Phil Norrey
Chief Executive

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To: The Chair and Members of the Farms Estate Committee

(See below)

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

Your ref :
Our ref :

Date : 14 February 2020
Please ask for : Wendy Simpson, 01392 384383

Email: wendy.simpson@devon.gov.uk

FARMS ESTATE COMMITTEE

Monday, 24th February, 2020

A meeting of the Farms Estate Committee is to be held on the above date at 2.15 pm in the Committee Suite - County Hall to consider the following matters.

P NORREY
Chief Executive

A G E N D A

PART I - OPEN COMMITTEE

1 Apologies for Absence

2 Minutes

Minutes of the meeting held on 9 December 2019 (previously circulated).

3 Items Requiring Urgent Attention

Items which in the opinion of the Chairman should be considered at the meeting as matters of urgency.

MATTERS FOR DECISION

4 Revenue Monitoring (Month 10) 2019/20 (Pages 1 - 4)

Report of the County Treasurer (CT/20/33) on the County Farms Estate Revenue Monitoring Statement (Month 10) 2019/20, attached.

Electoral Divisions(s): All Divisions

5 Capital Monitoring (Month 10) 2019/20 (Pages 5 - 8)

Report of the County Treasurer (CT/20/32) on the County Farms Estate Capital Monitoring (Month 10) 2019/20, attached.

Electoral Divisions(s): All Divisions

6 The County Farms Estate - Campaign to Protect Rural England (CPRE) Report 'Reviving County Farms' (Pages 9 - 48)

Report of the Head of Digital Transformation and Business Support (BSS/20/01) on the Campaign to Protect Rural England commissioned report on 'Reviving County Farms', attached.

Electoral Divisions(s): All Divisions

7 The County Farms Estate - National Farmers' Union (NFU) Report 'Achieving Net Zero, Farming's 2040 Goal' (Pages 49 - 64)

Report of the Head of Digital Transformation and Business Support (BSS/20/02) on the NFU Report setting out its goal to achieve net zero greenhouse gas emissions in farming by 2040, attached.

Electoral Divisions(s): All Divisions

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF PRESS AND PUBLIC

8 Exclusion of the Press and Public

Recommendation: that the press and public be excluded from the meeting for the following items of business under Section 100(A)(4) of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Schedule 12A of the Act, namely information relating to, and which is likely to reveal the identity of, tenants and information relating to the financial or business affairs of tenants and the County Council and, in accordance with Section 36 of the Freedom of Information Act 2000, by virtue of the fact that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

MATTERS FOR DECISION

9 Holdings and Tenancies etc.

(An item to be considered by the Committee in accordance with the Cabinet Procedure Rules and Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, no representations having been received to such consideration taking place under Regulation 5(5) thereof)

a Request for Extension of Tenancy and Landlord's consent for Improvement (Pages 65 - 120)

Report of the Head of Digital Transformation and Business Support (BSS/20/03) on a request for an extension of tenancy and landlord's consent for a proposed tenant's improvement, attached.

b Management and Restructuring Issues (Pages 121 - 124)

Report of the Head of Digital Transformation and Business Support (BSS/230/04) on County Farms Estate Management and Restructuring issues, attached.

Notice of all items listed above has been included in the Council's/Cabinet Forward Plan for the required period, unless otherwise indicated. The Forward Plan is published on the County Council's website.

Members are reminded that Part II Reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s).

Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Democratic Services Officer at the conclusion of the meeting for disposal.

Membership

Councillors R Edgell (Chair), J Brook (Vice-Chair), J Berry, A Dewhirst, T Inch, C Whitton and C Chugg

Co-opted Members

L Warner (Tenants' representative) and H Bellew (Devon Federation of Young Farmers)

Declaration of Interests

Members are reminded that they must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item. Members of the Council have been granted a dispensation to allow them to speak and vote in any debate as a consequence of being a representative of the County Council on any County Council wholly owned, controlled or joint local authority company or Joint Venture Partnership unless the matter under consideration relates to any personal remuneration or involvement therein.

Access to Information

Any person wishing to inspect the Council's / Cabinets Forward Plan or any minutes, reports or lists of background papers relating to any item on this agenda should contact Wendy Simpson, 01392 384383

Both the Forward Plan and agenda and minutes of the Committee are published on the Council's Website and can also be accessed via the Modern.Gov app, available from the usual stores.

Webcasting, Recording or Reporting of Meetings and Proceedings

The proceedings of this meeting may be recorded for broadcasting live on the internet via the 'Democracy Centre' on the County Council's website. The whole of the meeting may be broadcast apart from any confidential items which may need to be considered in the absence of the press and public. For more information go to: http://www.devoncc.public-i.tv/core/

In addition, anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chair. Any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.

Members of the public may also use Facebook and Twitter or other forms of social media to report on proceedings at this meeting. An open, publicly available Wi-Fi network (i.e. DCC) is normally available for meetings held in the Committee Suite at County Hall. For information on Wi-Fi availability at other locations, please contact the Officer identified above.

Emergencies

In the event of the fire alarm sounding leave the building immediately by the nearest available exit, following the fire exit signs. If doors fail to unlock press the Green break glass next to the door. Do not stop to collect personal belongings, do not use the lifts, do not re-enter the building until told to do so.

Mobile Phones

Please switch off all mobile phones before entering the Committee Room or Council Chamber

If you need a copy of this Agenda and/or a Report in another format (e.g. large print, audio tape, Braille or other languages), please contact the Information Centre on 01392 380101 or email to: centre@devon.gov.uk or write to the Democratic and Scrutiny Secretariat at County Hall, Exeter, EX2 4QD.

Induction loop system available

NOTES FOR VISITORS

All visitors to County Hall, including visitors to the Committee Suite and the Coaver Club conference and meeting rooms are requested to report to Main Reception on arrival. If visitors have any specific requirements or needs they should contact County Hall reception on 01392 382504 beforehand. Further information about how to get here can be found at: https://new.devon.gov.uk/help/visiting-county-hall/. Please note that visitor car parking on campus is limited and space cannot be guaranteed. Where possible, we encourage visitors to travel to County Hall by other means.

SatNav – Postcode EX2 4QD

Walking and Cycling Facilities

County Hall is a pleasant twenty minute walk from Exeter City Centre. Exeter is also one of six National Cycle demonstration towns and has an excellent network of dedicated cycle routes – a map can be found at: https://new.devon.gov.uk/travel/cycle/. Cycle stands are outside County Hall Main Reception and Lucombe House

Access to County Hall and Public Transport Links

Bus Services K, J, T and S operate from the High Street to County Hall (Topsham Road). To return to the High Street use Services K, J, T and R. Local Services to and from Dawlish, Teignmouth, Newton Abbot, Exmouth, Plymouth and Torbay all stop in Barrack Road which is a 5 minute walk from County Hall. Park and Ride Services operate from Sowton, Marsh Barton and Honiton Road with bus services direct to the High Street.

The nearest mainline railway stations are Exeter Central (5 minutes from the High Street) and St David's and St Thomas's both of which have regular bus services to the High Street. Bus Service H (which runs from St David's Station to the High Street) continues and stops in Wonford Road (at the top of Matford Lane shown on the map) a 2/3 minute walk from County Hall, en route to the RD&E Hospital (approximately a 10 minutes walk from County Hall, through Gras Lawn on Barrack Road).

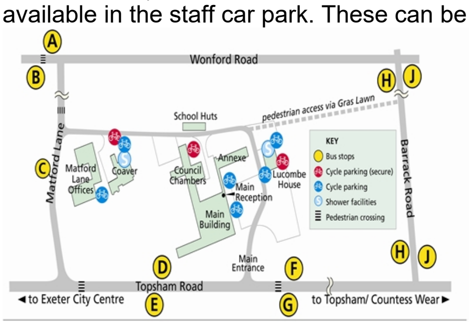
Car Sharing

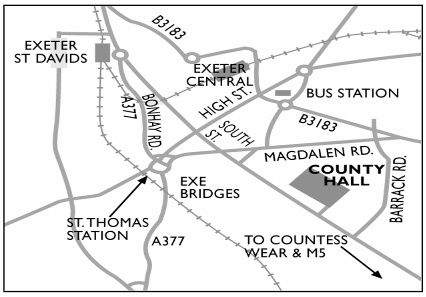
Carsharing allows people to benefit from the convenience of the car, whilst alleviating the associated problems of congestion and pollution. For more information see: https://liftshare.com/uk/community/devon.

Car Parking and Security

There is a pay and display car park, exclusively for the use of visitors, entered via Topsham Road. Current charges are: Up to 30 minutes – free; 1 hour - £1.10; 2 hours - £2.20; 4 hours - £4.40; 8 hours - £7. Please note that County Hall reception staff are not able to provide change for the parking meters.

As indicated above, parking cannot be guaranteed and visitors should allow themselves enough time to find alternative parking if necessary. Public car parking can be found at the Cathedral Quay or Magdalen Road Car Parks (approx. 20 minutes walk). There are two disabled parking bays within the visitor car park. Additional disabled parking bays are available in the staff car park. These can be accessed via the intercom at the entrance barrier to the staff car park.





NB A J **Denotes bus stops**

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First Aid

Contact Main Reception (extension 2504) for a trained first aider.

CT/20/33
Farms Estate Committee
24 February 2020

The County Farms Estate

Revenue Monitoring (Month 10) 2019/20

Report of the County Treasurer

1 **Revenue Monitoring for the period 1 April 2019 to 31 January 2020**

1.1 The Revenue Budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 29 January 2019 and approved at County Council on 21 February 2019 included an increased target surplus of £464,000 for the County Farms Estate.

1.2 Appendix A provides a summary of the annual budget. It also provides details of income and expenditure to date.

1.3 As at month 10 expenditure has increased by £180,000 compared to the month 7 report.

1.4 Year-end forecasts show the County Farms Estate as achieving its budgeted surplus of £464,000.

1.5 Approximately 50% of the predicted income has now been invoiced (in arrears) at the end of month 6, with the balance to be invoiced at the end of month 12.

1.6 Three Tenant Right Valuation accruals are still not yet capable of being released as the end of tenancy valuations are in dispute.

1.7 £48,591 worth of unforeseen repair works has been ordered and paid in 2019/20. In addition, a further £22,518 of unforeseen works has been ordered but not invoiced. Total unforeseen maintenance expenditure and commitment at month 10 is therefore £71,109. With the year-end forecast at £90,000 as per budget.

1.8 The revenue funded maintenance programme has been set and the revised budget forecast of £200,000 is fully allocated to proposed works based on initial cost estimates provided for each scheme. £38,644 worth of programmed works has been ordered and paid in 2019/20. A further £116,857 worth of works had been ordered at month 10 but not yet completed. Total programmed maintenance expenditure and commitment at month 10 is therefore £155,501.

1.9 At month 10 £54,395 worth of works to redundant buildings, asbestos removal and health and safety improvements had been ordered and paid in 2019/20. A further £35,618 worth of works is committed. Total expenditure and commitments at month 10 is therefore £90,013, an increase of £30,000 on the month 7 forecast as a result of Groundworks at Higher Bradaford Farm.

1.10 Approximately £8,082 worth of testing and inspection works (service term contracts for private water supplies, boilers, fixed wiring systems, sewage treatment plants, radon fans etc) had been paid at month 10 and a further £3,547 worth of works ordered.

1.11 The programmed tree survey work has been completed and surgery work is being carried out on 19 farms. It is anticipated the ground maintenance budget will be largely committed.

1.12 18 quinquennial farm condition surveys have been commissioned. It is anticipated the building maintenance surveys budget will be fully committed.

1.13 It is currently anticipated that the forecast year end level of income and expenditure will be achieved, and the target surplus delivered, albeit there will be some fluctuations within income and expenditure items.

2 Options/Alternatives

2.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

3 Consultations/Representations/Technical Data

3.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

3.2 No other parties have been consulted and no other representations have been received.

3.3 The technical data is believed to be true and accurate.

4 Financial Considerations

4.1 The Author is not aware of any financial issues arising from this report.

5 Environmental Impact Considerations (including Climate Change)

5.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.

6 Equality Considerations

6.1 The Author is not aware of any equality issues arising from this report.

7 **Legal Considerations**

7.1 The Author is not aware of any legal issues arising from this report.

8 **Risk Management Considerations**

8.1 The Author is not aware of any obvious risks to manage.

9 **Public Health Impact**

9.1 The Author is not aware of any public health impact.

10 **Summary/Conclusions/Reasons for Recommendations**

10.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Mary Davis – County Treasurer

Electoral Divisions: ALL

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:
Name: Dan Meek, Director of Property Management, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW
Contact: 01392 351066 or dan.meek@nps.co.uk

Name: Lisa Beynon, Head Accountant for Corporate Services, County Treasurer's, County Hall, Exeter
Contact: 01392 382876 or lisa.beynon@devon.gov.uk

APPENDIX A

COUNTY FARMS ESTATE - FINANCIAL REPORTS
FINANCIAL STATEMENT - (MONTH 10) 2019/20

	YEAR TO DATE EXPENDITURE	ANNUAL TARGET	PREVIOUS FORECAST AS @ MONTH 7	CURRENT FORECAST
INCOME	£'000	£'000	£'000	£'000
Rent	(586)	(1,124)	(1,124)	(1,139)
Other	(27)	(40)	(40)	(35)
TOTAL INCOME	(613)	(1,164)	(1,164)	(1,174)
EXPENDITURE				
STATUTORY COSTS				
Tenant Right Valuation	(81)	20	20	20
SUB - TOTAL	(81)	20	20	20
PREMISES COSTS				
Building Maintenance - Unforseen	49	100	90	90
Building Maintenance - Programmed	39	210	210	200
Building Maintenance - Surveys	0	10	10	10
Building Maintenance - STC	8	20	20	15
Building Maintenance - Other (incl. Land Agents Initiatives, Redundant Buildings, Asbestos and Health & Safety)	54	61	61	91
Grounds Maintenance	2	10	9	9
Rents & Other Landlord Charges	6	14	14	11
Rates, Electricity and Water Charges	7	6	7	7
SUB - TOTAL	165	431	421	433
SUPPLIES & SERVICES				
Insurance	0	0	0	0
Adverts	0	2	2	1
NPS Fees	170	230	240	240
Legal Fees	1	4	4	7
Professional Fees	(3)	6	6	6
Other Fees & Charges (DFYF, SHLAA, GPDO)	2	7	7	3
SUB - TOTAL	170	249	259	257
TOTAL EXPENDITURE	**254**	**700**	**700**	**710**
NET OPERATIONAL (SURPLUS)	**(359)**	**(464)**	**(464)**	**(464)**
FARM IMPROVEMENTS inclusive of fees				
Revenue funded Restructuring (BM other)	0	0	0	0
SUB - TOTAL	0	0	0	0
TOTAL COSTS SURPLUS	**(359)**	**(464)**	**(464)**	**(464)**

CT/20/32
Farms Estate Committee
24 February 2020

The County Farms Estate

Capital Monitoring (month 10) 2019/20

Report of the County Treasurer

1 **Capital Monitoring for the period 1 April 2019 to 31 January 2020**

1.1 The Capital budget presented to Corporate Infrastructure and Regulatory Services Scrutiny Committee on 29th January 2019 and approved at County Council on 21 February 2019 included schemes totalling £600,000.

1.2 Added to this is slippage from the 2018/19 budget of £558,337 taking the total capital budget for 2019/20 to £1,158,337.

