



RURAL ESTATE MANAGEMENT PLAN

As at April 2022

CONTENTS

EXECUTIVE SUMMARY	4
Scope of Work	5
Estate Overview	5
Background & Context	5
The Vision	6
SETTING THE RURAL ESTATE MANAGEMENT PLAN (REMP) IN CONTEXT	9
ESTATE OVERVIEW	10
History	10
Occupation	11
Holding Characteristics	13
Farmhouses	14
Agricultural Buildings	15
Agricultural Land	16
Diversifications	18
Designations	18
Revenue	21
Repairs, Maintenance and Insurance	22
WIDER STRATEGIC CONTEXT	23
Existing Council Policies and Initiatives	23
Agricultural and Environmental Policy	23
Renewable Energy	29
Access to the Countryside	29
Planning	29
STAKEHOLDER ENGAGEMENT	34
Stakeholder Survey	34
Stakeholder Meetings	40
SHEFFIELD CITY COUNCIL RURAL ESTATE VISION	41
RURAL ESTATE STRATEGIC AMBITIONS	42
Challenges and Opportunities	42
Strategic Ambitions, Objectives, Action Points & Recommendations	43
Identified Opportunities for Potential Development	51
RURAL ESTATE PLAN AND MANAGEMENT POLICIES	55
Core Estate Policy	55
Tenancy Management	57
Maintenance Policy	58
Decision Making Triangle	60
Environmental Policy/Integrated Land Management	60
Disposals Policy & Acquisitions Including Vacant Property & Development	61
Lettings Policy	64

Figure 1: Rural Estate plan (Contains OS data © Crown Copyright and database right 2020) 10

Figure 2: Land occupation by agreement type	12
Figure 3: Assets by acreage.....	13
Figure 4: Examples of farmhouses on the Rural Estate.....	14
Figure 5: Examples of buildings on the Rural Estate	15
Figure 6: Land grades and indicative land types.....	17
Figure 7: Existing diversification activities on the Rural Estate	18
Figure 8: Key designations affecting the Rural Estate (Contains OS data © Crown Copyright and database right 2020)	21
Figure 9: Factors contributing to rental values	21
Figure 10: Existing policies and initiatives.....	23
Figure 11: Potential purposes for funding	24
Figure 12: Key changes under the Environment Act.....	25
Figure 13: Environmental principles	25
Figure 14: Transition period	25
Figure 15: Environmental Land Management Schemes	26
Figure 16: Evolving markets for environmental services	28
Figure 17: Respondent profile	34
Figure 18: Priorities for current operations.....	35
Figure 19: Options favoured on the Rural Estate.....	36
Figure 20: Options opposed on the Rural Estate	37
Figure 21: Delivery of potential objectives	37
Figure 22: Improvements to the quality and accessibility of recreational space	38
Figure 23: Stakeholder responses	39
Figure 24: Stakeholder Meeting Key Themes.....	40
Figure 25: The Bradfield Estate (Contains OS data © Crown Copyright and database right 2020).....	55
Figure 26: The Ringinglow and Dore Estate (Contains OS data © Crown Copyright and database right 2020)	56
Figure 27: The Wider Estate (Contains OS data © Crown Copyright and database right 2020).....	57
Figure 28: Decision making triangle	60
Figure 29: Methods of sale	62
Figure 30: Disposals flowchart	63
Table 1: Lettings by agreement type	11
Table 2: Anticipated time period to obtain vacant possession (VP).....	12

Publication Date & Sources of Information

The Rural Estate Management Plan (REMP) has been prepared as at April 2022 and reflects the position of legislation, policy, private markets and public grant schemes as at this date. This position is ever changing and therefore, some of the information relied upon within this document may have been superseded with additional guidance and material having been published since the April 2022 reference date. The Council and their advisors should seek to apply the most recent guidance and policies to inform the REMP and should continually review the information and schemes available.

EXECUTIVE SUMMARY

Scope of Work

- The purpose of this work was to develop a plan to be used to inform decision making on the Council's Rural Estate; providing an overarching vision and strategy as well as a practical working document to guide activity.
- In preparation of a comprehensive plan, the following work has been undertaken:
 - A high-level audit of the Estate.
 - Stakeholder engagement with tenants, interested bodies, adjacent landowners and elected members;
 - An analysis of current and emerging planning policy and identification of future development potential or change of use, including for energy generation and/or residential development;
 - A review of the national and local policy context including existing and emerging strategies;
 - An analysis of the opportunities and constraints to inform the future management and development of the Estate; and,
 - The development of a vision, strategy and policies for ongoing management and decision making.
- The output of this process is this Rural Estate Management Plan (REMP) which outlines how the Council will effectively and efficiently manage and develop its Rural Estate over a 10-year plan period, with interim reviews. Its scope is limited to the assets held by the Council within its rural portfolio.
- The final REMP should be read in conjunction with the associated GIS web-based platform.

Estate Overview

- The Council's Rural Estate comprises a portfolio of rural land and properties which extends to approximately 3,000 ha (7,423 acres). The core elements of the Rural Estate are considered to be in the areas to the north west (around Bradfield) and the south west (Ringinglow and Dore areas) of the City.
- Many of the assets are subject to specific designations including Sites of Special Scientific Interest, Special Protection Areas, Special Areas of Conservation, listed buildings and scheduled monuments. A large proportion of the Estate is also situated within the Peak District National Park.
- The Rural Estate is predominantly let with some in hand or vacant properties. A number of the properties within the Council's agricultural portfolio are let subject to an Agricultural Holdings Act (AHA) tenancy, which can grant strong security of tenure in favour of the tenant, or subject to a Farm Business Tenancy (FBT).
- Historically, budgetary constraints and a significant maintenance backlog have impacted on tenant relationships. The Estate subsequently suffers from underinvestment with many elements in a poor and deteriorating condition.

Background & Context

- Following Brexit, the UK was given its first opportunity to establish its own agricultural policies since 1947. This has led to many changes and great uncertainty for the agricultural industry in the present period.
- In this changing political landscape, with the assent of the Agriculture Act 2020 and Environment Act 2021, extreme price volatility and unprecedented weather conditions, farmers and land managers are facing some of their greatest challenges to date. The existing farm subsidy payment scheme is being phased out throughout the agricultural transition period increasing pressures on farm incomes, particularly for marginal upland farms.
- Despite these challenges, the countryside, and the ecosystem services which it provides, offers the means to capitalise on opportunities such as sequestering carbon in pursuit of net zero targets, managing the natural landscape to reduce flooding and improve water quality and enhancing biodiversity in order to address the ecological and climate emergencies declared by the Council in recent years.

