

COUNTY FARMS MEMBER LED REVIEW

To: **Cabinet**

Date: **24th May 2011**

From: **Corporate Issues Scrutiny Committee**

Electoral division(s): **All**

Forward Plan ref: **N/A**

Purpose: **To present the findings and recommendations from a Member Led Review of the County Farms Estate.**

Recommendation: **That Cabinet:**

- **Consider the Corporate Issues Scrutiny Committee review (attached as Appendix A)**
- **Support the recommendations set out in the report**

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1 BACKGROUND

1.1 The Corporate Issues Scrutiny Committee conducted a review of the Council's County Farms Estate (CFE) between October 2010 and February 2011. The purpose of the review was to examine the:

- Performance of the Estate in achieving its objectives
- Prospects for the Estate in the long term
- Suitability of the CFE objectives and whether they should be amended to reflect changes since the last review in 2006

1.2 The review also examined the fundamental question of whether the Council should retain or sell the CFE.

1.3 The review was led by Councillors Bob Farrer (Chairman), Lucy Nethsingha and Mandy Smith and their findings were subsequently endorsed by the full Committee.

2 KEY FINDINGS

2.1 The full report is attached as Appendix A. However, in summary, Members concluded that the CFE is a well managed asset which has consistently achieved its objectives and has strong prospects for the future. They found that the CFE offers excellent value for money and supplies a regular and significant income stream for the Council.

2.2 The recommendations which the Committee would like Cabinet to support are as follows:

- Retain the Estate
- Financial Returns Must be the Top Priority During the Current Economic Situation
- Encourage Purchase of Land
- Ensure Proceeds from the Estate Continue to Support Council Services

2.3 The rationale for these recommendations can be found in section 12 (pages 14 and 15).

3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING

3.1 Supporting and protecting vulnerable people when they need it most

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives in their communities

There are no significant implications for this priority.

3.3 Developing the local economy for the benefit of all

The report includes a recommendation to retain the CFE partly in recognition of its contribution to the local economy.

3.4 Ways of Working

The report includes recommendations to prioritise financial returns from the CFE and to seek opportunities to purchase land.

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource and Performance Implications

The report includes recommendations to retain the CFE largely on the basis of the financial benefits it provides to the Council. It also recommends the purchase of land in order to increase the long term value of the CFE to the Council.

4.2 Statutory, Risk and Legal Implications

There are no significant implications for this category.

4.3 Equality and Diversity Implications

There are no significant implications for this category.

4.4 Engagement and Consultation

There are no significant implications for this category.

<u>Source Documents</u>	<u>Location</u>	<u>Contact</u>
Corporate Issues Scrutiny Committee minutes and reports (September 2010 and March 2011)	Room 221, Shire Hall	Robert Jakeman, Scrutiny and Improvement Officer, 01223 699143
Other source documents are referenced in Appendix A		

APPENDIX A – FULL REPORT

A) INTRODUCTION

1.0 BACKGROUND

- 1.1 The County Council owns the largest statutory smallholding estate in England and Wales covering 13,000 hectares (33,000 acres). The County Farms Estate (CFE) covers 5% of the area of the county, comprises 10% of the national estate and the Council recently celebrated one hundred years of ownership.
- 1.2 The CFE was originally established to provide opportunities for employment and to provide a starting point for new entrants to farming. Since then, the objectives of the estate have broadened and the number of tenants has gradually reduced in line with national trends. Nonetheless, it is still the case that one of the reasons for keeping the estate is to support farming opportunities, and the majority of the estate is currently let to 230 tenants.
- 1.3 The CFE has a book asset value of £64.3m and provides a significant income stream for the Council¹. Sales of surplus property have raised an average of £3m per annum over the past 17 years. In addition, the estate achieves a revenue surplus of approximately £2m per year.
- 1.4 The last major review of the CFE objectives, policies and associated Farm Management Plans took place in 2006 and involved a cross party panel of Members, Scrutiny Committee and final Cabinet approval. The CFE objectives are summarised below:
- To promote and encourage commercial farm enterprises
 - To provide full time opportunities for commercial farm businesses and encourage new entrants to expand their businesses and plan for moving on
 - To raise income from sales of surplus property
 - To reduce overall maintenance and management costs
 - To ensure a steady turnover of tenants making the best use of land held pending longer term development / sale
 - To promote environmental initiatives together with improved access to the countryside
 - To support rural development and economic regeneration

2.0 PURPOSE OF SCRUTINY REVIEW

- 2.1 The Corporate Issues Scrutiny Committee received an update about the CFE on the 29th September 2010. Members were particularly interested in examining the financial returns from the estate, its ongoing viability and strategic value to the Council.