1.3 Overall County Farms capital schemes are forecasting to come in on budget in 2019/20.

2. Nitrate Vulnerable Zone Compliance

2.1 Currently one new slurry store is in the design and planning stage with a view to potentially being built in 2020/21.

2.2 Some retention money is still not released for other slurry stores constructed in previous financial years. Final accounts and final defect remedial works are being negotiated with contractors.

2.3 Actual to date currently stands at nil and there is no further forecast spend expected.

2.4 The balance of the 2019/20 budget of £409,334 will not be spent in year on NVZ compliant schemes and thus may be redeployed to enable more farmhouse renovation and improvement schemes to be carried out before year end.

3. Compensation Payments (Tenants Improvements, etc..)

3.1 Forecast spend currently stands at nil, but this excludes a potential liability of approximately £60,000 that may fall due before year end.

4. Enhancements and Improvements

4.1 Actual to date currently stands at £580,189 with a forecast spend for the year anticipated at £994,211 in total.

4.2 Retention money is being held during the 12-month defect period for 14 schemes completed in the previous year.

4.3 Expenditure has been incurred on 4 schemes started in 2018/19 but completed this year.

4.4 Expenditure has been incurred on 8 schemes started or starting this year.

4.5 A further 4 schemes are being designed, specified and tendered with a view to works being completed next year.

5. Septic Tank Replacement Programme

5.1 The Environmental Permitting (England and Wales) (Amendment) Regulations 2014 and associated General Binding Rules for septic tanks and small sewage treatment plants for domestic properties have made it necessary to replace 8 septic tanks with sewage treatment plants and associated infrastructure before the end of the financial year.

5.2 Actual to date currently stands at £49,083 with a forecast spend for the year anticipated at £114,787.

6. Land Acquisitions

6.1 Currently no potential land purchases have been identified.

7. Options/Alternatives

7.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

8. Consultations/Representations/Technical Data

8.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

8.2 No other parties have been consulted and no other representations have been received

8.3 The technical data is believed to be true and accurate.

9. Financial Considerations

9.1 The Author is not aware of any financial issues arising from this report.

10. Environmental Impact Considerations (including Climate Change)

10.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.

11. Equality Considerations

11.1 The Author is not aware of any equality issues arising from this report.

12. Legal Considerations

12.1 The Author is not aware of any legal issues arising from this report.

13. Risk Management Considerations

13.1 The Author is not aware of any obvious risks to manage.

14. Public Health Impact

14.1 The Author is not aware of any public health impact.

15. Summary/Conclusions/Reasons for Recommendations

15.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Mary Davis – County Treasurer

Electoral Divisions: ALL

Local Government Act 1972: List of Background Papers

None

Who to contact for enquiries:
Name: Dan Meek, Director of Property Management, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW
Contact: 01392 351066 or dan.meek@nps.co.uk

Name: Lisa Beynon, Head Accountant for Corporate Services, County Treasurer's, County Hall, Exeter
Contact: 01392 382876 or lisa.beynon@devon.gov.uk

BSS/20/01
Farms Estate Committee
24 February 2020

The County Farms Estate
CPRE Report - Reviving County Farms

Report of the Head of Digital Transformation and Business Support

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation(s):

That the Committee welcomes the findings of the report which is very much in keeping with the aims and objectives of the existing Estate Strategic Review Report (March 2010).

1.0 Background

1.1 In December 2019 the Campaign to Protect Rural England (CPRE) published its investigative report ‘Reviving County Farms’. A copy of the full report is attached at Appendix 1.

1.2 The report was discussed on BBC Countryfile on Sunday 15 December 2019.

2.0 Summary Report Findings:

2.1 The National County Farms Estate portfolio has halved in size from 426,695 acres in 1977 to 208,994 acres in 2018.

2.2 The size of the national estate has reduced by 15,687 since 2010 with almost 60% of County Farm land sold since 2010 being sold in the last two years.

2.3 However, many Estates, including Devon, have recognised the economic, social and environmental benefits of retaining a well-managed and versatile estate.

2.4 These benefits have also been recognised by central government. In a reply to an enquiry from Neil Parish MP, Chairman of the Environment, Food and Rural Affairs Committee the former DEFRA Secretary, Michael Gove wrote on 4 March 2019 recognising the important role the County Farms Estate plays in rural Britain and referencing potential future funding for County Councils who may wish to invest in their Estates. A copy of Michael Gove’s letter of 4 March 2019 is attached at Appendix 2.

2.5 Furthermore, in a response by farming minister George Eustice on 8 October 2019 to a parliamentary question from Kerry McCarthy MP, he said:

"I value the role of county farm smallholdings, and in particular the opportunities they offer for new entrant farmers. We are considering whether we can use funds to refresh the county farm model by supporting local authorities to reinvest in their farms, helping with facilitation funds, so that the farms are more of a hub for new entrants, and working with them to make it easier to move tenants out so that we have a constant pipe stream of new opportunities for new entrants".

2.6 Members will recall considering report BSS/18/13 on 3 December 2018 on the Agriculture Bill and Policy Statement. At the time of the report the Agriculture Policy Statement clearly recognised the value and importance of County Farms and the draft Bill included proposed measures to protect them. The second reading of the Agriculture Bill 2020 is currently silent on the subject although some Ministers, including Kerry McCarthy MP have asked for an explanation as to why. Simon Hoare MP for North Dorset states *'we have a great Estate of County Farms in Dorset, but the need support. I urge my right honourable friend to read, if they have not done so, the report by the Campaign to Protect Rural England about reviving county farms'.*

3.0 Report Recommendations

3.1 The report makes a range of recommendations, some more ambitious and radical than others. The key recommendations are copied below:

3.1.1 The government should protect the future of county farm estates by legislating for a ministerial lock on their disposal, and a rejuvenated purpose statement.
3.1.2 Councils themselves should put in place an 'acre for acre' policy to protect their county farms estates.
3.1.3 The government should bring forward a package of measures and new funding to enable Council's to enhance their county farm estates. A new Agriculture Act should update the purposes of county farms giving them an explicit role in addressing climate change and aiding the vitality of the farming sector by supporting new entrants. It should explicitly require the DEFRA Secretary of State to give financial assistance to Local Authorities to invest in their estates.
3.1.4 Councils should be rewarded for delivering social and environmental public goods through the forthcoming system of post-brexit farm payments.
3.1.5 Councils should consider subdividing or sub-letting county farms into smaller units, particularly near towns and cities, for leasing to market gardeners and horticulturalists.
3.1.6 Central government should negotiate with other institutional landowners, such as the Crown Estate and Church

Commissioners to provide a 'graduate tier' of farm tenancies that county farm tenants move on to after 10 years.

3.1.7 All Councils should do more to actively promote their county farms and advance the value and benefits they bring to the local community

3.1.8 Councils should consult widely in their communities and with local bodies on the role county farms should play in addressing the climate and ecological emergencies and delivering benefits to the local community.

3.1.9 More Councils should pursue the 'Preston Model' of local procurement and buy fresh local food from their county farms for school dinners and hospital meals.

2.0 Options/Alternatives

2.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

3.0 Consultations/Representations/Technical Data

3.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

3.2 No other parties have been consulted and no other representations for or against the proposal have been received

3.3 The technical data is believed to be true and accurate.

4.0 Financial Considerations

4.1 The Author is not aware of any financial issues arising from this report.

5.0 Environmental Impact Considerations (including Climate Change)

5.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.

6.0 Equality Considerations

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7.0 Legal Considerations

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8.0 Risk Management Considerations

8.1 The Author is not aware of any obvious risks to manage.

9.0 Public Health Impact

10.1 The Author is not aware of any public health impact.

11.0 Summary/Conclusions/Reasons for Recommendations

11.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Rob Parkhouse
Head of Digital Transformation and Business Support

Electoral Divisions: All

Local Government Act 1972: List of Background Papers:

None

Who to contact for enquiries:
Dan Meek, NPS South West Ltd, Venture House, One Capital Court, Bittern Road, Sowton Industrial Estate, Exeter, EX2 7FW
Tel No: (01392) 351066
Email: dan.meek@nps.co.uk

Reviving county farms

December 2019

By Kim Graham, Guy Shrubsole, Hanna Wheatley and Kate Swade

The countryside charity

A report for CPRE, the countryside charity, by the New Economics Foundation, Shared Assets and Who Owns England?[1]

Contents

The countryside charity

We would like to express our appreciation to all of those who contributed to the report and, in particular, staff from different councils in England who responded to our survey and agreed to further interviews.

Summary

Farming in Britain is at a crossroads. Brexit offers a once-in-a-generation opportunity to reform our system of farm payments, dominated for decades by the EU Common Agricultural Policy. Yet the prospects of no-deal Brexit and a future free trade deal with the US represent existential threats to the economic viability of much of British farming. Meanwhile, as the scale of the climate and ecological emergencies facing the planet becomes clear, farmers and landowners have a vital role to play in caring for the countryside and in so doing helping get the UK to net zero emissions and making more space for nature. In this context, it makes considerable sense to re-examine the role the public sector – and the land it owns – has to play in supporting British farming and, in particular, to reassess the value, future purpose and potential of county farms.

County farms are farms owned by local authorities. They were set up originally at the end of the 19th century to provide a way into farming for cash-strapped young farmers during a long agricultural depression, and were sometimes rented out at below market rates. Today, they remain one of the most powerful levers that a local authority has for directly helping new people into farming. They are a national public asset and in England alone cover a huge 200,000 acres. As such they have real potential to support the economic viability of local farming, to promote innovative farming methods, and to deliver environmentally sustainable farming.

Yet, as one of the most powerful tools for helping to deliver diverse, thriving and ecologically abundant farming for current and future generations, they are slowly leaching away. This valuable resource is being lost from public ownership. After years of austerity local authorities are under ever greater pressure to sell off public land. The extent of county farms in England continues to plummet with the loss of over 210,000 acres – down by half in 40 years – but the full extent of the sell-off, and the drivers behind it, have remained largely unknown to policy makers and the public alike.

This report explores in detail the state of county farms in England since 2010, through:

- an analysis of official data on the area of county farms, and how this changed 2010-2018
- a survey of council officers involved in administering county farm estates
- in-depth interviews with key council officers

Our research and analysis finds that:

- The size of England's county farms estate has fallen by over 15,000 acres between 2010 and 2018 (a decline of 7%), with three-quarters of Smallholdings Authorities selling parts of their estate since 2010.[2] A majority (58%) of this land was sold in the two years from 2016 to 2018.

- Austerity – coupled with a sense that county farms are 'a thing of the past', and an unwillingness by some councils to innovate to develop new income streams or business models – is driving decline in the overall extent of county farms.

The countryside charity CPRE

- Yet other councils have taken very different approaches, leading them to protect and even expand their county farm estates - viewing them as vital public assets providing social and environmental benefits, as well as an income source for the council.
- Seven of nine councils who responded to our survey gave details of environmental and social benefits provided by their county farms, ranging from tree planting, to local education initiatives, to supporting new entrants into the sector. However, other benefits, including procurement from county farms and community engagement in planning their future, were seen more as potential future avenues than current practices.

Main recommendations

We recommend that:

1. **The government should protect the future of the county farm estate by legislating for a ministerial lock on their disposal, and a rejuvenated purpose statement.** A forthcoming Agriculture Act should safeguard county farms from extensive disposal by making it incumbent on councils to submit a report to the Secretary of State for the Department for the Environment, Food and Rural Affairs (Defra). This should detail how they plan to best manage their county farms to deliver on a range of stipulated social and environmental purposes, and - if they wish to sell off county farms - how doing so accords with these purposes.[3]
2. **The government should bring forward a package of measures and new funding to enable councils to enhance their county farm estates.**[4] The end of austerity and the lifting of some borrowing constraints would give councils greater leeway to invest in their estates and create new farms by purchase or sub-dividing farms to create starter units for new entrants including horticulture near towns and cities. Future government Comprehensive Spending Reviews should also make grant money available to local authorities for the specific purpose of investing in and acquiring new county farms and enabling councils to support new entrants through reduced rents and business support.
3. **All councils should promote the value of their county farms, their potential to help address the climate and ecological emergencies and enable them to deliver wider public benefits to meet the needs of their community.** This could include working with tenants to increase take up of post-Brexit farm payments to aid nature recovery, store carbon in soils, trees and hedgerows and boost public access; publicising their county farms on maps on council websites; supporting farm open days, and working in partnership to procure fresh food from county farms for local schools, care homes and hospitals.

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Introduction

This report aims to outline the current state of county farms, to understand the various factors that lead to an authority selling or retaining their farms, and to suggest recommendations for reviving this national asset.

We explore in detail the state of county farms since 2010, through an analysis of official data on the area of county farms, and how this changed 2010-2018. We then outline the findings of an online survey of council officers involved in administering county farm estates. Finally, we discuss a number of case studies informed by in-depth interviews with key council officers and desk research. The report then discusses the key findings of these three sections in the round, before making policy recommendations and suggestions for further research.

This report has made initial recommendations for how these more hopeful approaches to county farms could be better supported by policy. But researching this report has highlighted how much work needs to be done to gather more comprehensive data and understand the benefits of county farms, and the obstacles to them thriving. We hope this can be a conversation starter for developing our national approach to reviving one of the most powerful methods for helping to deliver a diverse, thriving and ecologically abundant farming system for the next generation.

Definitions of some key terms used in the report

● County farms are sometimes referred to as 'county smallholdings'. A 'smallholding' was originally defined in the Small Holdings Act of 1892 as being a farm greater than one acre but smaller than 50 acres.[5] Over time, county smallholdings have been merged and enlarged, so that not all county farms would fall within this strict area definition.

● The term 'Smallholdings Authorities' was defined in the Agriculture Act 1970 as being every county council in England.[6] Subsequent re-organisation of local government, such as the introduction of unitary authorities in the 1990s, has complicated this picture; some former county councils that are now unitary authorities have retained their county farms, and appear to be still considered Smallholdings Authorities. Since 1950, the government has submitted an annual report to Parliament on Local Authority Smallholdings in England, which over the past decade has detailed figures for county farms owned by up to 53 county and unitary authorities.[7]

● Confusingly, some councils own and lease farmland but are not deemed to be 'Smallholdings Authorities', nor are their farms 'county farms'. For example, the borough of Enfield in Greater London owns a considerable acreage of farmland in the London Green Belt which it lets out to tenant farmers, but these are not considered to be county farms. We have not attempted to interrogate this here, but it would be worthy of future study.

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1. The state of England's county farms

County farms are smallholdings owned by local authorities and originally intended to be let out to young and first-time farmers, sometimes at below-market rents.[8] They are a vital 'first rung on the farming ladder' for newcomers to a sector that has high up-front capital costs; by providing the land and buildings, the public sector is helping get fresh blood into an industry where the average age of farmers is 60.[9] 'Without council farms there is basically no route into agriculture for people who want to farm on their own account, rather than working with contractors and large corporations,' argues George Dunn, head of the Tenant Farmers Association.[10]

Yet the extent of county farms in England has halved in the past 40 years, as a result of privatisation, austerity and short-term thinking by governments and councils.