- With the incoming Environmental Land Management Schemes (ELMS), a system of public money for public goods will look to reward farmers who implement sustainable practices as stewards of the natural landscape.
- The Rural Estate has previously been managed as a collection of individual tenancies and the Council recognises that through proactive management, collaboration with tenants and partnerships with environmentally conscious third parties, much more could be done across the Estate to realise broader strategic ambitions and deliver key outcomes for the City and its people.
- Through the adoption of an Integrated Land Management approach, and blended finance through both public schemes and evolving natural capital markets in the private sphere, the Rural Estate has the potential to deliver a 'stack' of environmental objectives and other positive outcomes for the inhabitants of Sheffield; from supplying land for residential development and renewable energy opportunities to facilitating public access and recreation. To achieve this may require a share of the outcomes and each case will need to be assessed on a site by site basis by all relevant Council departments given the nuances that many of these projects will likely present.

The Vision

To promote the adoption of an integrated approach to land management facilitating delivery of a diverse range of environmental and public benefits through collaboration.

The Future of the Rural Estate

- To ensure delivery of 'The Vision' and the Council's wider targets, we have identified a set of strategic ambitions and objectives for the Rural Estate which are summarised below. There are an extensive number of action points and recommendations supporting each of these ambitions and objectives, which are featured within the main body of the report.
- A number of policies have been produced to assist in the day-to-day management of the Estate, as follows:
 - Core Estates
 - Tenancy Management
 - Maintenance
 - Decision Making Triangle
 - Environmental Policy/Integrated Land Management
 - Disposals Policy & Acquisitions Including Vacant Property & Development
 - Lettings Policy
- Through the adoption of these strategic ambitions, objectives, action points and recommendations, and policies, it is considered that the Council can work towards becoming a leading custodian of Sheffield's rural landscape and contribute towards the delivery of multiple economic, environmental and social benefits.

Maintenance & Improvements			
Strategic Ambition: To address the existing maintenance backlog and work towards improving the future sustainability of the assets and improving tenant relationships			
Objectives:	0-5 years	5-10 years	10+ years
Carry out works to meet legal compliance standards	✓	✓	✓
Carry out existing outstanding maintenance works	✓	✓	
Invest in improvements and ongoing maintenance works			✓
Low Carbon Economy, Renewable Energy and Climate Change			
Strategic Ambition: To contribute towards the Council's net zero, environmental and sustainability targets			
Objectives:	0-5 years	5-10 years	10+ years
Establish policies for consenting to and implementing the delivery of Environmental Schemes with tenants and partnerships	✓		
Establish policies for future control and attribution of environmental outcomes e.g. Carbon Credits	✓		
Plant trees adopting the principle of "the right tree in the right place"	✓	✓	✓
Peatland restoration projects working in partnership with third parties and/or utilising grant funding where appropriate	✓	✓	✓
Exploit opportunities for renewable energy installations	✓	✓	✓
Collaboration and Partnerships			
Strategic Ambition: Strengthen existing partnerships and build new relationships with relevant parties to deliver wider objectives and maximise outcomes			
Objectives:	0-5 years	5-10 years	10+ years
Improve communication, engagement and collaboration with tenants and existing partners	✓		
Improve internal communication between Council departments to ensure co-ordinated decision making, policy formulation and record keeping	✓		
Identify and maintain new and existing partnerships to foster a coordinated approach to environmental schemes and improvements between tenants, local landowners and organisations	✓	✓	✓
Provide support for tenants to add value to farm outputs and improve business viability		✓	✓

Integrated Land Management			
Strategic Ambitions: To utilise the rural estate to maximise the provision of ecosystem services, reduce emissions and address the nature and climate emergencies; utilising nature based solutions in collaboration with third parties where appropriate			
Objectives:	0-5 years	5-10 years	10+ years
Manage competing land use priorities and ensure appropriate record keeping is maintained	✓	✓	✓
Facilitate Natural Flood Management	✓	✓	✓
Encourage participation in environmental schemes	✓	✓	✓
Enhance biodiversity across the Estate and explore opportunities for Biodiversity Net Gain	✓	✓	✓

SETTING THE RURAL ESTATE MANAGEMENT PLAN (REMP) IN CONTEXT

This document, the REMP, is part of a wider review of Sheffield City Council's (SCC) assets, to establish and articulate its holistic approach to asset management.

The purpose of this report is to establish how the Council's rural asset portfolio will become better aligned to support the delivery of its corporate aims and objectives, such as those identified in the Sheffield Land & Property Plan.

The REMP outlines how the Council will effectively and efficiently manage and develop its Rural Estate over a 10-year plan period, with interim reviews. Its scope is limited to the assets held by the Council within its rural portfolio.

Budgets are under constant pressure as property assets are expensive to procure, run and maintain in line with legislative requirements. Therefore, assets need to be carefully managed to ensure best value in terms of use, maintenance and financial return, whilst still ensuring they contribute towards the Council's wider objectives.

The final REMP should be read in conjunction with the GIS web-based platform produced by Carter Jonas.

ESTATE OVERVIEW

History

The Council's Rural Estate comprises a portfolio of rural land and properties which extends to approximately 3,000 ha (7,423 acres). The estate has been accumulated historically from the following sources:

- Historic ownership by the Corporation of Sheffield
- Gifted to the people of Sheffield by benefactors
- Strategically acquired by the Council

It should be noted that the Council also holds additional land outside of the Rural Estate, some of which is adjacent to assets within the Rural Estate.

The Sheffield City Council Rural Estate has historically implemented a policy of selling rural properties which became vacant and were considered non-core property.

The core elements of the Rural Estate as shown on Figure 1 below are considered to be in the areas to the north west (around Bradfield) and the south west (Ringinglow and Dore areas) of the City.