¹ Based on 2009/10 figures

- 2.2 The Committee felt that there was a need to undertake a more in depth scrutiny investigation and established a sub group to carry out this work. The sub group comprised Councillors Mandy Smith and Lucy Nethsingha. Councillor Bob Farrer later joined and chaired the review.
- 2.3 The purpose of the review was to examine the:
- Performance of the Estate in achieving its objectives
 - Prospects for the Estate in the long term
 - Suitability of the CFE objectives and whether they should be amended to reflect changes since the last review in 2006
- 2.4 The review also aims to answer the fundamental question of whether the Council should retain or sell the CFE. This is a timely question because several County Councils across the country are in the process of examining the future viability of their CFEs, with some likely to accelerate sales or even completely sell their entire estate over a number of years (as is the case in Somerset). This is, of course, prompted by the difficult financial circumstances facing Councils and the consequent pressure on all non statutory services, such as County Farms, to justify their continued existence. The group met Councillor Reynolds, Cabinet Member with lead responsibility for the CFE, who stressed the value of the Estate to the Council and his support for its continuation. Nonetheless, the review group are conscious that the Council faces unprecedented financial challenges and therefore hope that their findings will inform any future deliberations that Cabinet may have about the future of the CFE.

3.0 REVIEW METHODOLOGY

- 3.1 The review group gathered evidence through online research and discussions with the Cabinet Member and officers responsible for managing the estate. Members also attended the two Annual Tenants meetings in March and Stow-cum-Quay and met tenants during a tour of some of the estate, particularly around the Burwell and Soham areas. Written questions were also submitted to officers and their responses have provided the source material for most of the report. The group are particularly grateful to the following for their support during the review:
- Philip Boon, Tenant
 - David King, Tenant
 - John Macmillan, Rural Estates Manager
 - David Nuttycombe, Head of Strategy and Estates
 - Councillor John Reynolds, Cabinet Member for Resources and Performance
 - Frances White, Tenant
- 3.2 This review has a strategic emphasis. It purposefully does not provide an in depth evaluation of the day to day management of the estate.
- 3.3 The remainder of the report provides the groups' performance analysis and commentary against each of the current objectives (numbered 1 – 6 for ease).

This is followed by analysis of some overarching issues and Members' findings and recommendations.

B) ANALYSIS

4.0 OBJECTIVE 1 – TO PROMOTE AND ENCOURAGE COMMERCIAL FARM ENTERPRISES; MAINTAIN FARM RENTAL VALUE; MAINTAIN THE CAPITAL INVESTMENT PROGRAMME AND MINIMISE RENT DEBT

- 4.1 Both the Council and tenants benefit from the development of commercially successful farms. From the tenant perspective, increased income can boost living standards and provide funds for reinvestment in their farm in the hope of greater returns. The Council benefits from this as the value of the farm appreciates and rent levels can be increased. More broadly, commercially successful farms make a contribution to the Council's priority to develop the local economy.
- 4.2 Clearly, the success of a farm will be largely dependent on the actions of tenants. However, the Council has an important role as a facilitator and enabler. This includes, and is not limited to the following factors:
- Ensuring that the length of tenure for the farms is suitable. Longer term tenancies are likely to provide tenants with the security to invest in and take a long term view of their farm, but this has to be balanced against the risks and lack of flexibility for the Council
 - Maintaining the Estate to a standard that enables commercial farms to develop
 - Investing in the Estate so that there is increased capacity to develop commercial enterprises (e.g. through building larger crop stores)
 - Supporting tenants in their efforts to diversify their businesses into new areas, by being open and supportive to their suggestions and providing advice, guidance and pointing them to training opportunities, if necessary