1.1 The rise – and decline – of county farms

The origins of county farms lie in the late-Victorian agricultural depression, during which widespread cries for land reform led radical Liberal MP Joseph Chamberlain to stand for election on the promise of 'three acres and a cow' for landless tenant farmers. He went on to propose a solution whereby councils would buy up land and lease it out to small tenant farmers on cheap rents. A succession of legislative acts in 1892, 1908 and 1926 created county farms, sometimes called county smallholdings.[11]

The amount of land acquired by councils for county farms skyrocketed, reaching 438,000 acres by 1926, a level more or less maintained from then until the late 1970s. 'The smallholding movement is unique in modern agricultural history,' argues the historian Susanna Wade Martins. 'It is the only occasion on which we see the promotion of small, rather than ever-larger farming units.'[12]

But since the end of the 1970s, thousands of acres of county farms have been lost. The extent of England's county farms estate halved in four decades, from 426,695 acres in 1977 to 208,994 acres in 2018.

Examination of the historical data[13] suggests that the majority of this decline took place under the Conservative governments of Margaret Thatcher and John Major, as part of their wider privatisation drive, and as a result of cuts to council budgets and powers. Though the rosier economic circumstances of the late-1990s and early 2000s may have lessened the financial imperatives for councils to sell off their assets, New Labour did little to dissuade councils from selling up – although a government-commissioned review of County Farms by Sir Don Curry in 2008 did belatedly recommend their retention.[14]

However, with the return of the Conservatives to power in 2010 in coalition with the Liberal Democrats, and the onset of austerity, the sell-off of County Farms appears to have accelerated once again. Investigating the scale of this most recent disposal, and what has happened to the farms, is the focus of the remainder of this section.

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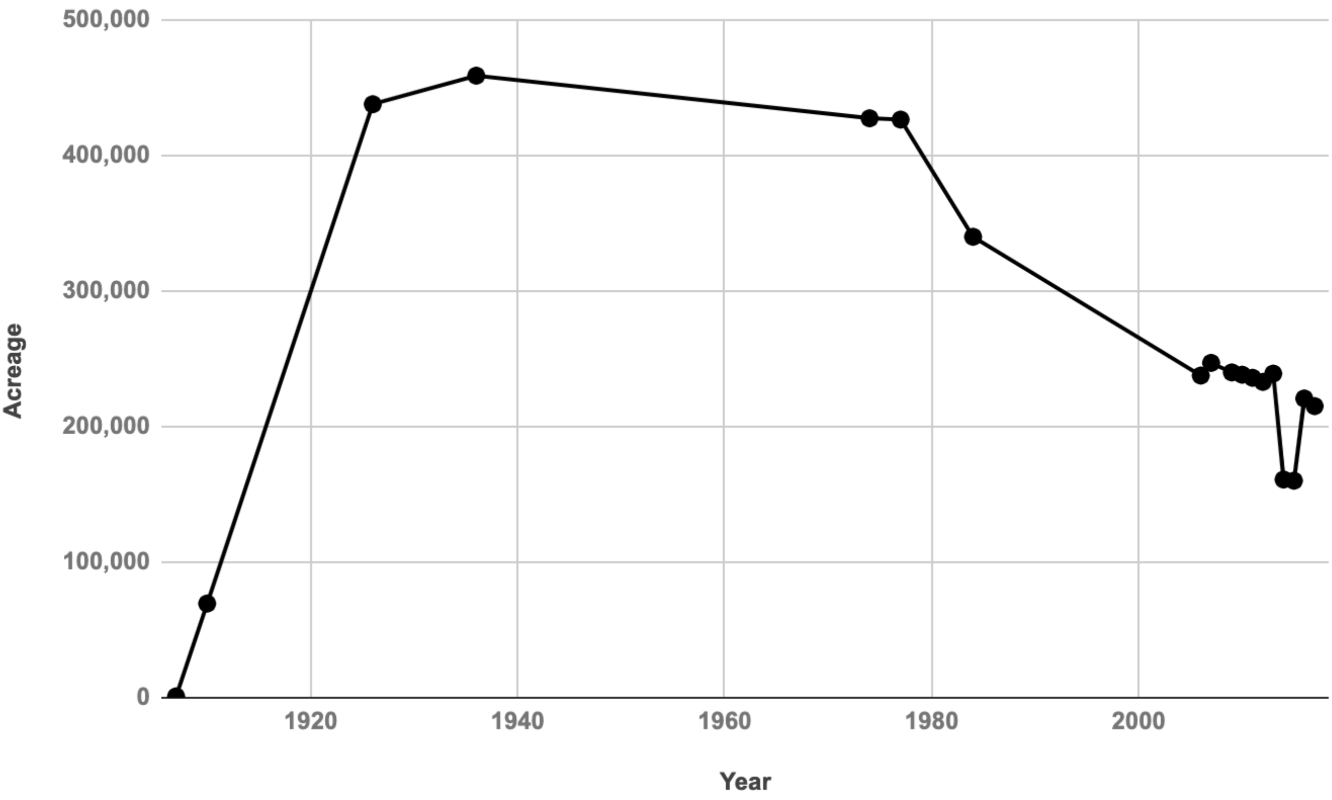
Figure 1: The rise and decline of England's county farms, 1892-2017[15]



1.2 The state of England's county farms estate today

Austerity has taken a dramatic toll on England's county farms. Official data on county farms is not as straightforward as it first seems (see Box 1). But with careful analysis, it's proven possible to construct a record of what has happened to county farms estates between 2010 and 2018, across all 53 reporting councils. The national-level figures are stark. **The size of England's county farms estate (the area let as smallholdings) has fallen by 15,687 acres between 2010 and 2018, a decline of 7%, with three quarters of Smallholdings Authorities selling parts of their estate since 2010.**

Breaking the data down by council, we can see that 39 councils saw their county farms estates decline in size over that time period with nine of them disappearing entirely, one staying static, and 13 increasing in area (most by very small amounts, with the exception of Hillingdon and Cambridgeshire).

A spreadsheet showing data on the size of all councils' county farm estates for 2010 and 2018 can be found online here. A summary table can also be found in Appendix 3.

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For those county farm estates that disappeared entirely during this period, it would appear most were the last remnants of what had once been much larger estates, but that have been steadily eroded over the past four decades. Lancashire County Council's smallholdings estate, for example, was mostly disposed of in the 1980s; austerity was the coup de grâce for the remaining fragments.

More significant, in terms of sheer acreage sold off, were these five councils which undertook major sales of their county farms between 2010 and 2018:

- Herefordshire 4,177 acres sold (89% decline)
- Somerset 2,897 acres sold (46% decline)
- North Yorkshire 1,312 acres sold (26% decline)
- Cheshire West & Chester 1,228 acres sold (30% decline)
- Lincolnshire 1,176 acres sold (6% decline)

At the other end of the spectrum, Cambridgeshire increased the area it let out as county farms by 3,433 acres.

Further analysis of the fall in acreage from 2010 to 2018 shows that the rate of disposal accelerated dramatically from 2016-2018 with sales in Herefordshire, Somerset, Cheshire West and Chester and Cumbria contributing most to this. Compared to 2010 – 2016 disposals rose from around 1,100 acres pa to over 4,500 acres pa for these last two years; over half of the total fall since 2010 occurred from 2016-2018.[16] Analysis of data on the number of smallholdings suggests a fall of at least 240 holdings from 2010 to 2018.[17] A significant rate of loss looks set to continue – Staffordshire County Council announced the sale of 1,700 acres, or a fifth of its estate, in February 2019.[18]

We look in more detail at what has happened to these councils' county farms in Section 3.

Box 1: Data issues and county farms

Investigating the state of county farms is made harder by various inadequacies in the official data collected on them. Defra publishes an annual report to parliament on local authority smallholdings – a practice dating back to 1950 and now in its 68th year. However, these statistics have proven to contain a number of errors, and comparing them across time is not straightforward.

- Errors in reporting: we had to double-check some of Defra's figures with the councils themselves – for example, Hampshire's 2018 figure was incorrectly recorded in hectares rather than acres, which made it look like it had seen a big increase in area. A number of councils for which no return was recorded in 2018 supplied us with figures

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they claimed had been reported; one council estate manager told us the council had simply never been asked for the figures.

- Lack of continuous time series: whilst the annual reports stretch back to 1950, only those from 2007 to present are available from Defra online (and 2008 is missing). The rest are stored only as paper copies in the House of Commons Library, and it's not been possible to view them for this report. For older statistics, such as those shown in Figure 1, it's been necessary to rely on figures cited in a number of official inquiries and commissions, and occasional ministerial answers to parliamentary questions recorded in Hansard.[19]

- Defra has changed its data collection methodologies over time: this means that in 2013-14 and 2014-2015, only data on a smaller subset of councils were reported. However, for the two years examined for this report – 2010 and 2018 – the scope of data collection was reportedly the same.

- Total area of land vs area of land let as smallholdings: Defra's annual reports record both the total area of land owned by Smallholdings Authorities, and the subset of this let out as smallholdings (county farms). Defra breaks down both national measures by council in its 2010 report, but it does not do so in its 2018 report; so this analysis has relied on use of let area only to compare 2010 to the most recent year reported, 2018.

- Other councils besides Smallholdings Authorities own farmland: confusingly, some councils own and lease farmland, but are not deemed to be 'Smallholdings Authorities' by Defra, and nor are their farms 'county farms'. We have not attempted to investigate this here, but this would be worthy of future study.

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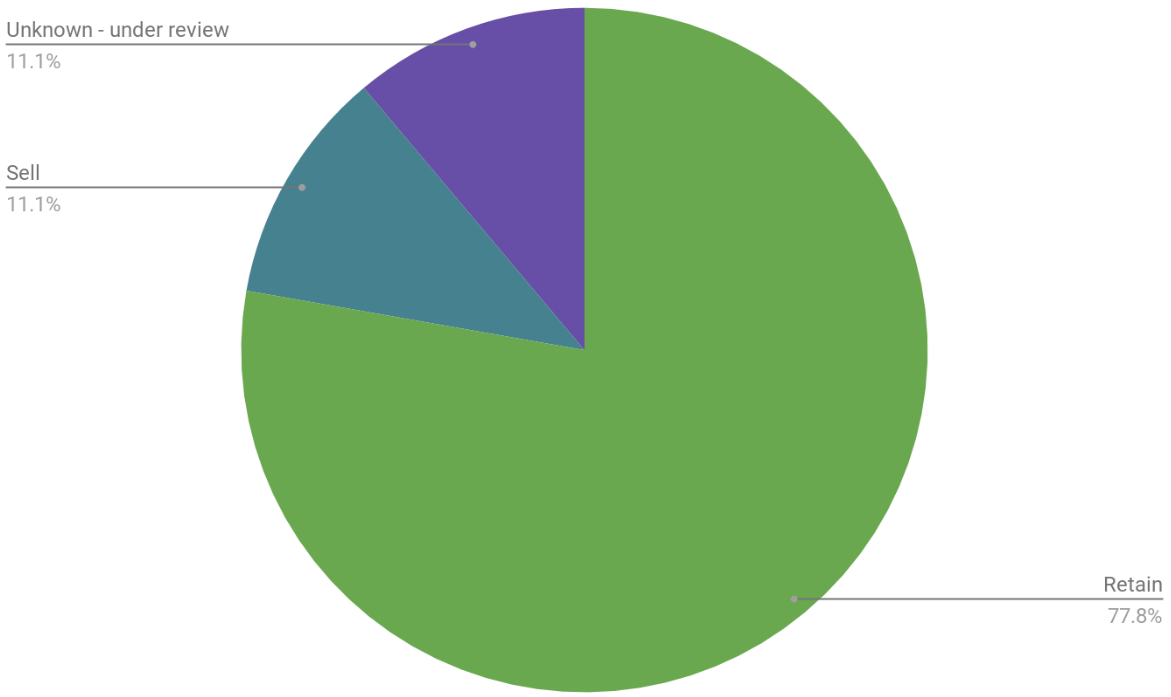
2. Survey of local authorities with county farm estates today

We sent a short online survey to as many Smallholdings Authorities as possible to learn more about their current and future plans for their county farm estates (the questions are reproduced in Appendix 1). Finding the relevant local authority officer – or private sector agent – to send the survey to was challenging, as contact details were not always easily accessible, and since the people responsible for managing the estates are called different things in different authorities, for example: Assets Manager, Estates Surveyor, or Director of Estates and Valuation. When the survey closed, we had received responses from representatives of nine local authorities – equivalent to just under 17% of the 53 Smallholdings Authorities that Defra reported on in 2010 (though subsequently this number has reduced as councils have sold off their estates). The survey results, discussed below, reveal some interesting insights from their answers.

2.1 The status of county farm estates

Most of the survey respondents spoke on behalf of authorities who have decided to retain their county farms estates. This is perhaps unsurprising; councils that have sold off their farms probably have less interest (or capacity) in discussing an asset they no longer possess.

Figure 2: The status of county farm estates for the councils that responded to our survey (retain, sell or review)



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Just one of the respondents represented an authority which plans to withdraw from providing farming opportunities and sell its county farm estate, although several of the authorities which said they would retain the bulk of their estate also mentioned some elements of rationalisation. For example:

‘Assets may be sold if they have development value or no longer meet the estate's strategic needs.’

‘Retention of all agricultural land, small strategic sales of garden extension and surplus residential property where appropriate and on a case by case basis.’

‘Retention with some rationalisation including ability to buy well located land.’

In addition to the overall objective of retaining their county farms, the majority of local authorities (seven out of nine) gave further detail on their future plans for the estates, featuring economic as well as social and environmental goals. For instance:

‘Increased starter holdings, further service provision for education and environment and retention of agricultural land. Investment in the outdated infrastructure by the council, including a programme of replacing grain stores - two having been completed over the last two years.’

‘To maximise the estate's return through sound, proactive estate management practices.’

‘Provide opportunities for individuals to establish and develop businesses in rural areas contributing to inclusive economic growth.’

Over three-quarters of the local authorities which intended to retain their estates had formal policies or strategies in place to drive forward these future plans, most of which were available publicly online.

Where no formal policy or strategy existed, management was coordinated through a management strategy and annual action plans for one council, and income generation and potential development (eg for housing) were the drivers for two other authorities. However, one respondent noted the lack of a clear published plan to deliver their stated aims as a potential barrier to achieving them.

Most local authorities knew if their county farms received farm payments through the Common Agricultural Policy. For those which did, these were most often from the Basic Payment Scheme, with two authorities also mentioning their tenants have received or are currently receiving Countryside or other Higher Level Stewardship payments as well.

2.2 The purpose of county farms

To delve deeper into the practical delivery of local authorities' declared objectives for county farm estates, we also explored issues of procurement, and social and environmental value.

Generally, respondents said their local authorities do not currently procure from county farms in any meaningful or formal way (eg buying local produce from farms for use in school or hospital canteens). However, three local authorities did mention that suitably qualified tenants may be employed to undertake small projects (eg fencing, forestry, or hedge cutting), in addition to any contractual liabilities they have for maintenance of the land they are renting.

There was a spectrum of answers in response to the question focused on the social or environmental management of county farms, indicating a range of more or less proactive approaches to utilising the farms for these purposes. Three local authorities described how non-financial objectives (eg environmental management) are usually considered as part of prospective tenants' proposals, in line with overall county farm estate management policies. Although, as one local authority mentioned, this may not be a deciding factor in agreeing a tenancy arrangement. On the other hand, four local authorities described more intentional initiatives they had encouraged or supported, as these aligned with the councils' wider social or environmental commitments, such as:

- re-introducing ospreys with the support of a local Wildlife Trust
- planting over 250,000 trees on the estate since 2000, managing wildlife habitat sites, and working with local 'friends' groups to open up local woodland and wildlife sites for the benefit of the local communities
- running or supporting Care Farms[20]
- supporting occupiers to engage with local schools and groups to promote how they farm

These schemes provide a glimpse of the potential multi-functionality of county farms, beyond agricultural production and rural employment, as a resource for local authorities to draw on to reconnect the wider public with food, farming and the natural environment, and perhaps act as a means to achieve other statutory targets (eg around health and wellbeing).