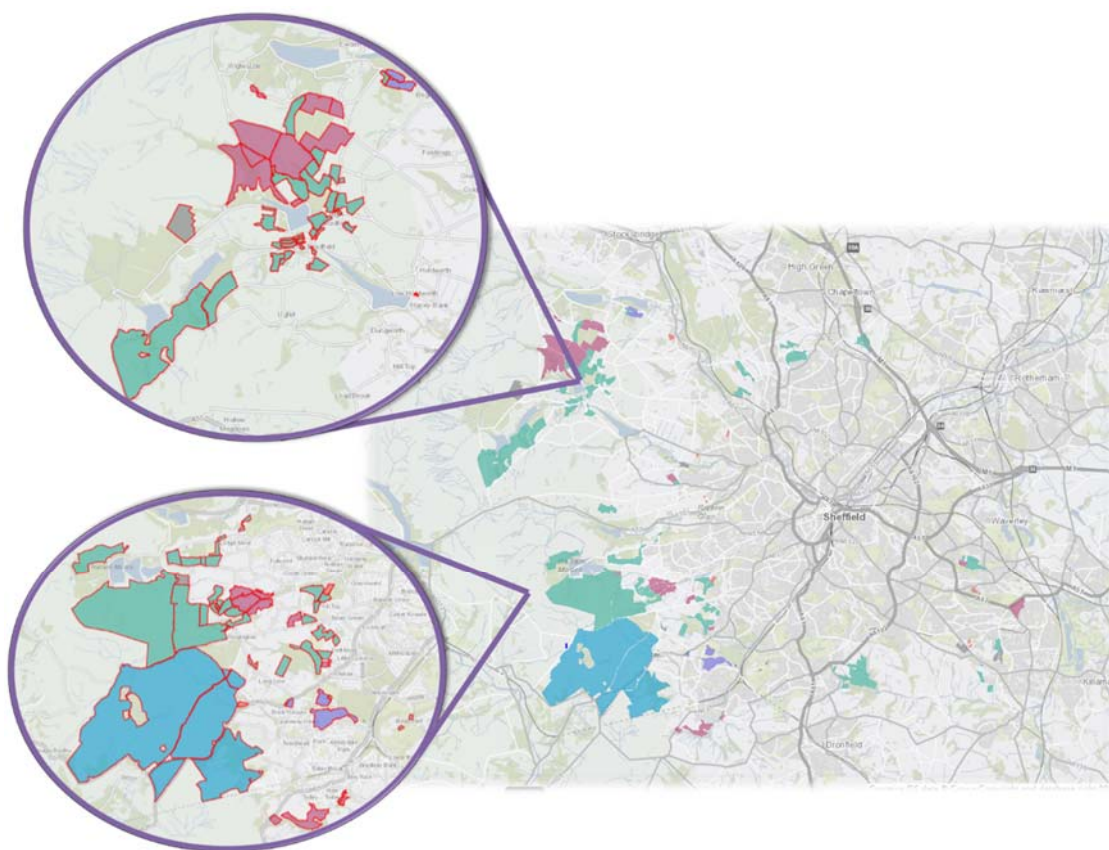


Figure 1: Rural Estate plan (Contains OS data © Crown Copyright and database right 2020)

Occupation

The Rural Estate is predominantly let with some in hand or vacant properties as summarised in table 1 below. Many of the properties within the Estate are occupied for agricultural purposes by licencees or tenants. A number of the existing tenancies in place within the Council's agricultural portfolio are let subject to an Agricultural Holdings Act (AHA) tenancy, which can grant strong security of tenure in favour of the tenant or subject to a Farm Business Tenancy (FBT). There are 61 different tenants across the Estate.

Table 1: Lettings by agreement type

Lease Type	Number
Agricultural Holdings Act Tenancy (AHA)	42
Farm Business Tenancy (FBT) – More than two years	2
FBT – Two years or less	9
Commercial Lease	6
Long Lease	6
Grazing Licence – Agricultural	1
Grazing Licence – Non Agricultural	15
In Hand/ Vacant	18
Total	99

LAND HOLDINGS, BY AGREEMENT TYPE

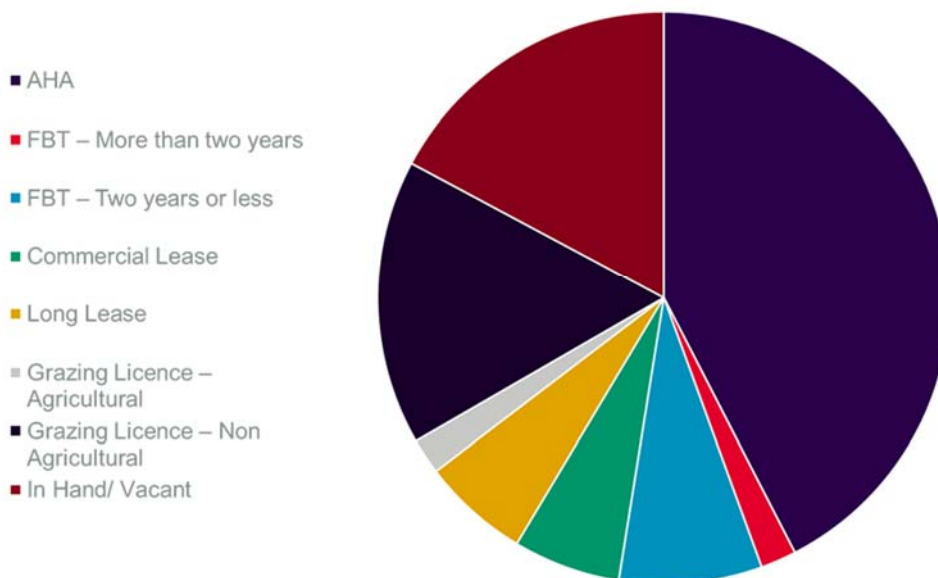


Figure 2: Land occupation by agreement type

Of the above there are 14 assets with one or more houses and 20 assets which include farm buildings, the majority of which are of traditional construction.

The number of Agricultural Holdings Act (AHA) tenancies is gradually decreasing due to retirement and death. However, there are a number of these tenancies which benefit from potential succession rights and therefore have the potential to continue for future generations. The AHA tenancies offer considerable security to the tenant and it is difficult to regain vacant possession, with specified circumstances where vacant possession can be obtained being specified in the Act. This is a fundamental difference to many other Local Authority landlords, which generally inherited County Council Smallholdings with no provision for succession. There are an increasing number of Farm Business Tenancies (FBT) and licence agreements with a term of two years or less.

Based on the current tenancy types we have estimated the proportion of tenancies which will enable vacant possession to be obtained within the short, medium and long term in Table 2 below. This does not take account of any break clauses which may be operable in specific circumstances.

Table 2: Anticipated time period to obtain vacant possession (VP)

Prospects for VP	% by no of lettings	Approximate Area Acres	% by area
Currently vacant	20%	182	2%
1 - 5 Years	26%	913	12%
5 - 10 Years	3%	307	4%
Greater than 10 years	51%	6,021*	81%
Total	100%	7,423	100%

*Please note this includes a single letting of 2,200 acres.

There are a small number of telecommunication site agreements within the portfolio which have been excluded from the above figures. The time periods to gain vacant possession on these varies between the agreements and applicable legislation.

Holding Characteristics

Most equipped holdings are small by modern farming standards which reduces their commercial viability. Having a greater number of smaller holdings also increases the cost to the Council to maintain and run them in comparison with a smaller number of larger viable holdings.

Many of the assets form part of wider agricultural holdings which are not within the ownership of the Council or are occupied for amenity purposes.

The land tenancies and licences range in size from small amenity paddocks of 0.50 acres (0.20 ha) to moorland of 2,200 acres (890 ha), with the majority being between 30 acres (12 ha) and 247 acres (100 ha).

