy over the next 10 years.*
5. The chosen option is broadly consistent with the current approach to the management of the estate, with greater focus on certain objectives. The draft Farms Estate Plan will help to formalise, direct and provide structure to the work which Assets currently undertake.
6. The public consultation was launched on Monday 25<sup>th</sup> June and closed on 19<sup>th</sup> August. A total of 333 responses were received and the majority broadly support the Draft Farms Estate Plan.
7. A summary of the proposals contained in the Draft Farms Estate Plan was provided on the Council's website together with a questionnaire (attached for information at Appendix B). Key stakeholders were identified, invited to respond to the consultation and to discuss the proposals with Council officers. Existing farm tenants were written to prior to the start of the consultation, informed of the Draft Plan and invited to respond to the questionnaire and discuss with officers.

## Public Consultation - Interim outcome and analysis

### Summary of responses and profile

8. The questionnaire is attached at Appendix B. A total of 333 responses were received by the close of the consultation on Sunday 19<sup>th</sup> August and are currently being analysed; but appear to be broadly consistent with the interim response.
9. Respondents were broadly supportive of the Draft Farms Estate Plan, although concerns were expressed regarding the sale of land for future development and providing fewer, larger holdings and their suitability for new entrants. The full report on the consultation is attached at Appendix D, which concludes that the Farms Estate is definitely seen as a positive for most respondents and as a valuable asset for the area.

## 10. Profile of respondents

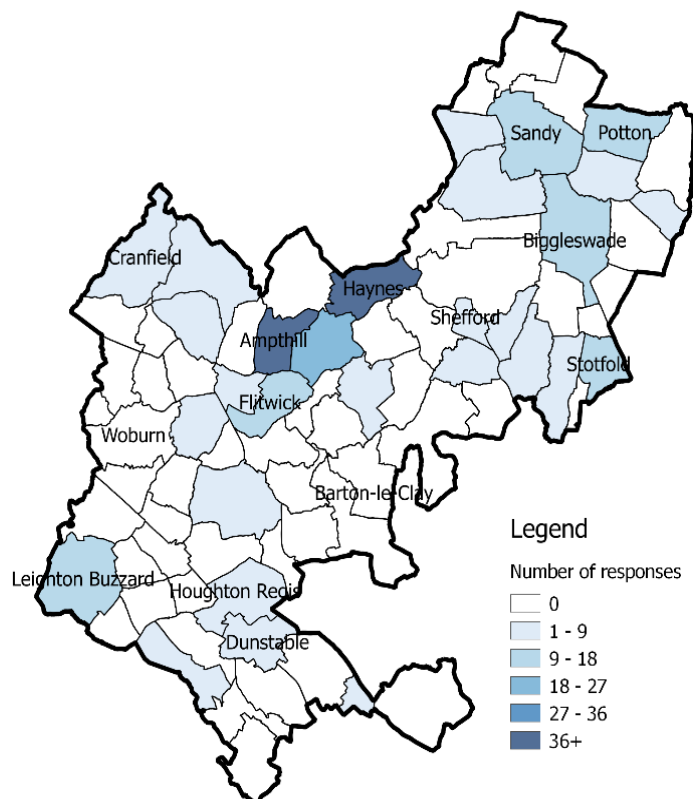
333 responses were received to the questionnaire of which:

- 79% were from local residents
- 8% from local businesses
- 5% from tenant farmers
- 2% from farm employees
- 2% from voluntary or community organisations.

No responses were received from Town & Parish Councils and 4% of responses were outside any of the aforementioned categories.

The level of response provides a sufficient number to analyse trends.

Of those respondents who provided their location, the map taken from the consultation responses report below shows the concentration of responses by parish.



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This shows the highest concentration of responses in the Haynes and Ampthill areas, with high concentrations in Maulden, Stotfold, Biggleswade, Sandy, Potton, Leighton Buzzard and Flitwick, which in general reflects the areas where the majority of the existing estate is located.

## Analysis of responses and outcome

11. Response to specific questions are shown below:

- **Estate Priorities**

Respondents were asked to rank 4 priorities; from level 1 (most important) to level 4 (least important), as to why maintaining a farm estate is important to the Council. The preference is towards enabling people to get into farming and promoting access to the countryside. Biodiversity and environmental benefits were the second highest scoring preference. Maintaining an income from the estate was considered least important.