2.3 Community involvement in county farm management

Regular wider community or public involvement in the ongoing management or future planning for county farms is generally limited, according to survey respondents. Three local authorities said community involvement only occurred via a consultative process during a periodic formal review of policy. According to one of these local authorities, while issues to do with county farms may come up in other panels or forums for rural matters, most decisions about them are made by executive council bodies. One local authority considered wider community involvement as being allowed access to parts of the estate as allotments, woodlands or open spaces. Another

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authority said the wider community fed into its action plan/vision of county farms before its publication, while one more said the wider community was involved, but provided no further detail as to what this entailed. With such little ongoing public involvement in county farm management, even in areas where these assets are to be retained, it is perhaps not surprising that the general public is largely unaware of their presence or sell-off.

2.4 Further key issues for county farms

A number of respondents took the opportunity to express additional opinions about county farms, and their (future) management in the final, more open question of the survey:

- Financial management - three respondents mentioned financial issues as being central to the retention of county farms, both from the perspective of the local authority budget and the profitability of individual farm businesses.
- Policy and legislation - two respondents also mentioned the importance of legislation and policy in determining the fate of county farms - structural changes to the taxation system or housing policy could have a significant effect, and the Agriculture Bill (and various proposed amendments to it) will likely have consequences for county farm portfolios when finalised. One respondent also warned that 'it is possible that clumsy legislation or policy from HM Government could accelerate disposals rather than protect the estates as part of a suitably managed asset portfolio', so the issue needs careful consideration.
- Climate emergency - a third issue, raised by two representatives, was the impact of declarations of a climate emergency by certain local authorities. One respondent, from an environmental department, thought this could help to clarify a future vision of county farms' purpose, so that it includes more social and environmental considerations. Another participant said their local authority was reviewing their overall work in terms of how to reach carbon neutrality, and an assessment of land assets and how they can contribute to this goal would likely be part of this process.
- Opportunities for new entrants to farming - finally, one participant noted the 'vital role' of county farms in 'encouraging new entrants into farming who would otherwise not have the opportunity to farm in their own right', but another respondent mentioned the significant gap between the scale of opportunities able to be afforded to new entrants by councils, versus those available within the private sector. A third respondent said that it would be worth exploring the mechanisms that could be put in place to help new entrants access sufficient finance and starting capital in the early years of their business, as this remains one of the biggest obstacles for new entrants, even where local authorities can provide them with opportunities to farm.

While further research is needed to gauge the opinions and priorities of all Smallholdings Authorities, especially those which have decided to sell their county farms, the survey findings reveal the ongoing precarious nature of these local authority assets, but also their potential as a resource for delivering a wider range of social, economic and environmental benefits.

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3. Case studies

Sections 1 and 2 have explored the history and current status of the county farm estate. Taken together, the findings paint a picture of a declining resource that, for local authorities who have retained farms at least, represents an under-utilised opportunity to create space for a more varied and multifaceted kind of farming. But how are county farms viewed by local authorities that have sold them? And what are the drivers behind these decisions?

The selling of county farms does not seem to be driven by political persuasion. For example, Conservative-controlled Cambridgeshire and Norfolk councils have retained and even expanded their county farm estates. Yet Conservative-controlled Herefordshire and Somerset councils, conversely, have sold them off. Nor is it fully explained by location; for example, the agricultural landholdings of Cheshire West & Chester and Cheshire East are both administered by one body, Cheshire Farms Service. But after both reviewing their county farms in 2010-11, one decided to retain and the other decided to sell. While Cheshire East decided to retain its estate largely intact, Cheshire West & Chester opted to 'withdraw from providing opportunities to farm over time as an operational service objective.'[21] Local media reported that this essentially meant the council would be selling off its entire 4,575-acre estate, comprising 47 farms, over the coming three decades.[22]

In order to understand the pressures faced by councils in more detail, the following section explores the different perspectives of local authorities who have either sold or retained their county farms, and considers their options.

3.1 Perspectives from selling authorities

Herefordshire Council has presided over the most dramatic recent sell-off of county farms, disposing of 4,177 acres – almost 90% of its entire estate – in just one year. The story of how it came to do so is instructive, and highlights some of the pressures facing councils to sell off assets – but also the short-term thinking that has led to alternative solutions being dismissed out of hand.

In 2009, the Conservative-run council reviewed its county farms estate policy and decided to retain it. But then David Cameron's Coalition government took power and began enacting stringent cuts to council budgets. In 2015, Herefordshire reviewed the future of its county farms again. The council officer's report once again recommended retention, with a gradual process of disposal – but this time, the councillors disagreed. They voted to sell off the vast majority of their estate. A firm of chartered surveyors were appointed to carry out the sale, and by spring 2017, Herefordshire's estate was auctioned off.[23]

Austerity has been a clear driver. Herefordshire has seen its revenue grant support from central government slashed from £60m in 2011/12 to just £5.3m in 2018/19.[24] The working group set up by the council to review its county farms in 2015 concluded that income from the estate was too low relative to liabilities. 'For the financial year 2014/15, the gross return on capital was less than 1%', they stated, arguing that other landed estates, such as the Duchy of Cornwall, managed a healthier return of 1-2% annually. Moreover, they argued, 'this takes no account of maintenance and support costs… [and] there exists a significant backlog maintenance liability.'[25]

An officer from another council we spoke to, who wished to remain anonymous, reported similar reasons for their council's decision to sell its County Farm estate. In 'Council A', the estate was viewed as a burden, costing a

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significant amount to maintain. Farmhouses and buildings, often old ones, require a great deal of maintenance and upkeep. In this particular county, all repairs and maintenance of council owned property stopped in 2018 due to insufficient funds, well after they had sold more than two thirds of their farming land. The officer told us that human resources for county farms were diminishing too; over the past twenty years in Council A, a team of eleven surveyors - a role crucial in looking after the county estate - has shrunk to two and a half.

Both Herefordshire and Council A weighed up the maintenance and support costs with the potential benefits of selling. Herefordshire argued that selling off the estate instead could quickly free up considerable capital: 'The capital growth in the value of agricultural land on the county estate, taken as a whole, has risen, on average, 20 per cent per annum over the last 10 years.'[26] The officer from Council A told us the estate represented a £50 million asset that, from the council's perspective, was being used to benefit 60 individual tenants.

Budget cuts have forced a re-prioritisation of council activities across England, narrowing the services they deliver down to core statutory obligations such as education and social care for children and adults; Council A felt it could put the money to better use by selling the land and using the cash receipts for services such as education and housing, benefiting a far greater proportion of the local population. Looking after property, including county farms, was viewed as an expensive 'luxury' for a council. Herefordshire argued that 'as resources reduce… it is not a requirement for the council to manage a farm estate… [and] there are many other agricultural landlords who may be better placed to do so.'[27] Indeed, Council A also reflected on the role of the public sector in food and farming; now that the role of the state in farming has changed - 'we're not about feeding the nation any more' – there is no need for the farming industry to be supported by the public sector.

For both Herefordshire and Council A, another key factor in the decision-making process was that county farms were not perceived to be serving their intended purpose. Firstly, that of supporting new entrants into farming; county farms were originally meant to be 'starter farms', where young and first-time farmers lacking up-front capital can climb the 'first rung on the farming ladder', while saving up to graduate to their own farms in the future. The issue is that due to the costs of buying their own farms, many county farm tenants have remained on their farms for years, even decades, and not moved on.

In Council A, one of the tenants whose farm was sold was in his seventies and had been a tenant farmer on this county farm since 1959. Herefordshire explained that the slow turnover of tenant farmers was preventing fresh blood from entering the sector. Herefordshire surveyed the age of its county farm tenants and found just four farmers aged 20-40, 62 aged 40-60 and 33 aged 60-80 – with two tenants aged over 80.[28] Council A also argued that its county farms were failing on their second intended purpose: to create jobs in the local economy. The officer explained that most county farms only employ one or two people, apart from one employing seven people, which was seen as an anomaly.

The bottom line for both these councils seems to have been the increasing pressures of austerity. The councils stopped investing in their farms. The farms were not perceived to be good value for money, either in terms of financial returns or broader social and environmental benefits. With decreasing central government funding, discretionary services were reduced, and selling county farms freed up capital to provide essential services.

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3.2 Perspectives from retaining authorities

Yet, despite the clear challenges outlined in the examples above, other local authorities have retained and in some cases expanded their estates within the same context of austerity. As shown in Section 2, the majority of councils set on retaining their county farm estates hold the social, economic and environmental benefits of the county farm project in high esteem.

We spoke to an officer from a council intent on retaining its estate, who also preferred to remain anonymous. 'Council B' has also faced significant grant reductions as a result of the government's deficit reduction programme. But the officer we spoke to explained that Council B has settled on a policy of retention because the public benefits outweigh the financial gains in selling up. Pre-2010, Council B made a decision to become known for sustainability and environmental leadership. Endeavouring to embed this in its practices and policies, it discussed the role of county farms, not only in supporting new entrants into farming but also in starting conversations about local food production and waste. With cross-party support, it created a policy that would direct the council to consider a number of factors when deciding who to let their county farms to, including environmental factors. Three other local authorities which responded to the survey we conducted mentioned they too consider such non-financial objectives when reviewing tenant proposals.

These councils stressed the specific role that county farms can play in delivering social and environmental value. For example, the Council B officer also discussed the cultural significance of farming and agriculture to their local authority; with a long and cherished agricultural history, county farms are an integral part of its character. Our research found that when sold, some county farms have remained working farms, but others have been lost to other uses, including an acupuncture clinic and a pony paddock.[29]

There have been numerous attempts to reconsider Council B's position on county farms, including a recent meeting in which some councillors argued in favour of selling the estate. But there is a clear majority in this council that is convinced of the social and environmental value of county farms, which has enabled them to retain their estate so far. Indeed, the council cabinet stated in the summer of 2019 that they vowed to protect the county farm estate from sale for the next decade.

Questioned about the pressures on councils, and other counties' decisions to sell their farms, the interviewee explained that austerity is a political choice, whereas climate change is not. The county declared a state of climate emergency in 2019, and it is expected that they will think about county farm policies within this framework.

Council B, and others that we spoke to, have prioritised investment in their county farms in a more consistent way than Herefordshire and Council A. An ex-officer from Gloucestershire County Council told us it had invested £10 million into its estate over the years. Cheshire East say it is actively investing in its existing estate.[30] And there is some evidence of greater investment leading to higher returns. Cambridgeshire is often held up as an example of a well-managed estate, involving investment and long term planning. Cambridgeshire earned £121 per acre from its county farms estate in 2015-16, compared to Herefordshire's £107/acre for the same year, and was due £3.9m in rent from its 32,593 acre estate for the year up to 31 March 2016.[31]

Clearly, this is only a handful of case studies but they offer important insights into some of the thinking behind decisions to sell or retain. Selling authorities have tended to view their county farm estates as a burdensome asset that, if liquidated, could deliver greater benefits to a greater number of people. Retaining authorities have invested in their estates, seeing the financial, social and environmental benefits as outweighing the one-off or short-term cash injection of a sale.

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4. Key findings

Drawing on the research in the previous three sections, our main findings are as follows:

- County farms are a discretionary service, not mandatory, so like libraries and leisure centres they are often the first to go when austerity bites. Some councils therefore see county farms as a burden.
- Some councils see county farms as old-fashioned, a hangover from World War Two or earlier, rather than something that can respond to present-day problems.
- Austerity creates fresh pressures on councils to sell off their assets.
- The past 40 years has seen a shift in notions of the proper functions of the state and local government – and whether such functions are better performed by the private sector/market.
- However, there is a wide divergence between how different councils have managed their county farms, which does not appear connected to party politics. For example, Conservative-controlled Cambridgeshire and Norfolk councils have retained and even expanded their county farm estates. Conservative-controlled Herefordshire and Somerset councils, conversely, have sold them off.
- County farms could in fact provide many solutions to other problems councils face – from providing healthy food for schools, to helping address adult social care through providing more Care Farms, to bolstering council income streams through better use of farm subsidies like Environmental Stewardship grants.
- Yet some councils are not innovating or fully exploring even the current opportunities to make county farms work well. There appears to be a willingness in local government to innovate in service delivery, but this has not been extended to managing land assets like county farms.
- Councils display a range of mindsets towards county farms; some believe they are or could be multifunctional sites with multiple benefits, whereas others see them as mono-functional.

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5. Recommendations

County farms are an important part of a diverse and thriving farming sector; a sector that ranges from large to small holdings, from private ownership to forms of public and community ownership and management such as Community Supported Agriculture, co-operatives and Community Land Trusts. Forming as they do a key part of this diverse 'ecosystem', we need to set out a positive vision for county farms in the 21st century: one that recognises their value, rejuvenates their purpose, and puts in place the long-term protection, funding and support to make them flourish. Beyond developing this shared societal vision, we recommend to both national and local government a series of key legislative and policy changes to help county farms thrive:

- **The government should protect the future of the county farm estate by legislating for a ministerial lock on their disposal, and a rejuvenated purpose statement.**

A forthcoming Agriculture Act should safeguard county farms from wholesale disposal by making it incumbent on councils to submit a report to the Defra secretary of state detailing how they plan to best manage their county farms to deliver on a range of stipulated social and environmental purposes, and – if they wish to sell off county farms - how doing so accords with these purposes.[32] An example of what such legislation could look like is in New Clause 9, one of the proposed amendments to the Agriculture Bill put before Parliament in 2018-19. The full text of the amendment is reproduced in Appendix 2.

- **Councils themselves should put in place an 'acre for acre' policy to protect their county farms estates.**

To guard against the wholesale disposal of county farm estates in future – such as has occurred recently in Herefordshire – councils should pass policies to retain the current overall acreage of their estate. No one denies that councils should have a certain amount of leeway to rationalise their assets and ensure they are providing strong public benefits. This could mean judicious use of some county farm land to provide community assets such as recreation space. So, this 'acre for acre' policy would allow for estate rationalisation through the sale of fields or even entire farms, as long as they were replaced with an equivalent acreage acquired elsewhere in the authority's area. Gloucestershire County Council has practised this policy for many years. Norfolk County Council has a policy enshrined in its constitution committing it to maintaining a county farms estate of 16,000 acres minimum.[33]

- **The government should bring forward a package of measures and new funding to enable councils to enhance their county farm estates. A new Agriculture Act should update the purposes of county farms giving them an explicit role in addressing climate change and aiding the vitality of the farming sector by supporting new entrants. It should explicitly require the Defra secretary of state to give financial assistance to local authorities to invest in their estates.**

Defra Minister George Eustice, and former Defra secretary Michael Gove, have talked about providing a specific funding stream for county farms.[34] This is welcome, though details remain scant at the time of writing. The end of austerity and the lifting of some borrowing constraints would give councils greater leeway to invest in their estates and create new farms by purchase and/or subdividing farms. Future Comprehensive Spending Reviews

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should make available government money for grants to local authorities to acquire and invest in their county farm estates. This could include enabling all councils to offer tenancies to new entrants at below market rates to encourage capital-poor people into farming for the first time. Some councils already offer this kind of help. Requiring the secretary of state to grant assist local authorities for these purposes would ensure consistency of delivery and certainty for councils over different parliaments.