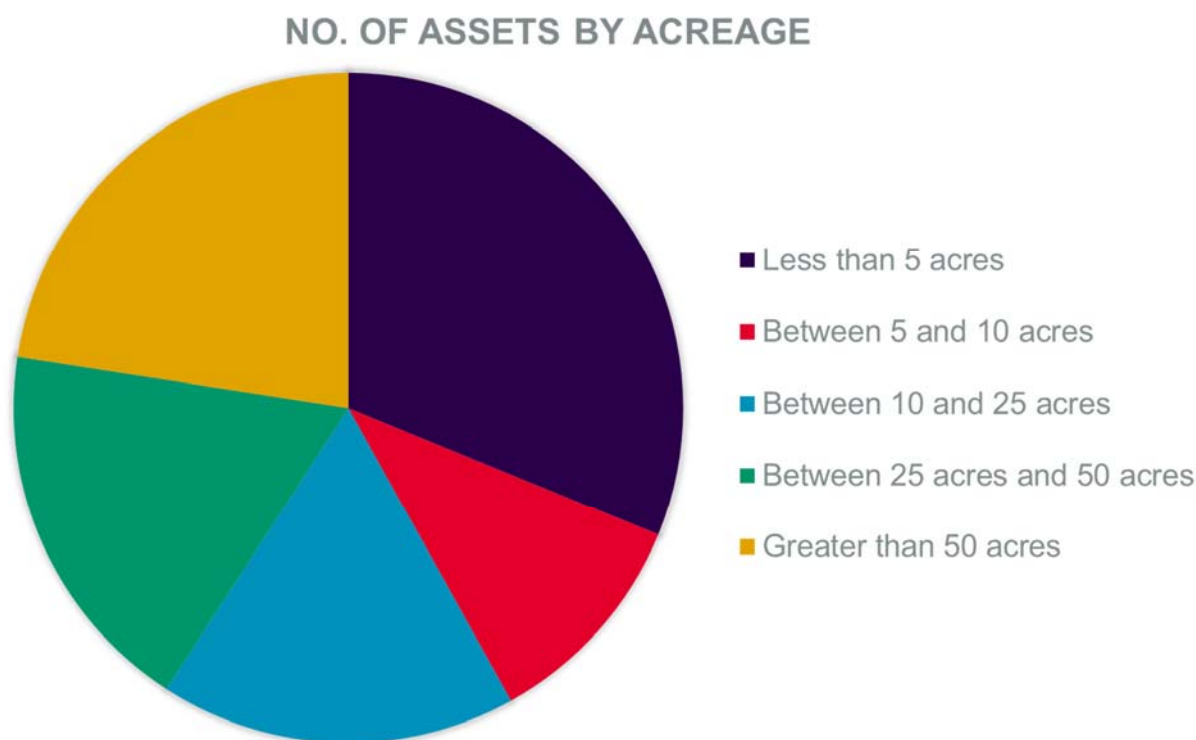


Figure 3: Assets by acreage

Farmhouses

Farmhouses are generally of a traditional stone construction with two to five bedrooms. In recent years the farmhouse stock has suffered from significant under investment and consequently the majority of these properties require some updating and maintenance, with some lacking central heating systems, insulation and double glazing.

It is understood that some of the properties will not meet the current minimum standards for statutory compliance.

Some properties are also listed by English Heritage and as a consequence are subject to more prescriptive planning regulations and also higher associated maintenance costs.



Figure 4: Examples of farmhouses on the Rural Estate

Agricultural Buildings

There are 19 assets which include landlord's buildings and two vacant buildings, the majority of these being of traditional construction.

The farm buildings range from traditional stone-built structures which are of limited use for modern agriculture, to more modern style buildings with asbestos clad roofs. The more modern agricultural buildings located on farmsteads within the holding have largely been provided by the tenants and are classed as tenant's fixtures (without written consent) or improvements (with written consent). It is anticipated that the majority of the buildings which are currently classed as tenant's improvements will eventually revert to the landlord depending on the terms agreed when the buildings were erected.



Figure 5: Examples of buildings on the Rural Estate

Many of the traditional buildings have fallen into disrepair due to their limited use for modern agricultural practices and lack of maintenance, however these are generally still in use by tenants for storage purposes. Some may have scope for alternative uses subject to obtaining the appropriate planning consents. However, due to the location of many of the buildings in the National Park and/or within working farmsteads this is likely to be limited.

Agricultural Land

The majority of the land within the upland areas on the edge of the Peak District National Park comprises moorland, woodland and grassland with some lowland grassland and arable land located around the urban fringe of Sheffield.

According to the soil series of England and Wales, the land to the north and southeast of the City is classified predominantly as Grade 3 (primarily arable land) with the land to the west of the City being a combination of Grade 4 and 5 land (primarily upland grassland and moorland) as shown on Figure 6.