Capital Investment in the Estate

- 4.3 The review group were particularly interested in exploring the extent to which the Council has invested in improving the CFE and whether sufficient resources have been identified to maximise its commercial potential.
- 4.4 Members found that the level of capital investment in the CFE had been very limited for a number of years, averaging approximately £100,000 per annum. This had led to a backlog of issues and it was clear that the Council had not invested sufficient resources to maximise the commercial capacity of the CFE.
- 4.5 However, from 2008/09 the Council allocated £4.5m, over 5 years, for capital investment in the CFE via the Better Utilisation of Property Assets (BUPA) Programme. The fund is expected to be invested in projects that will improve revenue returns, increase asset value and/or produce non financial returns such as the enhancing the biodiversity of the CFE. The 2008/09 CFE annual report

noted that this investment 'represented a sea change and will require creative thinking by tenants and the Council alike'.

- 4.6 At the time of writing, approximately £641,000 has been invested in the CFE using BUPA funds, and another £1.08m has been committed to approved projects. Indeed, Members visited a farm where funding had been put to good use in allowing older buildings to be sold for development and providing a new crop store which has significantly improved the capacity of the farm.
- 4.7 Members welcome this investment in the Estate and are pleased that the funds can be used flexibly, such as for non-agricultural schemes which may offer greater rates of return. Members were also assured by officers that the BUPA funding is sufficient to maximise the potential returns from the Estate and address the backlog of issues and are therefore satisfied that the current investment approach is appropriate.

Rent from the Estate

- 4.8 Members note that a comprehensive programme of rent reviews has seen the rent roll increase by 17%, that is £386,902, since 2006, even though the Estate has reduced in size as a result of the sale of 247 hectares of land and 13 dwellings. This increase has been possible for several reasons but is likely to be partly because the farms generally have a stronger commercial footing that enables tenants to pay a higher rent.

5.0 OBJECTIVE 2 – TO PROVIDE FULL TIME OPPORTUNITIES FOR THE CREATION OF FIXED TERM COMMERCIAL FARM BUSINESSES AND TO ENCOURAGE NEW TENANTS TO EXPAND THEIR BUSINESSES AND PLAN FOR MOVING ON

- 5.1 The review group learnt that there are very few opportunities to enter farming across the country and CFEs often provide the only route into the industry. However, in Cambridgeshire, as elsewhere, this route has narrowed over the years due to farms being sold and as land has been amalgamated to increase the economic viability of retained farms.
- 5.2 This is a necessary adjustment to modern farming practices, and has helped secure better returns for the Council and more sustainable incomes for tenants. However, the inevitable consequence has been the reduction in the number of smallholdings and therefore a reduction in opportunities for new entrants, with 63 new entrants starting since 1998.
- 5.3 Nonetheless, the Council does support new entrants by offering starting tenures of 5 years, who are then typically encouraged and supported to move up to longer tenancies on larger farms, until they reach retirement at 65 years old. There are also historic life time tenancies but these have been phased out since 1984 and are no longer offered. This process has helped most tenants build successful businesses as they accumulate capital and experience (four have moved to larger farms in the last 10 years).

- 5.4 Members therefore concluded that the Council does provide full time opportunities for new entrants and has effective processes in place to support their transition onto longer tenancies, which helps develop the Estate. However, it is clear that the numbers involved are relatively small and reducing, as the Council's key priority is to run the Estate on a more commercial basis rather than to provide farming opportunities for social reasons. Members understand and accept that this is a reasonable approach.