- **Councils should be rewarded for delivering social and environmental public goods through the forthcoming system of post-Brexit farm payments.**

Some councils and farm tenants already make use of agri-environment funding to create wildlife habitats on county farms, but more should do so. As we move over to the Environmental Land Management Scheme or ELMS – the new system of farm payments post-Brexit – the incentives to farmers will increase for providing public goods such as restoring nature, clean water, access and cutting pollution. County farms should take full advantage of the new scheme by becoming pioneers of agro-ecological farming – producing food in highly sustainable ecological ways. Councils should support their tenant farmers in doing so, as public goods payments will be an important income stream, which will ultimately bolster council incomes too.

- **Councils should consider subdividing or sub-letting county farms into smaller units, particularly near towns and cities, for leasing to market gardeners and horticulturalists.**[35]

This would increase the number of starter holdings for new entrants to offer an accessible entry point for new highly motivated individuals to develop their skills and business. Current county farm holdings are often too large for such purposes, being geared instead towards, say, medium-sized dairy units or arable farms. Smallholdings can be challenging but can be run in ways that make them productive, prosperous and of great public benefit. They could deliver a wide range of social and environmental benefits especially nearer to urban communities.[36]

- **Central government should negotiate with other institutional landowners, such as the Crown Estate and Church Commissioners, to provide a 'graduate tier' of farm tenancies that county farm tenants move on to after 10 years.**

Security of tenure for tenant farmers is vital, but it is also important that county farms bring fresh blood into the farming sector by enabling established tenants to move on and progress. One way of doing so could be to create a 'graduate tier' of farm tenancies, with a range of larger farm units, where farm tenants could move to after spending their first tenancy years on county farms. These tenancies could be offered by other large institutional landowners, such as the Crown Estate (264,233 acres in England), Church Commissioners (105,000 acres) or Duchy of Cornwall (130,639 acres). As semi-public 'establishment' institutions, these bodies arguably have a social responsibility (as well as a financial duty) towards nurturing the sustainability of farming.

- **All councils should do more to actively promote their county farms and advance the value and the benefits they bring to the local community.**

This could include publishing clear maps of all their county farms on their websites, to supporting county farm open days, connecting local schools with county farms and working to support some county farms becoming

Care Farms to offer health, social and education services to adults and children.[37] Defra should support this by publishing comprehensive data on the current state of county farms, as well as historic time-series data on their past extent.

- **Councils should consult widely in their community and with local bodies on the role county farms should play in addressing the climate and ecological emergencies and delivering benefits to the local community.**

These could feed into the preparation of new local strategies to make best use of county farm holdings, as well as into other relevant local development strategies including local plans.

- **More councils should pursue the 'Preston Model' of local procurement and buy fresh local food from their county farms for school dinners and hospital meals.**

The 'Preston Model', as pioneered by Preston City Council in Lancashire, has seen the council support local businesses through a procurement policy that prioritises local suppliers.[38] Sadly, one of the things that Preston Council cannot procure is food grown on county farms – because Lancashire Council sold off its county farms estate in the 1980s. But other councils that have retained their county farms have the option of buying fresh produce from them for school dinners, council-run care homes and council office catering, thereby keeping money circulating in the local community. They should work with NHS partners to extend this to local hospitals and day care centres.

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6. Ideas for future research and discussion

County farms have not been studied properly for years, if not decades. Researching this report has highlighted how much work needs to be done to gather comprehensive data, to understand the benefits of county farms and the opportunities for and obstacles to their success. The organisations involved in this report are keen to explore these and other issues with county farm tenants and representative bodies, national and local government and with wider networks. We suggest the following as ideas for future research and further discussion:

- There is currently little public information about county farms. There is a need for research to improve the understanding of the current public benefits they provide and the potential to increase their social, economic and environmental value to the local area.
- There is a lack of public information about local authority landholdings not covered under Smallholdings Authorities or let out as county farms. This category of land is not reported on in Defra's annual Smallholdings Reports but could in principle be compiled via examination of council asset registers or Land Registry data. This would help establish the extent of such land and its status – whether it is at similar risk to county farms of being sold – and also to enable further research into opportunities for it to deliver greater public benefit.
- County farms represent as a whole a significant body of land which through public ownership gives the potential to shape contracts with tenants which could form the basis for testing at scale different models and approaches to farming and land management. For example, this could include working with tenants across the estate to test the impact of Integrated Pest Management on yields and biodiversity compared to use of conventional pesticides.[39]
- We need to know more about ways public land could be owned and retained for public good and to deliver wider public services. These include supporting new entrants, innovative approaches to farming and growing, and ways to meet food needs and address the climate and ecological crises. This might include ownership models such as Community Land Trusts or the potential for conservation and other covenants to secure a greater return to local authorities for reinvestment if land is sold and subsequently developed.[40] There could be potential to develop a national Community Wealth Fund to give local groups the resources to acquire farmland for community ownership and to have first refusal on future sale of publicly owned farmland.[41]

7. Conclusion

County farms could play a significant role in the future of UK farming. As we stand at a crossroads of Brexit and the burgeoning climate and ecological emergencies, we must re-examine the role that the public sector has to play in supporting British farming. Today, county farms are one of the most powerful levers that a local authority has for helping new entrants into farming, for ensuring the viability of local farming, and – in principle – for supporting approaches that deliver environmentally sustainable and innovative farming.

This report has shown that the extent of county farms continues to decline – down by half in 40 years. This national asset is under greater threat as austerity continues to put local authorities under pressure to sell off public land to fund essential services. Yet councils have responded to the current context in different ways, and as we have shown in this report, with varied results. We have seen some councils sell extensive tracts of county farm land at scale to secure a cash injection while others, though fewer, continue to invest heavily in their estates, some viewing them as a crucial lever in responding to the climate emergency. Some have protected and expanded their county farm estates - viewing them as vital public assets providing social and environmental benefits, as well as a steady income source for the council.

This report has made initial recommendations for how policy could better support these more hopeful approaches to county farms. We hope this report can be a conversation starter for developing a new national purpose for them as valuable public assets. We now have the opportunity to take a fresh approach, to revive county farms and to help deliver diverse, thriving and ecologically abundant farming for the next generation.

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Appendix 1

County farms online survey questions

1. What is your name?
2. What is your job title?
3. What local or unitary authority do you work for?
4. What is [your local authority]'s current position on the retention or sale of its county farms estate?
5. What are [your local authority]'s future plans for its county farms estate?
6. Does [your local authority]'s have formal policies or strategies which drive its future county farms estate plans?
7. [If answered Yes to Q6, then >] Are these documents available publicly online?

   [If answered No to Q6, then >] In the absence of a formal policy or strategy, what drives future county farm planning?
8. [If answered Yes to Q7a, then >] Please insert a link below to these documents, or email them to Shared Assets

   [If answered No to Q7a, then >] If possible, please drag and drop the documents here, or email them to Shared Assets
9. Does your local authority procure from county farms? If yes, please provide details of the types/amount of produce or services procured.
10. Does your local authority know if its county farms are recipients of any farm subsidies? If yes, please provide details.
11. Are your local authority's county farms managed for a particular social, environmental, or economic purpose (eg Care Farms; social prescribing, providing habitats for wildlife)? If yes, please provide details.
12. Is there any wider community involvement in the management of or future plans for your local authority's county farms? If yes, please provide details.
13. If there is anything else you would like to add about county farms or think might be relevant for this research to explore, please write it here:

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Appendix 2

Text of county farms amendment to Agriculture Bill

This is the wording of an amendment to the Agriculture Bill 2018-19, first tabled during Committee Stage as New Clause 27, and subsequently ahead of Report Stage as New Clause 9.[42] Report Stage did not take place before parliament was prorogued in October 2019. The Government reintroduced an Agriculture Bill in the Queen's Speech on 14 October 2019 for the new parliamentary sitting.

'Smallholdings estates: land management

(1) Every smallholdings authority which immediately before the commencement of Part 1 of this Act holds any land for the purposes of smallholdings shall review the authority's smallholdings estate and shall, before the end of the period of eighteen months beginning with the commencement of Part 1 of this Act, submit to the Secretary of State proposals with respect to the future management of that estate for the purposes of providing—

(a) opportunities for persons to be farmers on their own account;

(b) education or experience in environmental land management practices;

(c) opportunities for increasing public access to the natural environment and understanding of sustainable farming; and

(d) opportunities for innovation in sustainable land management practices.

(2) No land held by a smallholdings authority as a smallholding immediately before commencement of Part 1 of this Act is to be conveyed, transferred, leased or otherwise disposed of otherwise than—

(a) in connection with the purposes listed in subsection (1); and

(b) in accordance with proposals submitted under subsection (1).

(3) For the purposes of this section, "smallholdings authority" has the same meaning as in section 38 of the Agriculture Act 1970.'

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Appendix 3

Summary table of change in area of county farms by authority, 2010-2018

This is a summary version of our dataset compiled from Defra's annual Smallholdings Reports and correspondence with councils; the full dataset can be viewed online here:

https://docs.google.com/spreadsheets/d/1G2ALmMWxX9TnvBTPh9V1vK-Zmdilq37qr6uA63Z5L3w/edit#gid=0

Smallholdings Authority	2010 let area (hectares)	2010 let area (acres)	2018 let area (hectares)	2018 let area (acres)	Change 2010-2018 (acres)
Herefordshire	*1,901*	4,695	*210*	519	-4,177
Somerset	*2,563*	6,331	*1,390*	3,433	-2,897
North Yorkshire	*2,055*	5,076	*1,523*	3,764	-1,312
Cheshire West and Chester	*1,667*	4,117	*1,170*	2,890	-1,228
Lincolnshire	*8,076*	19,948	*7,600*	18,772	-1,176
Gloucestershire	*3,435*	8,484	*3,040*	7,509	-976
Devon	*4,047*	9,996	*3,660*	9,040	-956
East Riding of Yorkshire	*2,838*	7,010	*2,460*	6,076	-934
Suffolk	*5,312*	13,121	*4,960*	12,251	-869
North Lincolnshire	*422*	1,042	*70*	173	-869
Worcestershire	*1,494*	3,690	*1,160*	2,865	-825
Northamptonshire	*300*	741	*0*	0	-741
Dorset	*2,743*	6,775	*2,470*	6,101	-674
Northumberland	*230*	568	*0*	0	-568

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Nottinghamshire	*744*	1,838	*541*	1,337	-500
Thurrock	*202*	499	*0*	0	-499
Leicestershire	*2,908*	7,183	*2,730*	6,743	-440
Staffordshire	*3,480*	8,596	*3,340*	8,250	-346
North Somerset	*329*	813	*190*	469	-343
Wiltshire	*2,192*	5,414	*2,060*	5,088	-326
Cumbria	*289*	714	*170*	420	-294
South Gloucestershire	*490*	1,210	*380*	939	-272
Shropshire	*628*	1,551	*520*	1,284	-267
Milton Keynes	*313*	773	*220*	543	-230
Bournemouth	*86*	212	*0*	0	-212
Durham	*573*	1,415	*493*	1,217	-198
Cornwall	*4,328*	10,690	*4,250*	10,498	-193
Surrey	*867*	2,141	*800*	1,976	-165
Cheshire East	*1,976*	4,881	*1,920*	4,742	-138
East Sussex	*43*	106	*0*	0	-106
Lancashire	*36*	89	*0*	0	-89
Torbay	*25*	62	*0*	0	-62
Oxfordshire	*361*	892	*351*	867	-25
Swindon	*680*	1,680	*670*	1,655	-25
Hartlepool	*88*	217	*80*	198	-20

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Medway	*56*	138	*50*	124	-15
Slough	*3*	7	*0*	0	-7
Peterborough	*1,219*	3,011	*1,217*	3,006	-5
Warrington	*2*	5	*0*	0	-5
Warwickshire	*2,000*	4,940	*2,000*	4,940	0
York, City of	*58*	143	*60*	148	5
West Berkshire	*117*	289	*120*	296	7
Hertfordshire	*1,934*	4,777	*1,940*	4,792	15
Essex	*73*	180	*80*	198	17
Bedfordshire Central	*2,210*	5,459	*2,240*	5,533	74
Brighton & Hove	*4,043*	9,986	*4,080*	10,078	91
Bedford	*187*	462	*230*	568	106
West Sussex	*213*	526	*350*	865	338
Hampshire	*1,707*	4,216	*1,886*	*4,660*	444
Norfolk	*6,379*	15,756	*6,590*	16,277	521
Buckinghamshire	*1,242*	3,068	*1,460*	3,606	538
Hillingdon	*None listed*	0	*690*	1,704	1,704
Cambridgeshire	*11,800*	29,146	*13,190*	32,579	3,433
TOTALS	*90,964*	224,681	*84,611*	208,994	-15,687

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Appendix 4

Table showing selected dates for rise and decline of county farms, 1892-2017

Figures for 2014 and 2015 lower because Defra changed data collection methodology and scope, before changing back again in 2016. The full dataset with all sources can be found in Google Sheets at: https://docs.google.com/spreadsheets/d/1tKhep2lFBSWIYQtVxy5ssE7yAmZ5iIp4UZP4pwjvYk0/edit#gid=0

Year	Acreage of county farms
2017	215,155
2016	220,813
2015	*160,109**
2014	*160,977**
2013	239,159
2012	233,050
2011	236,079
2010	238,345
2009	240,048
2007	247,076
2006	237,725
1984	340,167
1977	426,695
1974	427,650
1936	459,103
1926	438,031
1910	69,429
1907	881.5
1892	0

* Figures for 2014 and 2015 are lower because Defra changed its data collection methodology and scope, before changing back again in 2016.