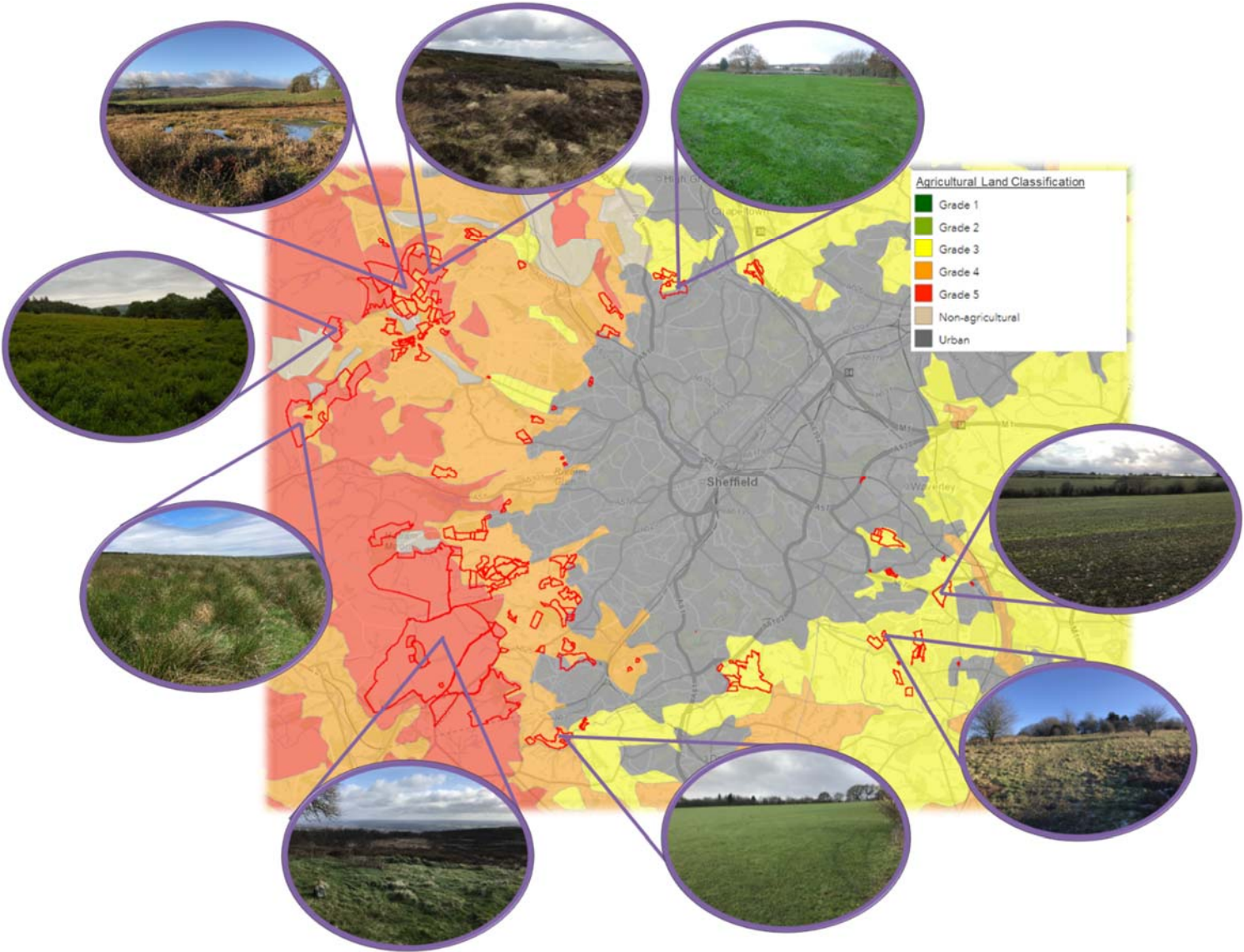


Figure 6: Land grades and indicative land types

Diversifications

The location of the properties in and around the edge of Sheffield offers potential opportunities for diversification activities.

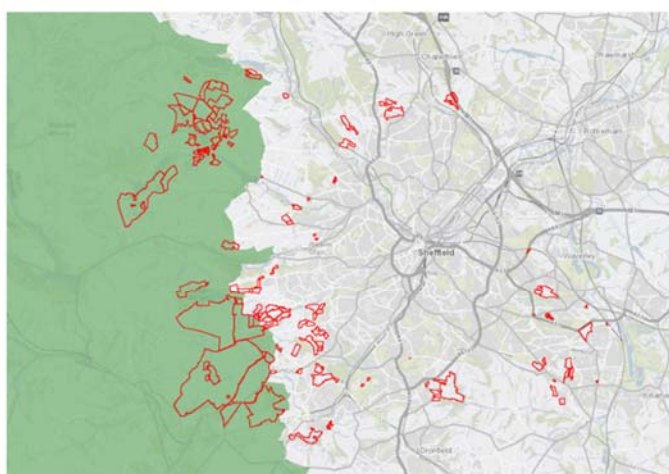
Implementing diversification strategies has enabled some of the tenants to supplement their income from agriculture and increase the viability of their businesses. This has also enabled them to make use of some of the traditional buildings on their holdings which would otherwise have likely fallen into a state of disrepair.



Figure 7: Existing diversification activities on the Rural Estate

Designations

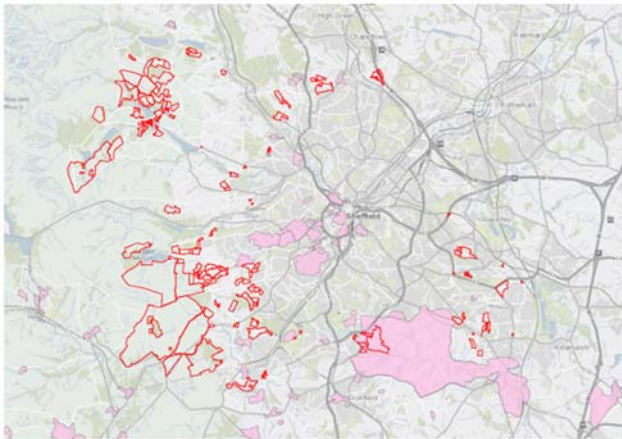
Many of the assets are subject to specific designations. We have summarised the key designations below:



National Park

National Parks are run by National Park Authorities for the purpose of conserving and enhancing the natural beauty, wildlife and cultural heritage and to provide opportunities for the understanding and enjoyment of the Park by the public.

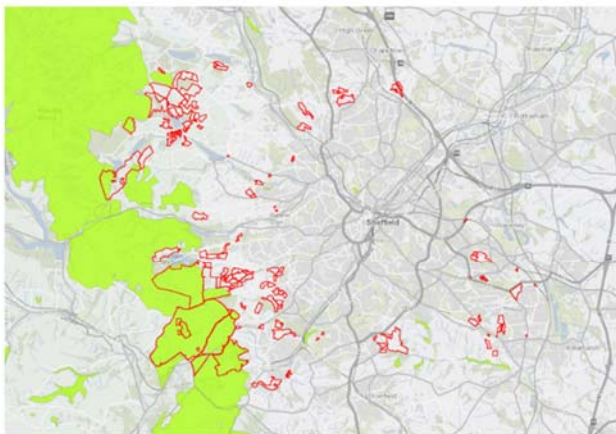
(Source: data.gov.uk)



Conservation Areas

Local Planning Authorities have a duty to designate Conservation Areas, defined as "area[s] of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance" (Planning (Listed Buildings and Conservation Areas) Act 1990). The conservation areas in Sheffield vary in size, character and form but they are all recognised as areas that have special architectural and historic interest.

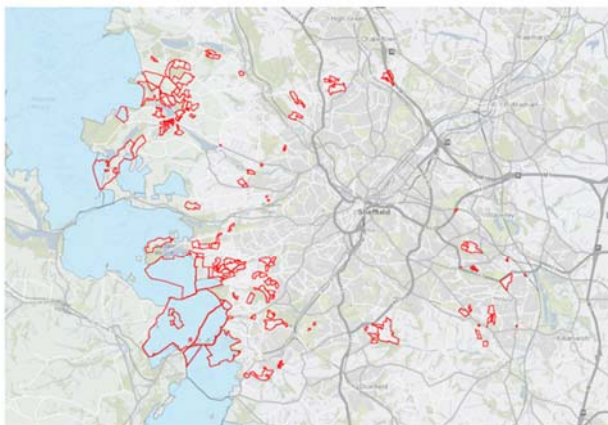
(Source: www.sheffield.gov.uk)



Sites of Special Scientific Interest (SSSI)

A Site of Special Scientific Interest (SSSI) is the land notified as an SSSI under the Wildlife and Countryside Act (1981), as amended. SSSIs are the finest sites for wildlife and natural features in England, supporting many characteristic, rare and endangered species, habitats and natural features.