6.0 OBJECTIVE 3A – TO REALISE, ONLY AT VACANT POSSESSION VALUE, THE SALE OF IDENTIFIED SURPLUS PROPERTY ON THE ESTATE TAKING PROACTIVE STEPS TO BING FORWARD A CONTINUING STREAM OF CAPITAL RECEIPTS

- 6.1 The sale of surplus property has provided the Council with an average of approximately £3m per annum for the last 17 years. Approximately £15.9m has been raised in the last five years alone.
- 6.2 Surplus property is determined on the basis of Farm Management Plans that were approved as part of the Estate review in 2006. Currently, the plans identify approximately 500 ha and 50 houses as surplus to requirements, and a larger area which may have future development potential and is therefore held 'pending long term opportunities'. This latter category of land may provide lucrative opportunities for the Council, but this is contingent on planning decisions and may take longer to materialise. The remainder of the Estate is not identified as surplus and is therefore not for sale.
- 6.3 The Council recently commissioned Bidwells to undertake an Internal Rate of Return valuation for the period 2010 to 2050. This projected that returns will vary between 4.95% and 6.64% over the period, as shown in the table below.

Valuation Date	Net Present Value	Internal Rates of Return
to 1 January 2015	+ £6,305,074	4.95
to 1 January 2020	+ £25,345,632	5.88
to 1 January 2030	+ £67,866,335	6.57
to 1 January 2040	+ £100,064,891	6.64
to 1 January 2050	+ £115,595,021	6.49

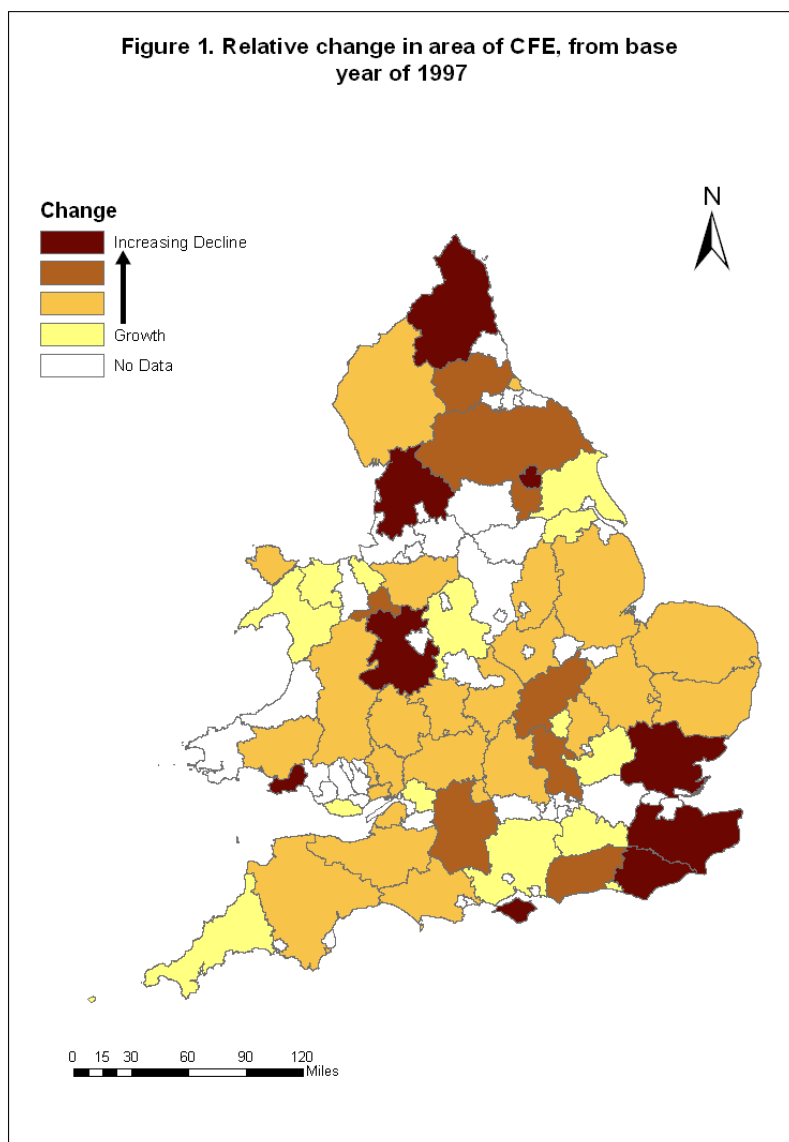
- 6.4 On this basis, Members recognise that the CFE has a strong track record of providing significant capital returns and are content that this is likely to continue for the foreseeable future. They recognise that a sensible approach has been taken in ensuring a steady stream of income from sales of surplus property whilst holding back other land in the expectation of greater returns in the future.