The Plan states in paras 1.7 and 5.2 that these objectives may not apply equally in every case. The Council will therefore balance these key objectives in its decision-making when leasing, buying and selling parts of its estate. The Action Plan which will follow the adoption of this Plan will encompass these objectives and guide case-by-case decision-making.

- **Farms Estate Plan objectives**

Respondents were asked how far they agreed or disagreed with the key objectives in the Draft Farms Estate Plan. The results are shown below.

Summary of objective in questionnaire	Result
Support farmers to encourage access to the countryside for health and wellbeing	92% agree or strongly agree 3% disagree or strongly disagree 5% neither
Support farmers to promote biodiversity	85% agree or strongly agree 8% disagree or strongly disagree 7% neither
Encourage farm diversification alongside traditional farming	64% agree or strongly agree 18% disagree or strongly disagree 18% neither
Maintain a farms estate of no less than 2000 ha	55% agree or strongly agree 31% disagree or strongly disagree 14% neither
Consolidate and merge farms when tenancy arrangements end to provide approx. 30 well-equipped and financially attractive farms	31% agree or strongly agree 54% disagree or strongly disagree 15% neither
Sell, retain and acquire land that meets the Council's objectives, such as influencing the pace of development	33% agree or strongly agree 47% disagree or strongly disagree 20% neither

The first 4 objectives listed in the table above were supported by the majority or an overwhelming majority of respondents. The objectives regarding the consolidation and merging of farms and the sale, retention and acquisition were less well supported; further comments on these 2 objectives are provided below.

***Objective - occupation of around 30 land holdings of well equipped, well maintained holdings with modern tenancy terms, at market rents.***

A key part of this objective is to provide holdings which are viable for both tenants and the Council. For tenants, this means a holding where farming contributes a significant part of the income to the holding, whilst for the Council, the management and maintenance costs of a more consolidated estate make retention and enhancement of the estate possible. As detailed in para. 3.10 of the Plan, most farm holdings in the UK are over 100 acres (250 ha) and a viable level for arable production in the East of England is considered to be 400 ha (1000 acres). Currently, the majority of holdings on the estate are between 30 acres (12 ha) and 100 acres (250 ha).

Part of this objective will involve rationalising the holdings themselves. A number of holdings have scattered parcels of land, with additional fields and landblocks having been added over time. Whilst significant progress has been made to rationalise holdings to-date, there is still more work to do to provide consolidated holdings which make farming operations more convenient and cost-effective.

One of the themes expressed in the comments provided (as detailed further below in 'Views on the Farm Estate Plan') was that there will be a reduced opportunity for new entrants to get into farming, with a bias towards larger farmers and corporations.

The Council will retain a range of holdings (size and type) in order to provide opportunities for new entrants, established tenants and contract farmers, as set out in the Plan (para 1.6). The estate will continue to provide equipped holdings (with buildings and or a farmhouse) and bare land. The Council does not currently have any large-scale commercial farming companies as tenant and given the objective to provide around 30 holdings across a 2000 ha estate, it does not expect this position to change.

***Objective - Retain and acquire land that meets the Council's wider objectives for place making.***

As stated in the Plan (para 5.17), holding the farm estate allows the Council to retain control and influence over the Countryside; in particular, control over the pace and type of development that takes place to meet local housing and employment need, whilst still delivering the other objectives in the Plan.

Respondents expressed concern regarding the sale of land for development. The Council must balance its ability to influence development and its duty as a public landowner to obtain best value for its assets whilst providing land for housing and employment.

Where the Council sells its land with, for example, an outline planning permission for development, the permission will be subject to the planning process where competing objectives will be taken into account in the approved scheme; including for example enhanced rights of way, areas for increased biodiversity and green space for public access.

As a landowner with a long-term view and Plan, the Council can exert a greater degree of control over development than other land owners are able to through the ownership of individual or isolated sites i.e. take a more holistic view to place making.

Using the areas of land it holds in the three significant land blocks around settlements, the Council can also provide buffering and green space around development.