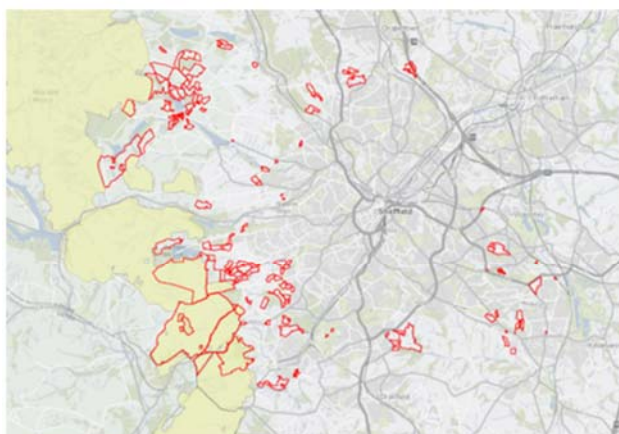
(Source: data.gov.uk)



Special Protection Areas (SPA)

A Special Protection Area (SPA) is the land classified under Directive 79/409 on the Conservation of Wild Birds.

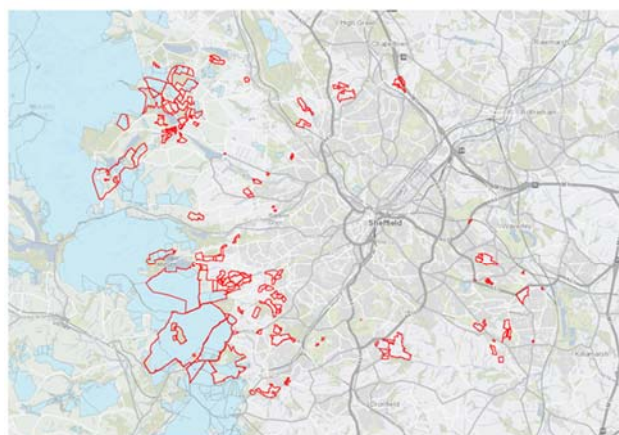
(Source: data.gov.uk)



Special Areas of Conservation (SAC)

A Special Area of Conservation (SAC) is the land designated under Directive 92/43/EEC on the Conservation of Natural Habitats and of Wild Fauna and Flora.

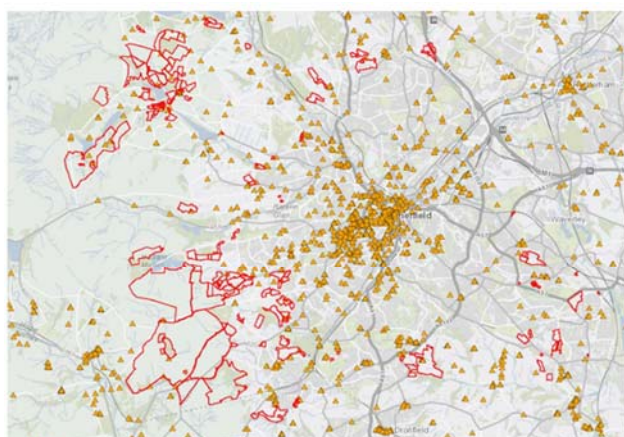
(Source: data.gov.uk)



Open Access Land (CROW)

The Countryside and Rights of Way Act 2000 (CROW Act) normally gives a public right of access to land mapped as 'open country' (mountain, moor, heath and down) or registered common land. These areas are known as 'open access land'.

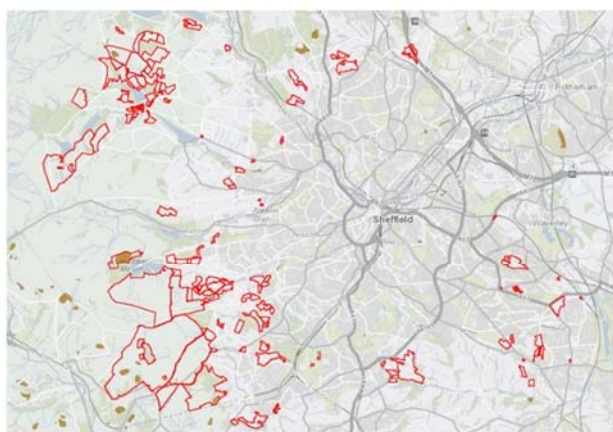
(Source: gov.uk)



Listed Buildings

There are 12 Listed structures across the Estate. Listing marks and celebrates a building's special architectural and historic interest, and also brings it under the consideration of the planning system, so that it can be protected for future generations.

(Source: *Historic England*)



Scheduled Monuments

Scheduling, which derives its authority from the Ancient Monuments and Archaeological Areas Act of 1979, is the selection of nationally important archaeological sites which are closely managed albeit not always visible above ground. While some change may be possible, there is a presumption that they will be handed on to future generations in much the same state that we have found them.

(Source: Historic England)

Figure 8: Key designations affecting the Rural Estate (Contains OS data © Crown Copyright and database right 2020)

Revenue

The rental income from the Rural Estate is approximately £250,000 per annum. This includes income to charitable trusts and is predominantly derived from the following:

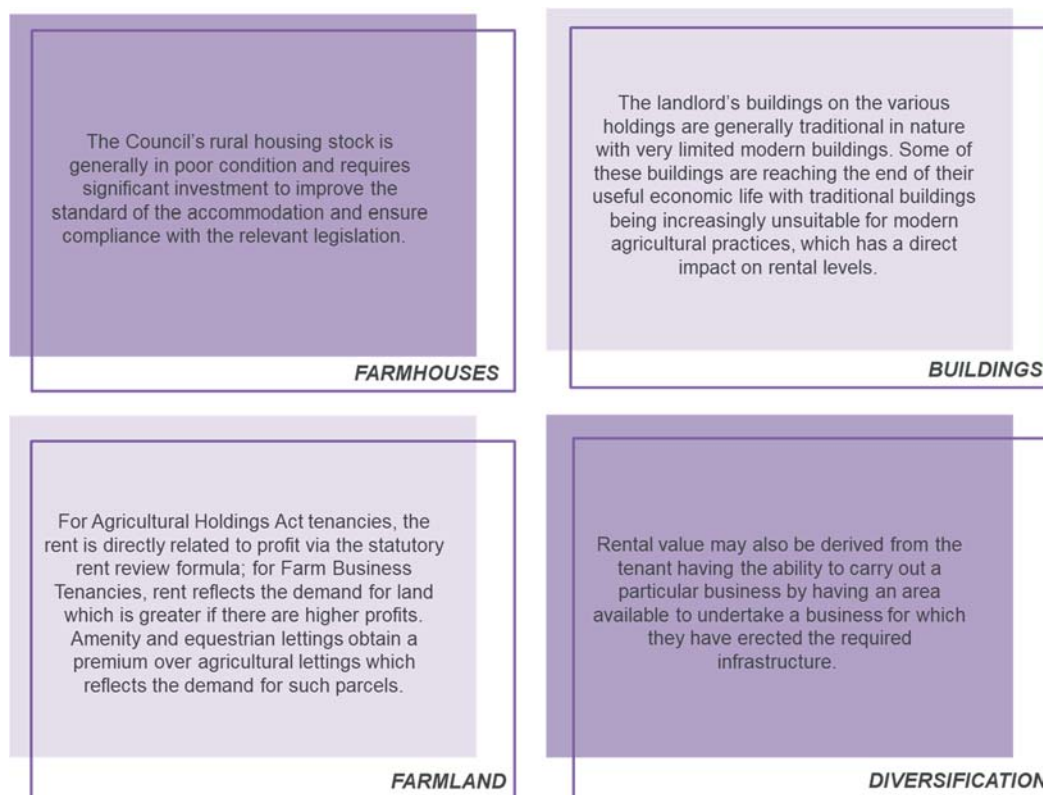


Figure 9: Factors contributing to rental values

Rent reviews of the majority of the holdings have been undertaken in recent years and given the current challenges and uncertainty facing the agricultural industry it is considered there is currently very limited scope for rental uplifts on the existing farm tenancies and potential risks for rents to fall as direct payment subsidies are phased out. There may be some limited opportunities for uplift where opportunities arise to grant new tenancies.

A number of properties within the portfolio are classified as “Charitable Assets” which were vested in the Council subject to certain legacy conditions. The revenue from these properties after the costs of repair, maintenance and other expenses is held in a suspense account for charitable purposes.

Repairs, Maintenance and Insurance

The repairing obligations for the rural estate vary dependent on the tenancy types and terms. The obligations range from passing all responsibility to the tenants on “Full Repairing and Insuring” terms to repairs with reference to various statutory instruments known as the “Model Clauses” which split the repairing liabilities between the landlord and tenant.

Having reviewed the tenancy agreements for the equipped holdings and land with buildings where available, it is noted that the majority of the agreements are based on fully repairing terms with the insurance responsibilities being split between the landlord and tenant. Whilst this reduces costs to the Landlord in the short term, in the long term it is likely that the farms may require significant investment and improvement when they do revert to the landlord.

In recent years there has been a significant lack of investment in the Rural Estate with a maintenance backlog having developed.

It is estimated that the current backlog of maintenance and statutory compliance is in excess of £1 million which is largely due to the costs of repairing dilapidated listed buildings. Quantifying this is very difficult given that the cost of repairs to listed buildings can be substantially higher than non-listed structures.

We understand the Council currently insure the properties for which they are responsible under the various tenancy agreements.

WIDER STRATEGIC CONTEXT

Existing Council Policies and Initiatives

We have considered a number of existing local policies and initiatives including those summarised below.



Figure 10: Existing policies and initiatives

We are also aware of other evolving policies, reviews and strategies within the Council which will impact on the Rural Estate. The Council's portfolio may also be impacted by policies and strategies held by external bodies such as the Peak District National Park and partners involved in projects such as the Sheffield Lakeland Landscape Partnership.

Agricultural and Environmental Policy

Agriculture Act 2020 & Phasing out of the Basic Payment Scheme

The Agriculture Act achieved Royal Assent on 11 November 2020 and represents the first time that agricultural policy has been reworked since 1947.

The Act provides for the phasing out of direct payment subsidies under the Basic Payment Scheme over the agricultural transition period of seven years commencing from 2021. The scheme has historically paid farmers annually on an area basis; the loss of which will likely have a detrimental impact on the profitability of many rural businesses.

In lieu of these payments, the Act equips the Secretary of State with powers to give financial assistance for or in connection with the management of land and water for various purposes, some of which are shown below:

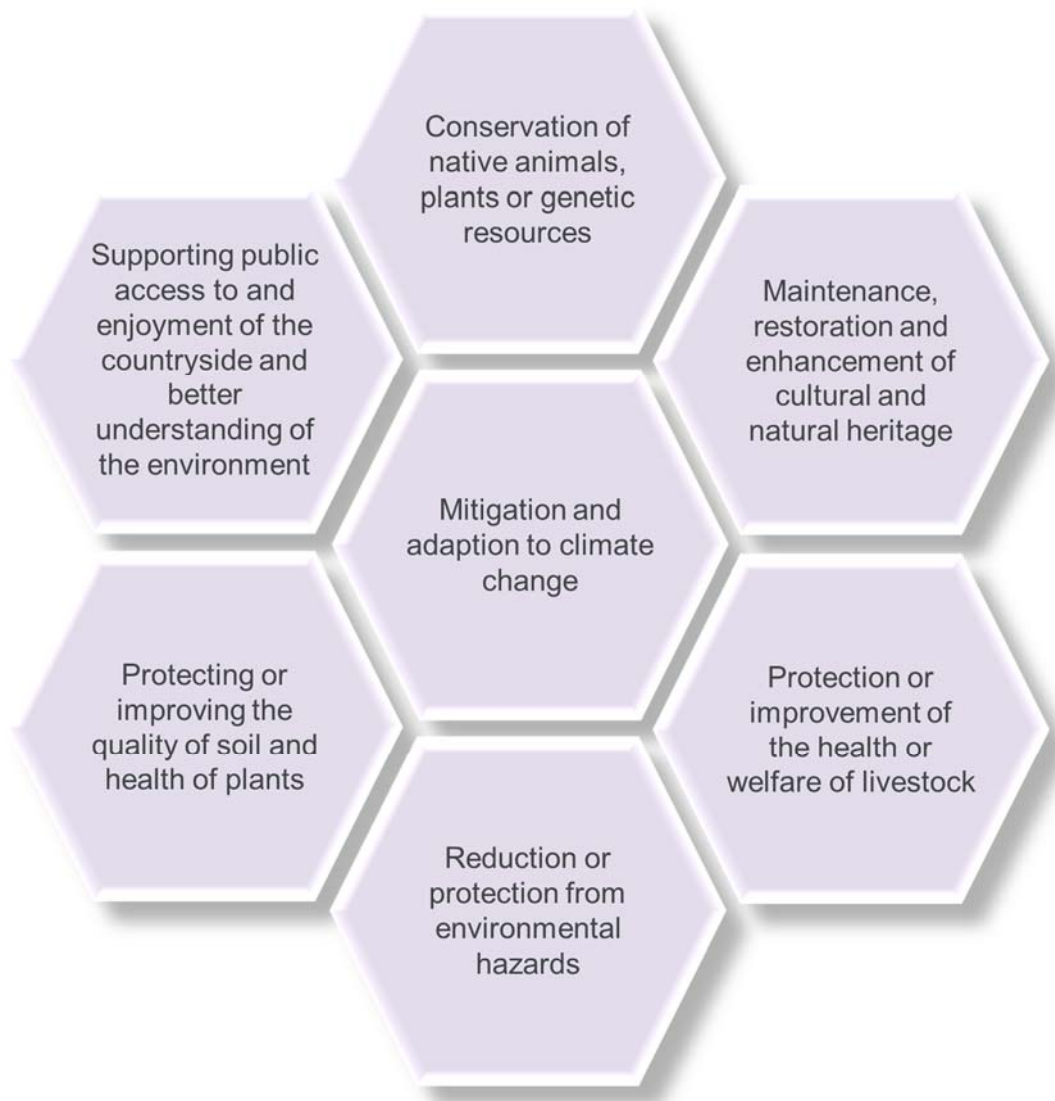


Figure 11: Potential purposes for funding

These incentives will provide a powerful vehicle for achieving the goals of the government’s 25 Year Environment Plan and the country’s commitment to reach net zero emissions by 2050.