Land Purchases

- 6.4 Nationally, the general picture shows that most CFE are reducing in size, as shown in Figure 1². However, a small number of Local Authorities have decided to expand their CFE³. For example, Staffordshire, Cornwall and Surrey have all registered net gains following strategic acquisitions and disposals of land.
- 6.5 Cambridgeshire follows the general trend, albeit at a slower pace than many and with a current commitment to retain the core Estate. However, Members were concerned that the sales of surplus property would gradually erode the revenue from the Estate (proportionally if not in absolute terms) and thereby damage its long term integrity. They therefore questioned whether Council policy should be changed to enable officers to purchase land if favourable opportunities were to arise.
- 6.6 In response, officers noted that there are very few opportunities to purchase land at an affordable price and they felt that it would be difficult to justify land purchases in the current financial climate. Officers also advised that in the unlikely event that an opportunity did arise, it would be possible to purchase the land within existing policy and BUPA funding could be used for this purpose.
- 6.7 Nonetheless, Members felt that whilst it may be implicit within the existing policies to allow officers to purchase land, subject to the Council's Financial Standing orders, there was little evidence of this policy being enacted. They therefore concluded that CFE policy should explicitly task officers to actively search for opportunities to purchase land where it would be to the Council's advantage.

² Source – 'County Farms and Rural Restructuring: Report 3: Local Authorities and the county farms estate in England and Wales', written by Nick Prince

³ Figure 1 shows where CFE have expanded. However, in some instances this 'growth' is likely to be due to the reclassification of land, as in Hertfordshire.



7.0 OBJECTIVE 3B – TO CONTINUE TO REDUCE OVERALL MAINTENANCE AND MANAGEMENT COSTS WHILST COMBINING THE NEED TO FULFIL LANDLORD’S LIABILITIES WITH PROACTIVE WORK ACROSS THE RANGE OF ESTATE OBJECTIVES

Maintenance Costs

- 7.1 There has been some fluctuation in maintenance expenditure in recent years but costs have been consistently below £500,000 per annum. Members note that costs may reduce further as properties are sold, although this may be offset by rising maintenance costs of the internal network of farm and estate roads.
- 7.2 Maintenance costs for Cambridgeshire’s CFE compares well with other County CFEs, with only Lincolnshire, Oxfordshire (which has a very small Estate) and

Suffolk reporting marginally lower costs. Clearly, there will be different factors in different counties, so this is not a like for like comparison, but it does provide a proxy indication of the Council's relative performance⁴.

- 7.3 The group were therefore satisfied that maintenance costs are being effectively managed and expect that additional capital funding provided through the BUPA programme will help ensure that costs will remain stable or reduce for the foreseeable future.

Management Costs

- 7.4 There are a number of CFE management arrangements across the country. Cambridgeshire's CFE is managed 'in house' within the Strategy and Estates service. However, some CFEs are managed privately; for example, FPD Savills manage the Lincolnshire CFE. Norfolk County Council recently decided to split its estate into eastern and western divisions with the eastern section managed by the NPS Group (essentially this is a property oriented organisation owned by Norfolk County Council) and the western section by a private company.
- 7.5 The Council's management costs according to CIPFA are approximately £335,000 per annum in total (although officers advise the actual costs may be lower as there has not been a full staff compliment for several years). This figure is higher than the management costs for other County CFEs, which is not surprising given Cambridgeshire has the largest estate. It is, in fact, difficult to compare the value for money provided by Estate management services because there is significant variety in the size and type of Estates across the country and the extent to which these estates are being proactively managed and developed.

Members also noted that a framework contract has been developed and recently retendered for a second four year period to enable the Council to call upon consultancy support when required. This enables officers to contact a range of estate management consultants to quote for specialised work, with minimal transactional costs involved. Approximately £30,000 is spent on consultancy work each year.

- 7.6 Members did consider the case for adopting a different management approach by either outsourcing to a consultancy or through establishing a charitable trust. However, Members concluded that the Estate has been successfully managed in house for many years and has built up a significant level of experience and expertise that has enabled the Council to achieve good value for money from the CFE. Members are therefore satisfied that the existing management arrangements should remain in place.