Fundamentally the Council recognises that where land is sold for development or an alternative use, land must be replaced to ensure a viable estate; at a level of not less than 2000 ha, is maintained. Where possible and practicable (and at market levels), land will be acquired to augment existing landblocks, ahead of land being sold, to sustain holdings.

- **Views on the Farms Estate Plan**

The questionnaire contained a comments box for respondents to provide views. The views are grouped into themes and summarised below:

Theme	No. of comments
Don't sell to develop	57
Keep/have more small farms	56
Selling/merging farms will make it harder to get into farming	20
Encourage diversification	17
Should maintain/increase amount of farmland owned	12
Leave things as they are	12
Ensure access to the land	9

Support farmers	8
The council don't own the land – the public do	8
Concern about forcing existing tenants off	7
Council shouldn't be involved in owning farmland	5
Build on brownfield instead	5
Support for larger farms	4
Other	75
<b>Total comments</b>	<b>220</b>

The themes within the top three levels of response are discussed above: the sale of land for development, amalgamation of holdings and size of farms.

The next two largest groups of comments within the top six groups of comments are regarding encouraging diversification and that CBC should maintain/increase the amount of farmland owned, in line with the policies set out in the Plan.

The final group of comments within the top 6 is that things should be left as they are. It is not considered viable that the Council could manage the estate on this basis or have a viable Plan without the flexibility to change to meet the current opportunities and constraints facing the Council, its tenants and stakeholders; particularly within a relatively highly populated and economically active area. The Plan seeks to manage change, which is inevitable and balance key objectives.

- **Key Stakeholder feedback and detailed written responses**

Two of the key stakeholders attended a meeting to feedback their comments on the Plan.

The Country Land and Business Association (CLA) met with Council officers and confirmed support for the Plan. The CLA was keen to emphasise links to the government's recent consultation paper on the future of food, farming and environment, as well as future and emerging uses for land and diversification.

The Tenant Farmers' Association (TFA) also met with Council officers. There was overall support for the Plan from members of the association, with an emphasis on the themes set out in the TFA's written response (further detailed below and in Appendix D), as well as further discussion themes including the impact of Brexit, expectations for both the Council and its tenants under tenancy agreements and further opportunities for co-operation between tenants on the estate.

Further details are provided at Appendix D.

Written and verbal responses were received from a number of farm tenants, groups, charities and individuals and these are summarised below:

#### Farm tenant responses

In addition to the questionnaire, a number of existing farm tenants contacted the Council to discuss their views on the plan.

Farm tenant 1 - thought the strategy was out of touch with the reality of farming and that many of the items were not realistic within the constraints of farming. He feels the farms have been poorly run with little input from the Council for a number of years, for example, with regard to the condition of buildings. The tenant has some ideas for the improved running of the estate in line with some of the objectives in the plan and a meeting is being set up to discuss.

Farm tenant 2 - was concerned that the strategy appears to be a reversal in policy following a number of disposals which involved land being taken from tenants and not replaced. He expressed concern about letting land to larger farm contractors and that tenancies were only for a short term, meaning that investment in the land is curtailed. The tenant is very keen to take additional land to make his tenancy more viable.

Farm tenant 3 – Also expressed concern about tenancies for larger farm contractors and is similarly keen to take on more land to increase his viability.

#### Written feedback from Groups, Charities and Individuals

Central Bedfordshire and Luton Joint Local Access Forum – the group expressed concerns about existing tenants losing out as a result of the amalgamation of holdings and of holdings being too large for new starters, suggested farmland might be bought in the west of the CB area where there is none at present and highlighted the impact of development on rights of way along with suggestions to mitigate this.

Bedfordshire Rural Communities Charity – this group emphasised the importance of Green Wheels and were pleased to see their inclusion in the Plan but wanted acknowledgement of the partner organisations who helped create them. Suggestions were made for future rights of way improvements, work on soil improvement and water quality (the importance of the assessment of natural capital) and concern expressed about the loss of land from the estate.



Tenant Farmers' Association (TFA) – the TFA supported the proposal to increase and maintain an estate of 2000ha and the proposal to create larger, more sustainable holdings. A suggestion was made to set out how the 30 holdings may be formed. The TFA emphasised the need for longer term tenancies, and for CBC to review its selection criteria for tenants. It welcomed the Council's commitment to repair and maintain, and acknowledged the role of public access but emphasised the need for good management of this including consultation with tenants. They raised the issue of tenant liaison, consultation and accountability for the objectives set out in the Plan.