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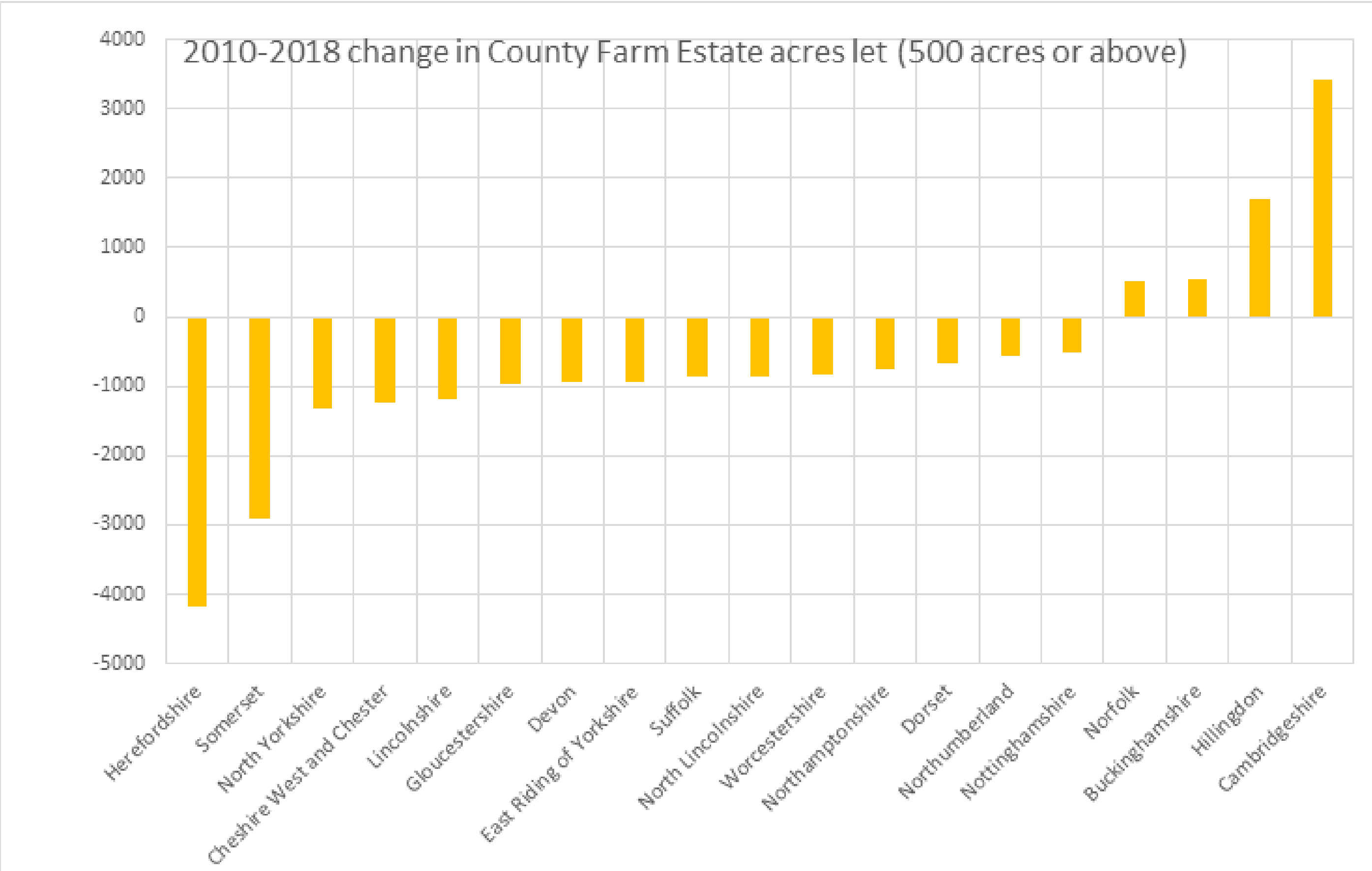
Appendix 5

Chart of change in county farms area by authority, 2010-2018 (land area of 500 acres and above)

Based on dataset in Appendix 3



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8. Endnotes

[1] The report authors were in alphabetical order: Kim Graham (Shared Assets), Guy Shrubsole (Who Owns England?), Kate Swade (Shared Assets) and Hanna Wheatley (New Economics Foundation). Graeme Willis (CPRE) provided editorial input.

[2] On analysis of let area from 2010 to 2018 for this report 9 of 53 local authorities (county councils and unitary authorities as Smallholdings Authorities under the Agriculture Act 1970) had ceased to let land as smallholdings by 2018.

[3] An amendment to the Agriculture Bill to this effect received cross-party support in 2018.

[4] Defra Minister George Eustice, and former Defra Secretary Michael Gove, have spoken about providing a specific funding stream for county farms. Letter from then Environment Secretary Michael Gove to the Environment, Food and Rural Affairs Select Committee, March 2019, https://www.parliament.uk/documents/commons-committees/environment-food-rural-affairs/correspondence/190304-Secretary-of-State-to-the-Chair-re-Council-Farms.pdf

See also the response by Farming Minister George Eustice on 8 October 2019 to a parliamentary question from Kerry McCarthy MP:

'I value the role of county farm smallholdings, and particularly the opportunities they offer for new entrant farmers. We are considering whether we can use funds to refresh the county farm model by supporting local authorities to reinvest in their farms, helping with facilitation funding so that the farms are more of a hub for new entrants, and working with them to make it easier to move tenants out so that we have a constant pipe stream of new opportunities for new entrants. Alongside that, we are considering whether that can be broadened beyond the traditional county farm, which has existed for many decades since the war, to include some of the peri-urban farms, which often have links to the agro-ecology movement and are often smaller community-based groups. Where local authorities have land that they can make available, we might be able to support the fostering of those schemes, which can be popular.' https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2019-09-26/291303/

[5] Small Holdings Act 1892, Part 1, Section 1, Paragraph 2. http://www.legislation.gov.uk/ukpga/Vict/55-56/31/section/1

[6] Agriculture Act 1970, Section 38. https://www.legislation.gov.uk/ukpga/1970/40/section/38

[7] The most recent such report is the *68th annual report to Parliament on smallholdings in England*, published by Defra, 27th February 2019. https://www.gov.uk/government/publications/68th-annual-report-to-parliament-on-smallholdings-in-england

[8] We can't quantify how often rents are offered at below market rates, but we have found examples; for instance, a 2017 review of county farms in Monmouthshire in Wales states that 'based on comparable

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lettings we consider that the rents for the holdings are, in some cases, below the current market.' https://www.monmouthshire.gov.uk/app/uploads/2013/06/Farms-Asset-Management-Plan-Nov-2017.pdf

[9] Defra. *Agriculture in the United Kingdom 2017*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/741062/AUK-2017-18sep18.pdf

[10] Thame, D. 'Shrinking opportunities for council farms', *Farmers Weekly*. 25th June 2009. https://www.fwi.co.uk/business/shrinking-opportunities-for-council-farms. Of course, those from farming families have different routes into farming, via inheritance, but this is not a route usually available to newcomers to the sector.

[11] Small Holdings Act 1892. http://www.legislation.gov.uk/ukpga/Vict/55-56/31/contents. Small Holdings and Allotments Act 1908. http://www.legislation.gov.uk/ukpga/Edw7/8/36 Small Holdings and Allotments Act 1926. https://www.legislation.gov.uk/ukpga/Geo5/16-17/52/part/I

[12] Wade Martins, S. 'Smallholdings in Norfolk, 1890-1950: a social and farming experiment', *Agricultural History Review*. 54, II. pp304-30. 2006. https://www.bahs.org.uk/AGHR/ARTICLES/54n2a7.pdf

[13] A full list of all sources of historical data on county farms is given in Shrubsole, G. 'How the extent of County farms has halved in 40 years', *Who Owns England*. 8th June 2018. https://whoownsengland.org/2018/06/08/how-the-extent-of-county-farms-has-halved-in-40-years/

[14] Sir Don Curry for Defra, 'The Importance of the County Farms Service to the Rural Economy', 2008. All copies appear to have disappeared from the internet; the authors hold a PDF copy.

[15] Figures for 2014 and 2015 displayed in the graph are lower because Defra changed its data collection methodology before changing back again in 2016. See supporting table for this graph in Appendix 4.

[16] Based on further CPRE analysis of total land let as smallholdings from Defra annual reports to parliament from 2009-2010, 2015-2016 and 2017-2018 (for each from table 1 *Area of smallholdings land held by Smallholdings Authorities*. Total acreage figures for 2015-2016 were adjusted for missing data for South Gloucestershire and Peterborough using best data available ie nearest year from other Defra annual reports. Figures for 2017-2018 were adjusted for the omission of Durham, North Yorkshire, Nottinghamshire and Peterborough and other errors as noted in Box 1 and corrected for in Appendix 3. Our analysis shows some 15,706 acres were sold from 2010-18, but of this 42% (6,598 acres) was sold by 2016 and a further 58% (9,108 acres) sold by 2018. Differences in the total here from Appendix 3 are likely to be due to rounding.

[17] This figure is based on CPRE analysis of the total number of holdings from the Defra annual reports for 2009-10 and 2017-2018 adjusted for missing data in both years using the best available data from other annual reports. Main data extracted from Table 3: Analysis of smallholdings by size at 31 March 2010 and Table 2: Number of smallholding lets held by Smallholdings Authorities as at 31 March 2018. However, there is a difference between the tables as the 2018 data covers 'equipped farms', 'bare land farm lets' but also 'agricultural lets' i.e. grazing licences and lettings under a year in the number of smallholdings lets – it is not clear whether the last of these are included in the 2010 figures. On our analysis the fall is from 2,811 holdings in 2010 to 2,570 in 2018 so 241 or 8.6% of holdings sold.

[18] Harris, L. 'Seven Staffordshire County Council holdings up for sale', *Farmers Weekly*. 18th October 2019.

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[19] A full list of all sources of historical data on county farms is given in Shrubsole, G. 'How the extent of County farms has halved in 40 years', *Who Owns England.* 8th June 2018. https://whoownsengland.org/2018/06/08/how-the-extent-of-county-farms-has-halved-in-40-years/

[20] Care Farms are farms which provide or promote healing, mental health, social, or educational care services. https://www.farmgarden.org.uk/our-work

[21] See Cheshire West & Chester webpage on county farms: https://www.cheshirewestandchester.gov.uk/business/sites-and-premises/cheshire-farms.aspx

[22] *Cheshire Live.* 'Controversial sale of £31m worth of council-owned Cheshire farms would be ploughed back into rural economy. 15th December 2011. https://www.cheshire-live.co.uk/news/chester-cheshire-news/controversial-sale-31m-worth-council-owned-5184626

[23] Herefordshire council meeting minutes, reports and documents relating to the sale of their county farms estate are linked to from here: https://www.herefordshire.gov.uk/news/article/254/herefordshire_council_smallholdings.

The 'Task and finish Group' report from 2015 and supporting documents are here: http://councillors.herefordshire.gov.uk/ieIssueDetails.aspx?IId=50011562&Opt=3 (including appendices A-D – appendix D shows a rough map of Herefordshire's county farms estate prior to disposal)

[24] Herefordshire Council, Medium-Term Financial Strategy 2019/20-2021/22. https://www.herefordshire.gov.uk/download/downloads/id/1/medium_term_financial_strategy_201920_-_202122.pdf

[25] Herefordshire Council. 'Task and finish group' report, 2015

[26] Ibid.

[27] Herefordshire council webpages on county farms: https://www.herefordshire.gov.uk/news/article/254/herefordshire_council_smallholdings

[28] Herefordshire County Council, report on county farms estate 2015, Appendix C – estate data

[29] The Somerset County Farm land and farm outbuildings referred to were sold in 2007 for £2.4m to 'IMT Trust Services Establishment', an asset management firm based in Liechtenstein (https://imt.li/en/) – as revealed by Land Registry data on Overseas Companies, first mapped by Private Eye at https://www.private-eye.co.uk/registry. Until quite recently, Liechtenstein was considered by many to be a tax haven, though it has reformed its tax and transparency rules in more recent years – see https://www.ico.li/liechtenstein-grey-list/. The firm appears to have registered the land and property on behalf of its ultimate owner, who has converted the former farm outbuildings into an acupuncture clinic (see http://www.acupuncture-horsington.co.uk/) and the fields into a horse paddock (see planning permission granted here: http://horsingtonvillagehall.co.uk/wp-content/uploads/2016/09/minutesaug16.pdf).

[30] Dann, L. 'County council farms – how many are left?' *Farmers Weekly.* 18th May 2017. https://www.fwi.co.uk/business/markets-and-trends/land-markets/county-council-farms-how-many-are-left

[31] Ibid.

[32] An amendment to the Agriculture Bill to this effect received cross-party support in 2018.

[33] Norfolk County Council. *Norfolk County Farms: A Guide for Prospective Tenants*. 2018.

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http://angliaruralconsultants.com/wp-content/uploads/norfolk-county-farms-guide-for-prospective-tenants-2018-rr.pdf.

34 Letter from The Rt Hon Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs (EFRA) to Neil Parish MP, Chairman of the EFRA Select Committee, 4 March 2019. file:///D:/Farming/county%20farms/County%20farms%20report/Template%20versions/190304-Secretary-of-State-to-the-Chair-re-Council-Farms.pdf

See also https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2019-09-26/291303/ and endnote 4 above.

35 This was a recommendation of the People's Food Policy, proposed by the Land Workers' Alliance and many other groups, whose members struggle to acquire access to land for horticulture; Land Workers' Alliance et al. *A People's Food Policy.* June 2017. https://www.peoplesfoodpolicy.org/download

see also CPRE. *New model farming.* 2016. p5 and p20. https://www.cpre.org.uk/resources/farming-and-food/farming/item/4347-new-model-farming

36 See The Ecological Land Cooperative. *Small is Successful Creating sustainable livelihoods on ten acres or less,* 2011 https://ecologicalland.coop/sites/ecologicalland.coop/files/Small_is_Successful_0.pdf and Laughton, R. *A Matter of Scale – a study of the productivity, financial viability and multifunctional benefits of small farms (20 ha and less).* 2017. Landworkers' Alliance and Centre for Agroecology, Coventry University. https://drive.google.com/file/d/0B5dw4mKBC3yEdzRIOHhNbkFwUFg1MWNycHNpZW5JaDBnWVNr/view

37 https://www.farmgarden.org.uk/GCF

38 Chakrabortty, A. 'In 2011 Preston hit rock bottom. Then it took back control'. *The Guardian.* 31st January 2018. https://www.theguardian.com/commentisfree/2018/jan/31/preston-hit-rock-bottom-took-back-control

39 Thanks to Adam Dyster and Matt Shardlow for suggesting this idea.

40 Councils could consider putting in place covenants on County Farm land to ensure some public or community benefit is derived if the land is eventually sold off. For example, if a County Farm is sold and the private owner later applies for permission to develop it for housing, a covenant on the land could ensure that a decent percentage of the resulting uplift in land values is returned to the council or local community. North Yorkshire Council has written such covenants into some of the County Farm land it previously owned, though subsequent owners have sought to unpick it.

41 The Centre for London has proposed a national Community Wealth Fund to enable local groups to buy sites and buildings for development but logically this could be extended to other land including farms to be bought for community ownership. Centre for London/ Willis, J. (ed), *Act Local: Empowering London's Neighbourhoods.* 2019. https://www.centreforlondon.org/publication/act-local/

42 House of Commons notice of amendments to the Agriculture Bill, 8th November 2018, New Clause 27, p42. https://publications.parliament.uk/pa/bills/cbill/2017-2019/0266/amend/agriculture_rm_pbc_1108.pdf House of Commons notice of amendments to the Agriculture Bill, 3rd December 2018, New Clause 9, p6. https://publications.parliament.uk/pa/bills/cbill/2017-2019/0292/amend/agriculture_rm_rep_1203.pdf

For further information on this report, please contact: Graeme Willis graemew@cpre.org.uk

CPRE is the countryside charity that campaigns to promote, enhance and protect the countryside for everyone's benefit, wherever they live. With a local CPRE in every county, we work with communities, businesses and government to find positive and lasting ways to help the countryside thrive - today and for generations to come.

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We promote rural life to ensure the countryside and its communities can thrive.

We empower communities to improve and protect their local environment.

Through all our work we look at the role of our countryside in tackling the climate emergency, including seeking ways to increase resilience and reduce impact.

Founded in 1926, President: Emma Bridgewater, Patron: Her Majesty The Queen. www.cpre.org.uk

The Rt Hon Michael Gove MP
From the Secretary of State for Environment, Food and Rural Affairs

Department for Environment Food & Rural Affairs

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OFFICIAL - SENSITIVE

4th March, 2019

Neil Parish
Chairman
Environment, Food and Rural Affairs Committee
Committee Office
House of Commons
London SW1A 0AA

Council Farms

Dear Neil

Thank you for your letter of 27th February requesting an update on Defra's plans to support council farms in future. I am very happy to provide you with an update, and clarification on your questions as set out below.

1. **When do you expect to be able to provide information on future support to farmers and councils, and what will be the timescale for its rollout?**

We recognise the importance of council farms, and in particular the role they play in providing new entrants with a route into farming. As George Eustice told the Agriculture Bill Committee, we would like to create a financial incentive for local authorities who want to invest in their council farms, with a particular emphasis on how they can support more new entrant farmers in future.