⁴ Information obtained from CIPFA. Please contact the Scrutiny and Improvement Officer for further information.

8.0 OBJECTIVE 4 - TO IDENTIFY PART TIME NEW YOUNG ENTRANT AND RETIREMENT OPPORTUNITIES AND ENSURE A STEADY TURNOVER OF TENANTS MAKING THE BEST USE OF LAND HELD PENDING LONGER TERM DEVELOPMENT / SALE

- 8.1 The review group did not specifically consider part time opportunities for new young entrants or retirees. However, Members views regarding tenancies and turnover are recorded in section 5.
- 8.2 Management planning for the Estate has been undertaken regularly since 1988, with reviews approximately every 5 years. This provides officers with the framework to manage the CFE. However, they advise that they have sufficient flexibility to adapt to circumstances as they arise, in conjunction with the portfolio holder.
- 8.3 Members were satisfied that a strategic, long term view is taken regarding the use of the CFE, with plans based on obtaining the greatest level of benefit for the Council, rather than simply short term returns.

9.0 OBJECTIVE 5 – TO PROMOTE ENVIRONMENTAL INITIATIVES TOGETHER WITH IMPROVED ACCESS TO THE COUNTRYSIDE, LINK WITH SCHOOLS TO PROVIDE A WIDE EDUCATIONAL EXPERIENCE OF FARMING AND THE COUNTRYSIDE

Environmental Initiatives

- 9.1 Members learnt that a wide range of environmental activities take place across the Estate such as creating and managing nature reserves, woodlands, hedges, orchards and allotments. There are also numerous footpaths and bridleways, with more being opened up each year, and work to protect and restore important heritage sites. For example, Members witnessed the restoration work that has taken place at Devil's Dyke, a Scheduled Ancient Monument in Burwell. Members also saw several examples of land being managed to encourage biodiversity on the farms.
- 9.2 Green energy is produced on the Estate by a wind farm and crops that are used for bio fuel production. BUPA funding is also being used to insulate homes and crop stores, reducing energy consumption and costs.
- 9.3 The review group found that the Council has successfully attracted significant grant funding to support environmental initiatives. For example, the five year restoration work at Devil's Dyke was financed by £600,000 grant and a smaller woodland planting initiative at Oakington was funded by £12,000 grant. In addition, the Council generates income from leasing land for wind farm use, and has recently gained approval from Cabinet to pursue the development of land for four other wind farm sites.
- 9.4 Members also noted that the Council supports tenants to become more aware of environmental issues. For example, Members attended Tenants meetings which

included presentations about the potential use and financial advantages of investing in renewable energy sources.

Educational Initiatives

- 9.5 The Council runs a number of guided walks and encourages schools visits to several sites across the Estate. For example, in 2008-09 over 1500 people and 39 schools visited the Estate.
- 9.6 The review group are also aware that the Prospects Trust farm in Reach provides work experience and training placements on an organic market garden for people with learning difficulties.
- 9.7 Members also found that ownership of the Estate has provided the Council with the flexibility to build schools and waste management facilities (for example, the site at Milton). Members noted that this strategic flexibility may be of great use to the Council in the long term for the provision of services that may not yet have been planned for. A good current example is the Soham Master planning exercise which Members discussed on their visit to the Estate.
- 9.8 Members concluded that there is ample evidence to show that the Estate has promoted environmental initiatives and education activities, and that the prospects for the future in this regard are positive.

10.0 OBJECTIVE 6 - TO SUPPORT RURAL DEVELOPMENT AND ECONOMIC REGENERATION BY ENCOURAGING WIDER FARM DIVERSIFICATION; LETTING APPROPRIATE FACILITIES FOR NON-AGRICULTURAL USE AND IDENTIFYING LAND FOR SOCIAL HOUSING

Farm Diversification

- 10.1 The review group found that tenants are actively encouraged to develop and diversify businesses through several methods including the provision of information, advice, mentoring and support with planning applications. The Council also provides learning opportunities, for example, through arranging for guest speakers at tenants meetings. In addition, the Council sometimes covers feasibility costs and application costs (e.g. for environmental diversification). Critically, the Council generally does not take a rental premium from diversified enterprises, particularly when it has not invested financially, until they have become well established. This ensures that tenants are not penalised for seeking to expand their businesses.
- 10.2 Members met tenants in Burwell who have successfully diversified their farms. In one example, an arable farmer had established a stud management business to supplement his income from his farm. In another example, a farmer had established a thriving livery business. Both examples showed Members how the County Farm could be used as a base to expand operations, helping to create jobs and boost the local economy and the returns to the Council.

