

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Countryside and Rural Affairs
<b>Date:</b>	19 September 2019
<b>Title:</b>	County Farms Policy Review
<b>Report From:</b>	Director of Culture, Communities and Business Services

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### Purpose of this Report

1. The purpose of this report is to confirm authority to undertake a review of the policies and procedures set out and adopted as the basis for the management of the County Farms Estate, to ensure a sustainable policy that aligns with wider corporate strategic objectives.

### Recommendation

2. To initiate a review of the 2010 County Farms Policy in 2019/20 based on the scope and governance set out in this report.

### Executive Summary

3. This report provides an outline of the scope and governance for the proposed policy review. It also establishes the need to ensure a viable framework for County Farms service delivery in relation to emerging policies on Brexit, mitigation, climate change and the Vision for Hampshire 2050; to align the County Farms Estate with the demands of the Strategic Land Programme; and to define the toolkit for farm replacement.

### Contextual Information

4. Current policy is set out in a report on the outcome of the County Farms Review to the Executive Member for Policy and Resources dated 14 April 2010. This included a decision to retain the County Farms Estates and to replace land taken for development, which remains effective policy.

5. The County Council is a smallholdings authority as defined in Part III of the Agriculture Act 1970, which means that the Council should make it a general aim to provide opportunities for persons to be farmers on their own account, by letting holdings, and with the general interests of agriculture and good estate management in mind. The Council's County Farms Service seeks to offer eligible applicants an opportunity to farm and to start up their own commercial agricultural businesses by providing holdings from which they can operate and grow sustainably, and in time move on to other agricultural challenges off the Estate, thus freeing up holdings again to perform the same role for more successful farm applicants. This policy objective, including the importance of tenant turnover, was reconfirmed in the 2010 review.
6. The County Farms Estate comprises a portfolio of assets that can offer wider corporate opportunities. For example, much of the current Strategic Land Programme relies on use of land within the County Farms Estate and therefore these parts of the portfolio require a more flexible management strategy pending disposal. It is current policy to generally enable and support valuable development allocations and other local community led initiatives (e.g. rural affordable housing). The review will clarify strategy for alignment of County Farms service delivery needs with the other corporate priorities.
7. The 2010 EMPR Report sets out policy for 15 years but also provides for 5-yearly interim reviews of the adopted County Farms policies and procedures to allow for gradual implementation where necessary - an interim review is now overdue. Since 2010 there have been significant changes in the resourcing of County Farms, with pressure on revenue budgets, and a need to structure targeted capital investment. This requires revision of the current policy to reflect changing circumstances.
8. It is essential to ensure that the review proposed creates a policy that is adaptable to manage future changes, such as the impact of Brexit (emerging legislation and EU funding), continuing financial pressures, climate change and wider green estate policies, and alignment with Vision for Hampshire 2050. It is important that the policy also supports and enables any future Strategic Land projects and supports the management of pipeline development land.

## **Governance and Engagement**

9. It is recommended that a Steering Group should be created with a focussed and specialist remit to direct the priorities of the review and agree the outcomes and recommendations to a Member Advisory Group. It is proposed that the officer Steering Group would regularly liaise with the Executive Member for Countryside & Rural Affairs to ensure that he is fully informed at all stages.

10. The Member Advisory Group will be set up with the following membership proposed:
  - 2 Conservatives (1 rural and 1 urban);
  - 1 Liberal Democrat;
  - 1 external partner.
  
11. For the 2010 policy, consultation was to an extremely broad base and included support from Portsmouth University - data from this remains available and valid as background. Details of the consultation are within the appendices of the 2010 report.
  
12. For this review it is proposed that consultation is focussed primarily within the County Council to include Cllr Heron and other Members as appropriate and services and teams within the County Council with a role relating to rural Hampshire and quality of place including development. Input into the interim review by relevant stakeholders, by way of representative county farms tenants, will also take place.

### **Scope, policy objectives and priorities**

13. The review of the 2010 County Farms Policy should:
  - include a review of existing policies and procedures;
  - be structured to manage out legacy and policy anomalies;
  - ensure a sustainable framework to manage revenue and capital funding;
  - align with wider corporate policies, including climate change, mitigation and external factors including Brexit and legislative changes;
  - establish a clear framework to support delivery of the Strategic Land Programme and consequent farm replacement.
  
