

Summary of recommendations and executive responses [Task and finish group: smallholdings estate (county farms)]

<p>On 27 October 2015, the General overview and scrutiny committee considered the item: Task and finish group report: smallholdings estate (county farms) Amendments were made to the recommendations in the report and the following was agreed for submission to the executive.</p>				
<p>Recommendation No. 1</p>	<p>The council recognises the significant role of agriculture in the county's economy and should retain an interest through the retention of an agricultural estate. The council should undertake a structured partial sale retaining a reduced estate of starter and progression farms as a way of offering a route into farming and onward progression for aspiring farmers. The current policy for the management of the County Farms should be reviewed and amended to facilitate a more flexible and progressive approach. Land and/or buildings which are identified as having development potential should be retained for separate promotion and sale to maximise commercial/development value.</p>			
<p>Executive Response</p>	<p>Partially accepted – the recommendation comprises of four statements.</p> <ol style="list-style-type: none"> 1) The council recognises the significant role of agriculture in the county's economy and should retain an interest through the retention of an agricultural estate – not accepted. It is not essential for the authority to retain ownership of an agricultural estate for it to continue to contribute to the county's economy. It is more likely to provide a greater contribution in the hands of a landowner who is better placed to provide the investment needed to secure economic benefits. This is similar in approach to that taken by the council in relation to some employment land; the council transfers ownership of the freehold title where appropriate. 2) The council should undertake a structured partial sale retaining a reduced estate of starter and progression farms as a way of offering a route into farming and onward progression for aspiring farmers – not accepted. There is little evidence that by retaining a reduced estate that a route into farming and onward progression will be effectively realised. 3) The current policy for the management of the County Farms should be reviewed and amended to facilitate a more flexible and progressive approach – not accepted. For progression to be achieved a fundamental restructuring of tenancies would be needed. Given the proportion of retirement and lifetime tenancies that exist this could only be effectively delivered over a long-term horizon, and in the meantime significant investment would be required at a time when council resources are being placed under increasing pressure. 4) Land and/or buildings which are identified as having development potential should be retained for separate promotion and sale to maximise commercial/development value – accepted; the draft policy reflects this approach.. 			
<p>Action</p>	<p>Owner</p>	<p>By When</p>	<p>Target/Success Criteria</p>	<p>Progress</p>
<p>To progress (4) in accordance with revised policy</p>	<p>Director of Resources</p>			

Recommendation No. 2	That any disposal of areas of land identified as containing mineral deposits of commercial value should be subject to the council retaining mineral rights.			
Executive Response	Accepted in full; the revised policy reflects this.			
Action	Owner	By When	Target/Success Criteria	Progress
To progress in accordance with revised policy.	Director of Resources			

Recommendation No. 3	That in disposing of any element of the smallholding estate the council should take a supportive and sympathetic approach to the welfare and needs of current tenants who are affected by the sale, ensuring that their respective rights are protected. A proportion of the capital released should be used to invest in any remaining estate to improve the estate and respond to recently imposed legislative obligations.			
Executive Response	<p>Partially accepted – the recommendation comprises of two statements.</p> <ol style="list-style-type: none"> 1) That in disposing of any element of the smallholding estate the council should take a supportive and sympathetic approach to the welfare and needs of current tenants who are affected by the sale, ensuring that their respective rights are protected – accepted and reflected in the draft policy. 2) A proportion of the capital released should be used to invest in any remaining estate to improve the estate and respond to recently imposed legislative obligations – not accepted. Such investment is not likely to be recovered through rental income and provides poor value for money when judged against other investment return. Any unavoidable backlog maintenance, especially of a compliance nature will need to be managed through the corporate maintenance allocation until such time as the properties are disposed of, 			
Action	Owner	By When	Target/Success Criteria	Progress
To progress (1) in accordance with revised policy.	Director of Resources			

Recommendation No. 4	That the council should, on a case by case basis, provide existing tenants with the opportunity to purchase their own holdings conditional upon the assessed impact upon the remainder of the identified estate for sale or retention and ensuring best value is achieved.			
Executive Response	Accepted in full and reflected in the draft policy.			
Action	Owner	By When	Target/Success Criteria	Progress
To progress in accordance with revised policy.	Director of Resources			

Recommendation No. 5	That all land, following evaluation, should be let under farm business tenancies on a full repairing and insuring lease with annual reviews which monitor the viability of the business and its potential for progression in considering the award, extension or cessation of any lease.			
Executive Response	Not accepted – This does not provide a vehicle for optimising the value of the estate, is management intensive and inconsistent with emerging policy.			
Action	Owner	By When	Target/Success Criteria	Progress
No action.	Director of Resources			

Recommendation No. 6	That the council should investigate the potential for any remaining estate to be managed through co-operation with a neighbouring council ensuring cost-effectiveness and improved opportunities for the progression of tenant farmers.			
Executive Response	Partially accepted - . Given that the council will have a retained estate for some years while it progresses sales it will explore any short-to medium term options for managing that estate more cost effectively.			
Action	Owner	By When	Target/Success Criteria	Progress
No action.	Director of Resources			