March, 2019

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

Council Farms

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,

Michael Gove