We have been talking to councils to understand how this could work, and what opportunities there might be for local authorities with council farm estates to offer a broader package of support for their new entrants. For example, this might include the provision of mentoring, training and business advice to help them build successful businesses.

While we recognise that existing council farm estates have a significant role to play, we are also engaging with land cooperatives, community organisations and other landowners who are also creating similar opportunities for new entrants, particularly in the horticulture sector. In addition we think there may be interest from councils that do not have traditional rural estates, but who may be interested in developing new opportunities for peri-urban horticulture and agriculture starter units on their land helping new entrants and connecting communities with local food production.

We are currently focusing on the policy development and stakeholder engagement activities for this area of work and we do not have firm timescales for implementation. You will appreciate that we are currently taking forward this work against a background of focusing resources on "no deal" planning but I am keen to progress this important piece of work and we will provide further information about this, and our other proposals for future financial assistance schemes, as soon as we can.

2. Do you intend to support the expansion of the county farm estate or simply maintain existing farms?

We want to support councils to create more opportunities for new entrant farmers. As part of this, we are exploring how we could support councils to manage or reorganise their existing council farm estates. But it might also be possible to support councils (whether existing smallholding authorities or not) to acquire new land to create more start up opportunities in future. We know that some councils are already doing this and we are keen to explore how we can incentivise others to take a similar approach. For example, as part of their estate strategy Norfolk County Council recently acquired a 440 acre farm which enabled two existing tenants to progress to larger farms, creating opportunities behind them as they vacated their starter holdings for new entrants to come in.

3. What assurance can you give farmers and councils that future support will be adequate, if holdings under 5ha will not qualify for Direct Payments?

As noted in our answer to PQ 206819 we will pay Direct Payments for the 2019 scheme year on the same basis as for 2018. We also plan to allocate the money paid in Direct Payments for 2020 in much the same way that we do now. We will, however, look to make simplifications to make it easier to apply for and administer Direct Payments.

We want future schemes to be as accessible to as many farmers as possible. We are working closely with farmers and industry organisations, including those that represent new entrants, smallholders, tenant farmers, and land managers as we design new schemes.

With every good wish,

Yrs,

Michael Gove

BSS/20/02
Farms Estate Committee
24 February 2020

The County Farms Estate
NFU Report – Achieving Net Zero – Farming's 2040 Goal

Report of the Head of Digital Transformation and Business Support

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation(s):

That the Committee notes the report and:
- (i) Invites the Land Agents to explore options for the County Farms Estate and it's tenant farmers to work towards achieving Net Zero greenhouse gas emissions.
- (ii) Volunteers the Estate as a research and development resource and as part of a potential network of demonstration farms
- (iii) Considers identifying the carbon sequestration capacity of the County Farms Estate key existing environmental features and in particular its soils.

1.0 Background

1.1 At the 9 September 2019 committee meeting members were recommended to endorse proposed new actions linked to the principal themes promoted by the '10 point green action plan' or otherwise linked to the Devon Climate Emergency. Report BSS/19/07 refers.

1.2 In Autumn 2019 the NFU launched its ambitious goal of reaching net zero greenhouse gas emissions across the whole of agriculture in England and Wales by 2040. A copy of the full report is attached at Appendix 1.

1.3 According to the NFU, emissions from UK farms presently amounts to 45.6 million tonnes of CO_2 equivalent a year – about one tenth of UK greenhouse gas emissions. But in stark contrast to the rest of the economy only 10% of this is CO_2. Around 40% is nitrous dioxide (N_2O) and 50% is methane (CH_4).

1.4 Agriculture is however uniquely placed to be part of the solution, as both an emissions source and as a carbon sink. Not every farm will be able to achieve net zero and each farm will need a unique action plan. One of the first steps required is to map at farm level the actual carbon emissions and carbon sequestration capacity to provide a current net carbon baseline. Following the baseline assessment, measures can be considered and implemented to reduce carbon emissions and increase carbon sequestration.

1.5 There is no single answer to the problem. To achieve net zero agriculture will need to adopt a range of measures that fall under three broad headings:

(a) Improving farming's productive efficiency
(b) Improving land management and changing land use to capture more carbon
(c) Boosting renewable energy and the wider bio-economy

1.6 It is recognised that sustainable farming systems, adopting a low input and low output approach, typical of Devon's livestock and dairy farming sectors, and protecting and enhancing soil health, pastures, hedgerows and copses that so typically make up Devon's farming landscape, has greater propensity to achieve net zero than some other farming systems elsewhere in England.

1.7 The NFU vision focusses on the following goals:

(i) Boosting productivity and reducing emissions could deliver greenhouse gas savings of 11.5 $MtCO_2e$/year by, for example:

– The use of controlled release fertilisers and inhibitors to increase efficient use of nitrogen and reduce emissions
- Feed additives to reduce methane emissions from ruminant livestock
- Improve health in cattle and sheep to reduce methane emissions and boost growth rates
- Loosening compacted soil and preventing soil compaction

(ii) Farmland carbon storage

- Enhanced soil carbon storage could, according to the NFU, deliver greenhouse gas savings of 5 $MtCO_2e$/year.
- Enhancing and increasing hedgerows could deliver greenhouse gas savings of up to 0.5 $MtCO_2e$/year
- Increasing woodland planting on farms could deliver greenhouse gas savings of 0.7 $MtCO_2e$/year

(iii) Coupling bioenergy to carbon capture, utilisation and storage

- displacement of fossil fuel use by land-based renewables such as solar, wind and anaerobic digestion could deliver greenhouse gas savings of up to 3 $MtCO_2e$/year

2.0 Options/Alternatives

2.1 Alternative options have been considered and discounted as they are believed to either be contrary to current Estate policy and/or not in the best financial interests of the Estate.

3.0 Consultations/Representations/Technical Data

3.1 The views and opinions of the Devon Federation of Young Farmers Clubs and the Estate Tenants Association will be presented by the two co-opted members to the committee.

3.2 No other parties have been consulted and no other representations for or against the proposal have been received

3.3 The technical data is believed to be true and accurate.

4.0 Financial Considerations

4.1 The Author is not aware of any financial issues arising from this report.

5.0 Environmental Impact Considerations (including Climate Change)

5.1 The Author is not aware of any environmental impact (including climate change) issues arising from this report.

6.0 Equality Considerations

6.1 The Author is not aware of any equality issues arising from this report.

7.0 Legal Considerations

7.1 The Author is not aware of any legal issues arising from this report.

8.0 Risk Management Considerations

8.1 The Author is not aware of any obvious risks to manage.

9.0 Public Health Impact

10.1 The Author is not aware of any public health impact.

11.0 Summary/Conclusions/Reasons for Recommendations

11.1 The Author has prepared this report in accordance with the findings of the County Farms Estate Strategic Review (April 2010).

Rob Parkhouse
Head of Digital Transformation and Business Support

Electoral Divisions: All
Local Government Act 1972: List of Background Papers:
None
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Achieving NET ZERO

Farming's 2040 goal

NFU supported by

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NFU

Introduction

The NFU has set the ambitious goal of reaching net zero greenhouse gas (GHG) emissions across the whole of agriculture in England and Wales by 2040. This is our contribution to the UK's ambition of net zero by 2050.

Agriculture is uniquely placed to be part of the solution, as both an emissions source and a sink. As farmers we have a special responsibility to protect carbon reserves already in our soils and vegetation. But we must and we can do more. We know emissions from UK farms presently amount to 45.6 million tonnes of carbon dioxide (CO_2) equivalent a year – about one-tenth of UK GHG emissions. But in stark contrast to the rest of the economy only 10 per cent of this is CO_2. Around 40% is nitrous dioxide (N_2O) and 50% is methane (CH_4).

The NFU's assessment is that we can only deliver net zero if we act across a range of internationally recognised inventories. Based upon the latest scientific evidence, our approach has been discussed with the Committee on Climate Change, so we believe our aim is challenging, but attainable, given the right incentives.

There is no single answer to this problem. To achieve our aim we will need a range of measures that fall under three broad headings:

- Improving farming's productive efficiency;
- Improving land management and changing land use to capture more carbon;
- Boosting renewable energy and the wider bioeconomy.

At the same time as reducing our impact on the climate, we should not reduce our capacity to feed UK consumers with high quality, affordable British food. The UK must not achieve its climate change ambitions by exporting UK production, or our greenhouse gas emissions, to other countries.

Our ambition for a net zero contribution to climate change across the whole of agricultural production by 2040 is a national aspiration, not an expectation that every farm can reach net zero. Every farm will start the journey to net zero from a different place and will need a unique action plan.

It is important to start that journey by assessing the likely emissions sources on farm. I know the future on my farm has to be about holistic farm management - not organic versus conventional, but sustainable farming practice that focuses on building soil health. Our mixed rotation is focused on continually striving to improve grazing pasture, introduce more clover and herbal leys which help to fix nitrogen so we use less fertiliser, and GPS technology is supporting our ability to precision farm. I'm confident that new feed additives and minerals will also help further reduce methane and regular benchmarking ensures I'm getting the best performance and productivity out of my livestock. Focusing on health status and the right genetics are key to carbon neutral farming.

The NFU believes that the agricultural sector is very much part of the solution to decarbonising the UK economy and achieving net zero and we are working on proposals for pilot schemes to introduce policy incentives to bring to life net zero for farmers and growers. But we will only be able to achieve our carbon neutral goal with concerted support from government, industry and other key groups to help deliver this challenging, but achievable, ambition.

Minette Batters
NFU President

The global challenge of tackling climate change

Climate change is arguably the greatest environmental challenge facing the world, with many countries now experiencing unprecedented and increasingly frequent extremes of weather. International action on this issue has been slow to take off, but progress is now being made in decarbonising the global economy as well as in adapting to a changing climate.

Britain's Climate Change Act of 2008 introduced the world's first long-term national framework to tackle climate change, setting a legally binding target of an 80% reduction in GHG emissions by 2050, against a 1990 baseline. After a few false starts, the comprehensive international Paris Agreement on climate change was approved in 2015, aiming to limit GHG emissions "as soon as possible" and keeping global temperature increase "well below" 2C. The Paris Agreement also recognised the importance of "safeguarding food security and ending hunger, and the particular vulnerabilities of food production systems to the adverse impacts of climate change".

Three years later, the Intergovernmental Panel on Climate Change issued a scientific report on the potential impacts of global warming and how the rise in global temperature should be limited to 1.5C. It concluded that the risks and impacts of 2C average warming compared with 1.5C justify a much deeper and faster policy response, in terms of technological changes to energy and food production as well as human lifestyle.

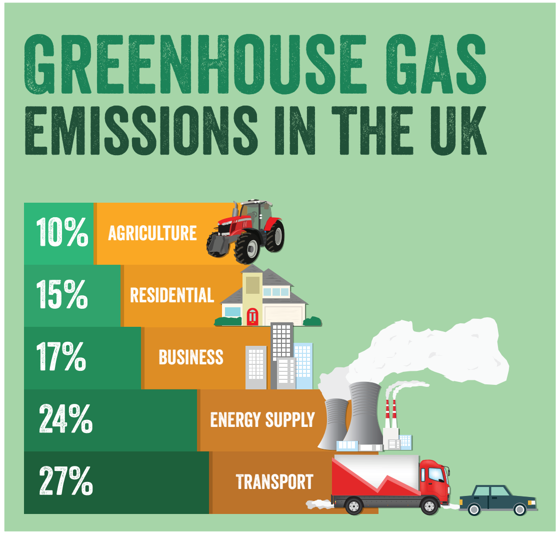
In 2019, Britain became the first major world economy to legislate for net zero emissions, aiming to end the contribution of UK economic production activities to climate change over the next 30 years. Many other countries and trading blocs are expected to follow suit, raising hopes that the worst effects of climate change can be avoided in the near future.

The current UK agricultural GHG inventory

Agricultural GHG emissions are very different from other sectors of the economy, such as electricity generation, transport and manufacturing. The principal GHG emitted by most industries is carbon dioxide (CO_2) from fossil fuel combustion, while for agricultural systems methane (CH_4) and nitrous oxide (N_2O) are the main GHGs. Reducing these emissions is more difficult than cutting CO_2, because they result from complex and imperfectly understood natural soil and animal microbial processes, a changing climate and the limitations of measurement.

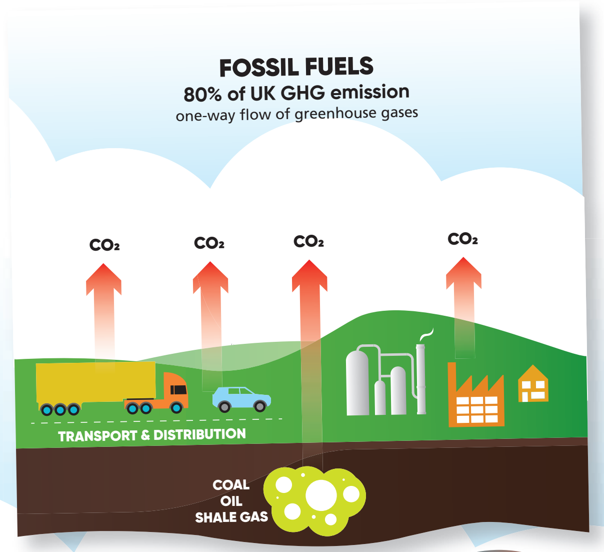
A supply of nitrogen from organic or inorganic sources is necessary for the growth of crops and pasture, and it is an unavoidable consequence of soil processes that a small amount of nitrogen in an agricultural system will be emitted as nitrous oxide. Likewise, methane is produced by bacteria as cattle and sheep break down the cellulose in their diet, producing milk and meat for human consumption from large areas of grassland that would be unsuitable for arable farming.