14. The two most substantive areas for consideration in respect of the policy review are County Farms Service Delivery and the inclusion of County Farms Estate land within the Strategic Land Programme. Key considerations in respect to these include: -

#### **A. County Farms Service:**

Defining how implementation of the policy and principles for the delivery of the service will support new entrants into farming. To include:

- **Review of the purpose** for which we manage this service and hold the estate, including the fundamental high-level options that exist, and the corporate risks and rewards that run from all options, including disposal;
- **Review suitability and condition of holdings** across the County Farms Estate to identify the core estate that delivers the defined policy aims, the second-tier estate that provides financial support to the delivery of policy and wider budgets, and land that is not supporting the County Farms Policy or wider objectives;
- **Analysis of finances** including the revenue budget to demonstrate grip and identify risks and opportunities, plus analysis of capital investment required to provide a fit for purpose and sustainable estate in line with the agreed policy. This will include an assessment of capital required for farm replacement;
- **Define a tenancy policy** that creates a clear structure that promotes development and supports the principle of enabling the establishment and progression of new entrants within the farming industry. Clarify policy for managing existing and varied legacy leases to release holdings to ensure availability of holdings for new applicants. Particularly addressing issues around retirement;
- **Establish a sustainable and coherent support network** for our tenants to encourage self-help, mentoring and collaboration. With a focus on development of business and financial acumen, entrepreneurship, diversification in “real-world” scenarios;
- **Look to increase opportunities** for wider commercialisation and entrepreneurship, and to align service with wider County Council services including education and corporate initiatives including Solar PV and battery storage;
- **Determine the land management policies** that should be adopted to define the Council’s priorities and role as landowner in the way that its land is used and managed, for example with respect to animal welfare, sustainability, climate change, natural resource protection, access and education, including how any such policies would impact on its tenants and how to maintain and update this position as circumstances change;
- **Ensure policy is fit to adapt to manage changes.** Identify trends that are likely to impact the service in the short, medium and long terms and establish frameworks to monitor and manage the impact of external influences on the service and assets.

#### B. Strategic Land:

Maintaining a strong collaborative relationship with the Strategic Land Programme whilst continuing to deliver an uncompromised County Farms Service. To include:

- Alignment of short and long term strategies for both County Farms and Strategic Land, including farm replacement/pipeline acquisition.
  - Undertake and monitor scoping of sites for future development to ensure appropriate and co-ordinated lease and legal arrangements;
  - Reinforce strong and coherent liaison between the Strategic Land Programme and operational farms at both macro level (long term planning) and micro level (interface with tenants during site delivery etc);
  - Create clear parameters for site access to ensure site investigations are deliverable whilst minimising disruption to operational holdings and exposure to costs;
15. The principle of farm replacement was captured in the 2010 policy. It is proposed that a clear and defined approach be established to enable the County Council to be responsive and agile in the market.

### **Finance and timescales**

16. The review will be carried out by officers from existing resource and budgets.
17. There may however be a financial implication arising out of any review of condition within scope, as referenced within paragraphs 13 and 14 of this report, which would be subject to appropriate business case.
18. It is estimated that it will take 6 months to undertake the overall review.

### **Performance**

19. The proposal links to Serving Hampshire, the Strategic Plan for 2017-2021. Farmers are very much part of Hampshire's rural communities and agriculture is part of Hampshire's rich and diverse environment, contributing to its character as well as the appropriate use and conservation of its natural resources. By continuing to provide effective County Farms service delivery the County Council is supporting businesses to start and grow sustainably and helping its service users get a good start in agriculture, developing and maintaining relevant skills that will help them to compete more fairly in the market.
20. Carrying out an interim review of County Farms Policy will secure the continued success of the Estate as a vehicle for service delivery, and better define the key issues around finances, tenancies, strategic land, climate change and Vision for Hampshire 2050.

## **Consultation and Equalities**

21. An Equalities Impact Assessment has been undertaken. The proposed review could potentially have an impact on older tenants at or close to retirement age due to there being an identified need to release holdings upon retirement to ensure compliance with primary service duty. Until the review is carried out the extent of any impact and potential mitigating actions are unknown. It should be noted that the County Farms Policy 2010 already includes policy relating to retirement and this proposed review seeks only to clarify policy in this respect, rather than to fundamentally amend it.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	yes
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
County Farms Review (EMPR, Decision Reference 303)	14 April 2010
<b>Direct links to specific legislation or Government Directives</b>	
Part III Agriculture Act 1970	1970

**Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

Document

Location

None

## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

An Equalities Impact Assessment has been undertaken, which is summarised in paragraph 21 of this report.