Letting Appropriate Facilities for Non Agricultural Use and Identifying Land for Social Housing

- 10.3 The Council lets land to some Parish Councils for use as woodlands, community orchards and allotments. There are also a number of equine units, farm shops and 2 children's nurseries on the Estate.
- 10.4 The CFE has provided 81 social housing sites since 1995 and there are additional sites across the Estate which have recently received planning consent or are under investigation. It is a time consuming and resource intensive process to gain permission to build social housing, but officers assured Members that the Council is active in this area.
- 10.5 Members concluded that the Council encourages and supports farm diversification and seeks to use the Estate for socially useful purposes wherever possible, including for social housing.

11.0 POTENTIAL LINKS WITH THE PENSION FUND

- 11.1 Members are aware that the Council's Pensions Committee considered the possibility of investing in rural property assets in March and May 2010. One of the options under consideration was the potential to 'transfer in some of the higher yielding parts of the County Council's existing portfolio'. The report to the Committee in May also advised that: 'the internal rates of return for the Council's estate are lower than they would be if the estate were owned and managed according to the pension fund's more focussed financially driven objectives'.
- 11.2 Members recognise that no decisions have been reached by the Pensions Committee or Cabinet about the transfer of the CFE to the Pensions Fund. However, Members believe that the principal value of the CFE to the Council is the steady stream of income which effectively subsidises mainstream Council services and reduces the need to raise Council tax. Members therefore recommend that this relationship between the CFE and the Council should remain intact, and would object to any proposals to siphon off the most valuable parts of the Estate to the Pension Fund or any other entity.

12.0 FINDINGS AND RECOMMENDATIONS

Achievement of Objectives

- 12.1 The CFE is a well managed asset which has consistently achieved its objectives and has strong prospects for the future.
- 12.2 In particular, there is evidence that the Estate:
- Is managed strategically in the long term interest of the Council
 - Supplies a regular and significant income stream for the Council

- Offers excellent value for money with relatively low maintenance and management costs
- Supports a wide range of environmental and social initiatives
- Contributes to the development of the local economy
- Provides good opportunities for tenants to develop their businesses

12.3 Investment in the Estate was insufficient for many years. However, this is now being addressed through funding via the BUPA programme.

12.4 The Estate provides opportunities for new entrants to enter farming, although the opportunities are limited for very good reasons.

Recommendation 1 – Retain the Estate

12.5 Members believe that the Estate is a valuable strategic asset that the Council should make a long term commitment to retain.

Recommendation 2 – Financial Returns Must be the Top Priority During the Current Economic Situation

12.6 The CFE has several social, economic and environmental objectives. These are not mutually exclusive as land can often meet several objectives at once. Nonetheless, given the financial difficulties facing the Council, Members believe that the top priority at the moment should be to generate financial returns to supply funds for mainstream services.

Recommendation 3 – Encourage Purchase of Land

12.7 The current Estate policies do not explicitly allow or encourage officers to purchase land where this is deemed advantageous, and there is little evidence of land purchases in recent years. Members believe that CFE policy should be amended so that officers actively seek sites for purchase, to partially mitigate the reduction in the Estate. This will help strengthen the Estate's role as a long term strategic asset.

Recommendation 4 – Ensure Proceeds from the Estate Continue to Support Council Services

12.8 The Pensions Committee has given some consideration to the possibilities of acquiring some of the CFE. As stated in recommendation 1, Members believe that the Council should retain the Estate as a strategic asset and recommend that Cabinet should ensure that proceeds from the Estate continue to support Council services.