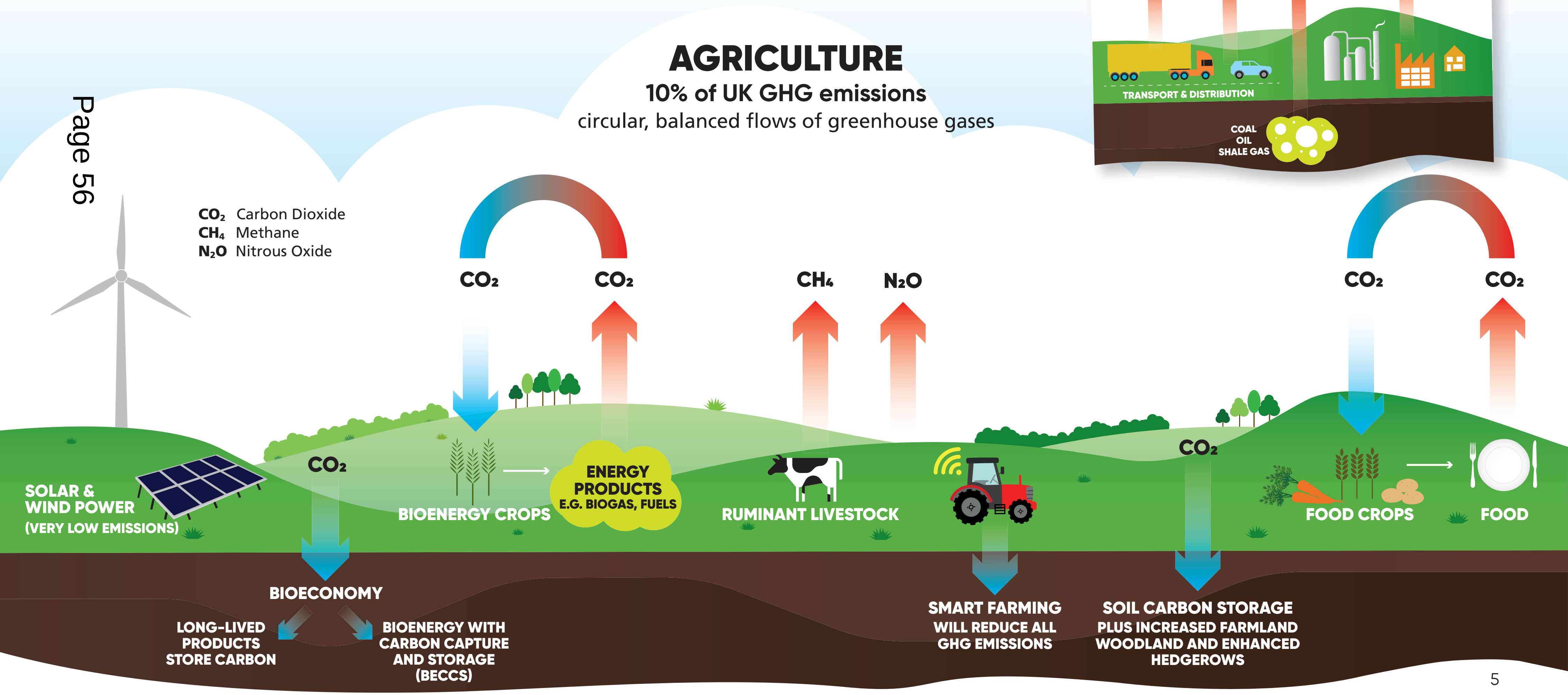
British agricultural GHG emissions in 2017 were 45.6 million tonnes of CO_2 equivalent (10% of UK total GHG emissions), comprising methane (5.6% of UK total), nitrous oxide (3.1%) and CO_2 (1.2%). Agricultural emissions have decreased by 16% overall since 1990, but there has been only modest progress since 2011, when the industry's GHG Action Plan was agreed.



Why agriculture is part of the solution to climate change

Agriculture, and the land-based economy, can play a key role in tackling climate change. It is uniquely placed to capture the major greenhouse gas – carbon dioxide (CO_2) – from the air and turn it, with the help of farmers, into a wide range of foods, fibres and fuels. By enhancing this ability to capture carbon we can use it to generate "negative emissions" – actively removing CO_2 from the atmosphere and balancing agriculture's emissions of methane (CH_4) and nitrous oxide (N_2O) from food production.





The NFU's vision: our approach

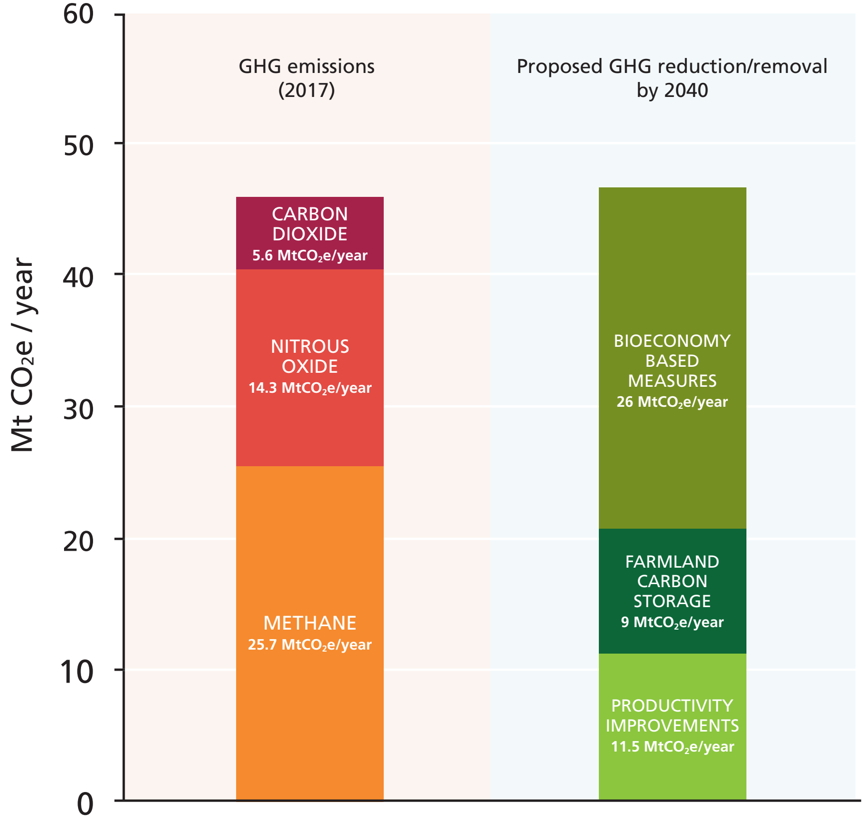
Now is the right time to set ourselves challenging goals, consistent with our high standards of production, welfare and environmental stewardship, as farmers and growers adjust to a new domestic agricultural policy. There are clear environmental and economic imperatives for action. As an industry we must respond to growing scientific evidence of the impacts of climate change, and the experience of our farmers and growers weathering extremes of cold, drought and flood in recent years.

Farm businesses can make an important contribution to building a zero-carbon economy for Britain and the NFU recognises that we must set out how this can be best achieved alongside the many other expectations on farmers and growers.

There are no 'silver bullet' answers to tackling climate change and achieving net zero. We believe action to tackle climate change in UK agriculture requires a portfolio of different policies and practices focused on three key themes, or pillars:

- Improving farming's productive efficiency to reduce our greenhouse gas emissions – enabling farming to produce the same quantity of food, or more, with less inputs in smarter ways;
- Farmland carbon storage in soils and vegetation – improving land management and changing land use to capture more carbon, through bigger hedgerows, more woodland, and especially more carbon-rich soil;
- Boosting renewable energy and the bioeconomy to displace greenhouse gas emissions from fossil fuels and to create GHG removal through photosynthesis and carbon capture.

Our evidence suggests that, over the next 20 years, work under these three pillars could reduce, offset and counterbalance current agricultural emissions of 45.6 $MtCO_2e$/year.



Current (2017) agricultural emissions balanced against potential GHG reduction through productivity measures and GHG removals by various methods

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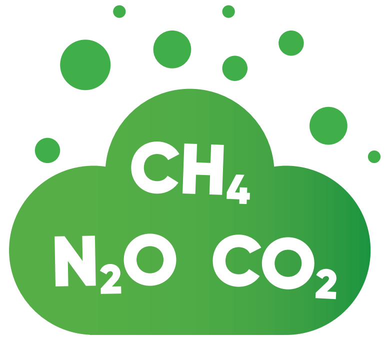
Pillar 1
Boosting productivity and reducing emissions

Estimated GHG savings: **11.5 $MtCO_2e$/year**



Productive efficiency measures could deliver estimated GHG savings of **11.5 $MtCO_2e$/year**

Improving farming's productive efficiency will enable farmers to produce the same quantity of food, or more, with less inputs, in smarter ways. This, in turn, will enable the sector to reduce its greenhouse gas emissions.

A variety of measures to boost productivity and reduce emissions, as identified by the Committee on Climate Change (CCC), plus others emerging from current NFU work on productivity will be required to achieve this. These measures include things like:

- The use of controlled release fertilisers and inhibitors to increase efficient use of nitrogen and reduce emissions;
- Feed additives to reduce methane emissions from ruminant livestock;
- Improving health in cattle and sheep to reduce methane emissions and boost growth rates;
- Precision farming for crops to deliver nutrients and crop protection more efficiently;
- Loosening compacted soils and preventing soil compaction in cropland and pasture, reducing the need for cultivation and minimising N_2O emissions;
- Anaerobic digestion to convert animal manures, crops and crop by-products into renewable energy;
- A wide range of energy efficiency measures to reduce usage of fuels and electricity;
- Gene editing for disease resistance to improve health and productivity of crops and livestock and reduce emissions.

To enable us to achieve these improvements in farming's productive efficiency, we need:

- Defra to immediately introduce pilot productivity schemes alongside the Environmental Land Management Scheme (ELMS);
- Shared Prosperity Fund support for rural development;
- Department for Business, Energy and Industrial Strategy (BEIS) support through the Industrial Strategy.

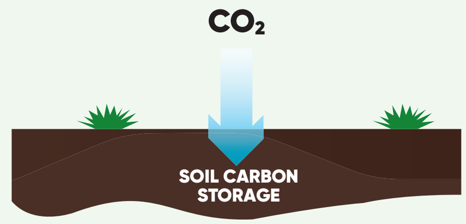
Pillar 2
Farmland carbon storage

Estimated GHG savings: **9 $MtCO_2e$/year**

Farming is already responsible for a critical carbon resource in soils, wooded landscape and semi-natural habitats. The achievement of net zero should actively incentivise the conservation of this carbon resource as well as its enhancement.

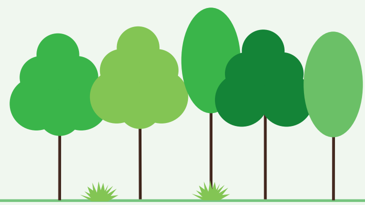
This conservation and enhancement can be achieved through improving land management and changing land use to capture more carbon – by the provision of bigger hedgerows, more woodland and especially more carbon-rich soils.

- Enhanced soil carbon storage could deliver GHG savings of 5 $MtCO_2e$/year. This would require Defra support for a network of demonstration farms and the development of a mechanism for reward payments.
- Enhancing and increasing hedgerows could deliver GHG savings of up to 0.5 $MtCO_2e$/year. This would require the inclusion of hedgerow management in the Environmental Land Management Scheme (ELMS); the promotion of hedgerow options in Championing the Farmed Environment (CFE); and support from Defra and Treasury for carbon pricing.
- Increasing woodland planting on farms could deliver GHG savings of 0.7 $MtCO_2e$/year. Inclusion of woodland and shelter belt planting in ELMS; promotion of new planting in CFE; and support from Defra and the Treasury for carbon pricing will be needed to help achieve this.
- Peatland and wetland restoration might deliver GHG savings of up to 3 $MtCO_2e$/year. Support for this work in ELMS will be needed to help achieve this.



Enhanced soil carbon storage could deliver GHG savings of **5 $MtCO_2e$/year**

Increasing farmland woodland could deliver GHG savings of **0.7 $MtCO_2e$/year**



Pillar 3

Coupling bioenergy to carbon capture, utilisation and storage

Estimated GHG savings: **Up to 26 $MtCO_2e$/year**

Boosting renewable energy and the bioeconomy could deliver estimated GHG savings of up to **26 $MtCO_2e$/year**

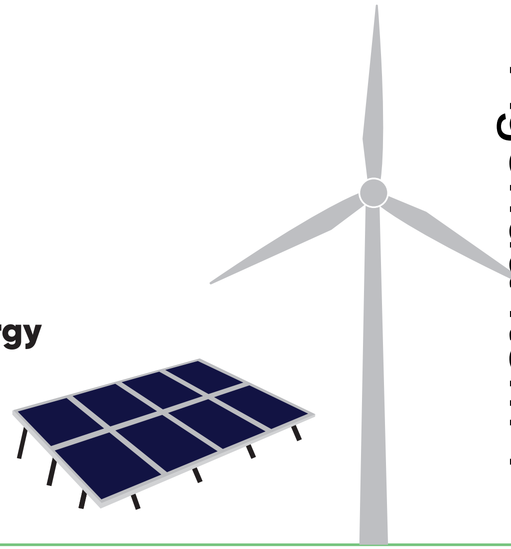


Photo courtesy of FUTURE BIOGASS LIMITED

Boosting renewable energy and the bioeconomy to displace greenhouse gas emissions from fossil fuels and to create GHG removal through photosynthesis and carbon capture is a key part of the NFU ambition for achieving net zero.

- Bioenergy with carbon capture and storage (BECCS) – the process of producing energy from organic matter and capturing and storing the carbon produced – could deliver GHG savings of up to 22 $MtCO_2e$/year. Implementation of the industry-led Bioenergy Strategy by BEIS, a clear carbon price trajectory and multiple demonstration projects at different scales will be needed to achieve this.
- Bio-based materials in construction and industry could deliver GHG savings of 0.5 $MtCO_2e$/year. This will also require the implementation of the Government's Bioeconomy Strategy, as well as support from the Home Office and Ministry of Housing, Communities and Local Government for novel building and insulation materials like hemp fibre and sheep's wool.
- Displacement of fossil fuel use by land-based renewables could deliver GHG savings of up to 3 $MtCO_2e$/year. This will need the government to enable further growth in land-based renewables and BEIS and Defra to allow credit for avoided GHG emissions.

In the longer term, it is possible that the application of biochar – powdered charcoal – to soil and accelerated mineral weathering could deliver GHG savings of up to 2.5 $MtCO_2e$/year and up to 1 $MtCO_2e$/year, respectively. These processes will require further evaluation and approval before use.

Partnership working – with government, with industry, with academics

The policy measures needed to enable UK farming to meet our net zero aspiration will require a partnership approach. Uptake by farm businesses will need to be accompanied by concerted support across government departments, agencies and other stakeholders to act with us and help us deliver on this ambition.

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For example, boosting productivity across all farm sectors needs a range of policy measures not just from Defra but also BEIS, the Treasury and other government departments to enable investment in new technology and refurbishment of existing capital, consistent with the Industrial Strategy and Clean Growth Strategy.

Enhancing carbon storage in soils and vegetation will require collaborative working with environmental NGOs. There also needs to be recognition by both these NGOs and government of the multiple environmental benefits that could be layered together with carbon storage in response to a realistic carbon reward price.

The UK also needs to develop a strong domestic bioenergy base in the short term, alongside other land-based renewables, in order to build up its longer-term potential for greenhouse gas removal in the future, through a variety of bioenergy pathways as well as the wider bioeconomy.

By working together as an industry, across all farming sectors, choosing from a broad range of policy measures will enable individual farm businesses to take action on net zero.

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Measurement, reporting and next steps

Systems for farmers and growers to track and be rewarded for the public good of reducing or offsetting GHG emissions have yet to be developed. These may need to be based upon both physical audits (actually measuring and recording changes in farm practice) as well as expected results predicted by modelling. It is quite likely that monitoring and verification of certain measures, such as enlarged or extended hedgerows, will be easier than others, such as soil carbon.

However, "proxy indicators" of changed management practice which are likely to increase carbon storage could be coupled to models that are supported by actual field testing, carried out on a network of 'climate-friendly' demonstration farms, which would represent different farming systems across a range of soils and natural environments. Ideally a single integrated measure such as the Sustainability Metric that the Sustainable Farming Trust proposes, would capture a range of agronomic and environmental factors.

There is an urgent need now to pilot our ambitions with support from government and other stakeholders, bringing net zero to life for the farmers and growers who are critical to its success. Our initial pilot proposals aim to develop a farmer-friendly framework for monitoring and reporting tools, to boost confidence that changes in on-farm practice are being captured. Such a framework might be validated and confirmed with reference to a field testing farm network, and backed up by actual physical measurement across a small sample of the total.

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Report produced by:

NFU, AGRICULTURE HOUSE
STONELEIGH PARK, STONELEIGH, WARWICKSHIRE CV8 2TZ
September 2019

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By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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