Bedfordshire Masonic Fishing Charity – the charity provided a written response with a request for a lake for their use on behalf of children and young adults with special needs.

Herts and District Metal Detecting Society – the Society provided details of their activities, along with a request for the use of farms for Society rallies.

The Wildlife Trust for Bedfordshire, Cambridgeshire and Northamptonshire – encouraged the Council to use its farm estate to influence where and what type of green space is provided, using it to protect biodiversity areas, provide an important ecological network and allow public access to the countryside. The Trust also stated that the Council should consider less tangible benefits from the land – using a natural capital approach to value. It went on to suggest that the plan needs more detail regarding how the Council decides which land is retained, sold or bought. The Trust wanted to see certain land managed sensitively for biodiversity and heritage, rather than solely for agriculture, and suggested a number of key initiatives, policies and strategies had not been mentioned in the plan.

National Farmers' Union (NFU) - the NFU highlighted the positive step in increasing the size of the CBC Farm Estate, as well as the excellent investment and disposal opportunities the estate offers. The NFU's response reflected concerns regarding the future of farming and the need to support new entrants into agriculture. They highlighted potential threats and opportunities that decreasing the number of holdings would represent to current and future tenants and a need to consider current tenant farmers' individual circumstances when decision-making. They acknowledged that the Plan must support profitable farming businesses and allow for diversification. The NFU recognised that well-managed relationships between tenant farmers, CBC and the wider public will deliver value to the rural economy and community and that the plan should support common environmental objectives.

Bedfordshire Local Nature Partnership - the Partnership stated that they fully support the development of a strategic approach to the estate. However, they would like more detail about how it links with the aims and objectives of the Government's 25-year Environmental Plan, and a natural capital-led approach to decision making.

The Partnership emphasised that the Farm Estate has the potential to deliver green space and countryside access benefits as part of development. The Partnership further considered that the Farms Estate could potentially contribute to the Council's various land-based initiatives emphasising the need for Best Environmental Practice and what that should include. Concerns were expressed regarding how changes to the size and management of the Farms Estate would impact young and new entrants.

The Greensand Trust - supports the development of a Farm Estates Plan. They requested further detail on the Plan's aim to invest in environmental enhancement, and what 'place making' means in terms of the Council's wider objectives for it. They also hoped that more information could be provided on the less tangible benefits of the CBC Farms, and if such benefits are unknown, the Plan should investigate this. Questions regarding themes contained in the Plan such as access to the countryside, the Local Plan, and environmental responsibilities were also raised. Finally, the Trust commented that the Farms Estate has certain statutory environmental responsibilities, and the Plan provides an ideal opportunity to deliver on proposals in the UK Government's 25 Year Environmental Plan.

Network Rail – concerned the fact that any farms adjacent to railway level crossings under the Farm Plan will pose a safety risk if redeveloped or developed to allow public usage. They requested further consultation in respect of developments related to this issue.

Local Resident from Shillington – emphasised the need for new entrants to the industry to be provided with tenant farms as a stepping stone for the development of their business. Did not agree with acquiring more land due to financial implications to the Council and amalgamating farms would mean farms were too large for new entrants.

The Action Plan which will follow the adoption of the Farms Estate Plan will be the opportunity to provide further detail on how the objectives relating to the environment and public access will be met in practical terms. The Action Plan will also address some of the concerns raised by farm tenants including the Council's objective to purchase additional land, providing opportunities for existing tenants and new entrants. Detail relating to the locations for future acquisition and disposal cannot be provided, but the acquisition of land in the west of the area will be given consideration. This is dependent on market availability and the need to augment existing land blocks.

Network Rail would be consulted on any development related issues adjacent any level crossings as part of the planning process.

The Action Plan will also set out plans for ongoing consultation with tenants.

## **Options for consideration**

12. Four options for the future of the Farms Estate were set out in the Executive report of June 2018 and the recommended option agreed was: -

Retention and proactive management – retaining land to meet wider Council objectives and generate revenue income, through fewer but larger holdings, with a diversified mix of farming.

*Reason recommended:*

Proactive management of an estate retained at a viable size, with acquisition of land as required to achieve this will ensure the Council meets the priorities set out below and provide an improved framework to meet the challenges and opportunities within the rural economy over the next 10 years.

## **Reason/s for decision**

13. To adopt a plan that directs how the Council will manage its Farms Estate.

## **Council Priorities**

14. The Farms Estate Plan outlines how holding Farms Estate can provide greater access to the Countryside for residents; can provide more control over the pace and type of development that takes place to meet local housing and employment needs; contributes to the supply of minerals to meet national and regional supply, and local development needs; provides greater influence and control over the environment; and provides the Council with a source of income. The Farms Estates Plan therefore supports the following priorities:

- Enhancing Central Bedfordshire
- Improving education and skills
- Creating stronger communities
- A more efficient and responsive Council.

## **Corporate Implications**

## **Legal Implications**

15. Section 120 of the Local Government Act 1972 ('LGA') permits the Council to acquire land for any of their statutory functions, or for the benefit, improvement or development of their area, and the land may lie within the boundary of another authority.

16. Section 123 LGA permits the Council to dispose of any of their land as they choose but, except in the case of a short tenancy, the consent of the Secretary of State is required if it is intended to dispose of land at less than the best consideration that can reasonably be obtained. A failure to obtain ministerial consent under this section (or under s.32(2), Housing Act 1985) may make an agreement for the disposal of land ultra vires. If the land is open space within the meaning of the Town and Country Planning Act, the disposal is subject to the requirements in subs.123(2A).
17. The Plan refers to lettings being made up of 15 Agricultural Holdings Act agreements, 42 farm Business Tenancies and 7 other agreements. Each tenant will have certain protections set out in their written tenancy agreement (if there is one) and implied by statute. If the Plan is adopted officers will need to take into account the individual tenants contractual and implied statutory rights when implementing the Plan insofar as it affects an individual tenant.
18. The consultation obligation imposes a duty on the Council to take into account the consultation responses before reaching its decision. The Council is not obliged to change a proposal because a majority of those consulted opposed it. However, in reaching its decision in such a situation the Council must act in a way that is 'Wednesbury' reasonable, rational and proportionate.

## **Financial and Risk Implications**

19. The Farms Estate has delivered £50M gross of capital receipts from land sale over the last five years. The Council has a target in the MTFP to deliver further £10M, £10M, £8M and £8M from the whole CBC estate over the next four years.
20. The Council made provision for £8M of capital to be available of which £7.870M remains for the acquisition of land to replenish Council Farms Estate that has been disposed of.
21. If additional works on the Farms Estate are required over and above the existing capital budget then a proposal for increasing this will be submitted as part of the Medium Term Financial Plan (MTFP) process.
22. The proposed approach to move to a smaller number of holdings of a larger size with more proactive management should reduce the risk of bad debt.
23. It should be noted that Central Bedfordshire Council and Bedford Borough Council entered a Disaggregation Agreement from the 1st of April 2009 to 2030 which apportions of net rental income and net capital receipts from identified disposals 63% to Central Bedfordshire Council and 37% to Bedford Borough Council. From 2030 to 2050 Central Bedfordshire Council's proportion increases incrementally over time to 81.5% with a corresponding reduction to Bedford Borough Council. From 2050, Central Bedfordshire Council will receive 100%.

## **Equalities Implications**

24. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
25. As discussed above, the consultation indicated some concern relating to larger holdings and their suitability for new entrants.

## **Conclusion and next Steps**

26. The public consultation has provided valuable feedback on the Draft Farms Estate Plan. Responses are broadly in support and nothing has been raised that would require the Draft Plan to be significantly revised. Feedback will be considered and incorporated into an Action Plan, which will direct work on the Farms Estate. The Action Plan will be reviewed on an annual basis and the Farms Estate Plan will be reviewed after 5 years.
27. Executive is asked to adopt the Farms Estate Plan.

## **Appendices**

**Appendix A: Executive Report of 12<sup>th</sup> June 2018**

**Appendix B: Farms Estate Plan – questionnaire**

**Appendix C: Farms Estate Plan – consultation results**

**Appendix D: Summary of stakeholder meeting and written responses**

**Appendix E: Farms Estate Plan – final draft for adoption**