As well as facilitating a system of more environmentally focussed support, the Agriculture Act also sets provisions to improve transparency and fairness in the agri-food supply chain, makes changes to agricultural tenancies and places a duty on the Secretary of State to report to Parliament on food security every three years.

Environment Act 2021

Almost a year after its counterpart, the Environment Act achieved Royal Assent on 09 November 2021. Some of the key changes under the Act are summarised below:

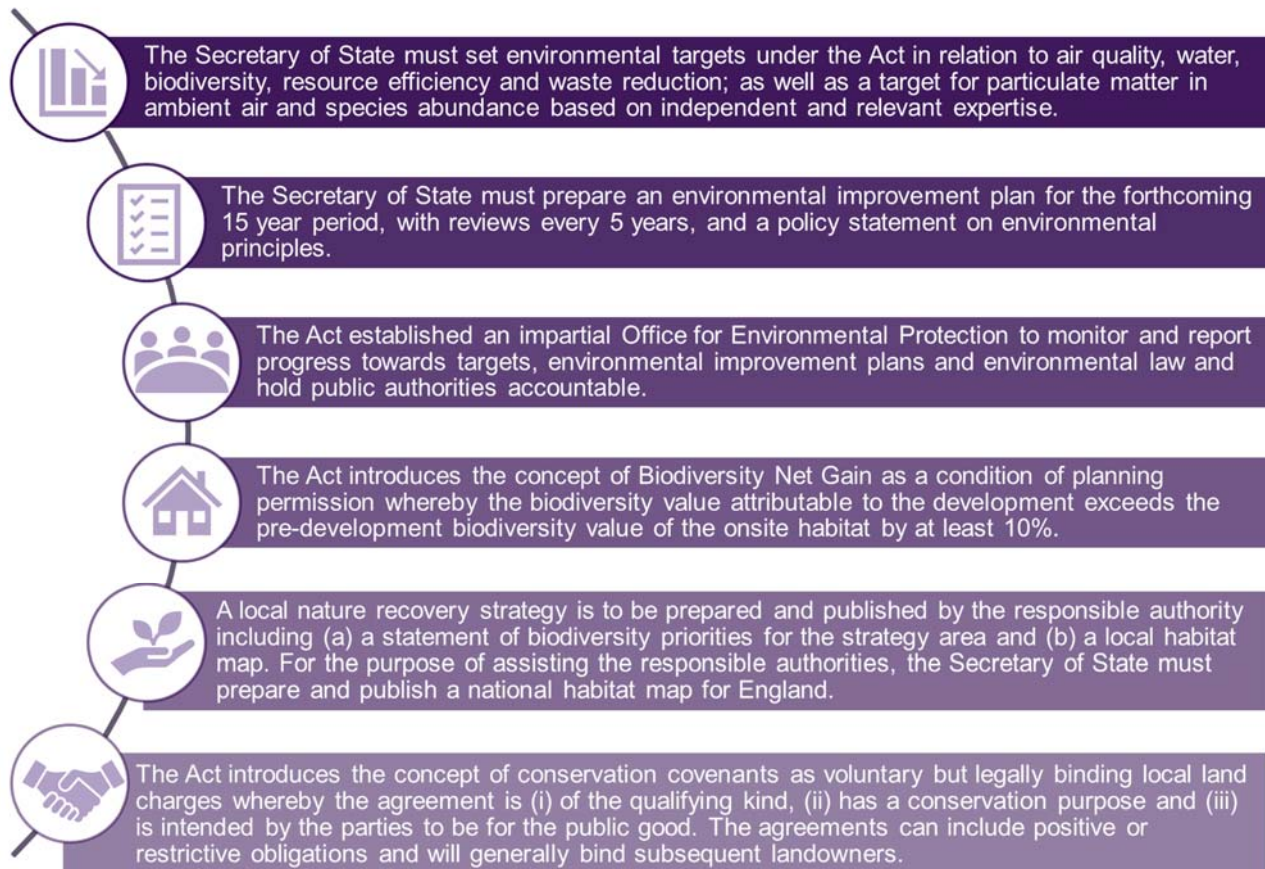


Figure 12: Key changes under the Environment Act

Other sections of the Act include waste and resource efficiency and provisions as to air quality and water.

The Environmental Principles referred to in the Act and above are highlighted below for reference:

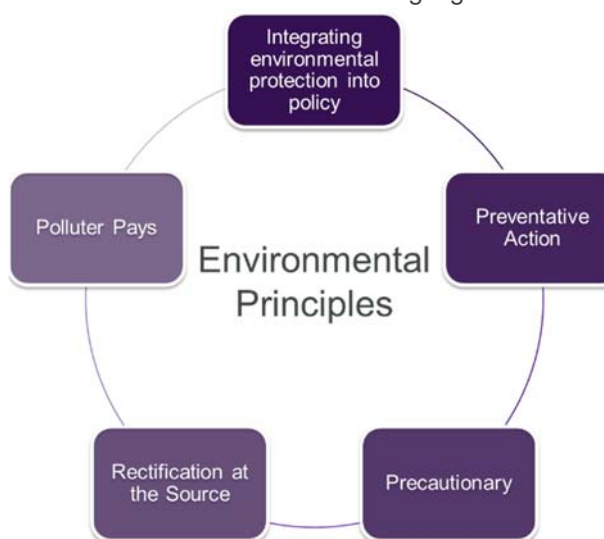


Figure 13: Environmental principles

Future Environmental Schemes & Markets

The Environmental Land Management Schemes (ELMS) is the cornerstone of the government’s new agricultural policy. Founded on the principle of ‘public money for public goods’, ELMS will provide a powerful tool for the government to achieve the legally binding targets required by the Environment Act and the 25 Year Environment Plan. These include halting the decline in species abundance by 2030, net zero and climate change commitments meaning that payment rates should be made attractive enough to incentivise uptake.

ELMS will be introduced incrementally over the agricultural transition period as follows:

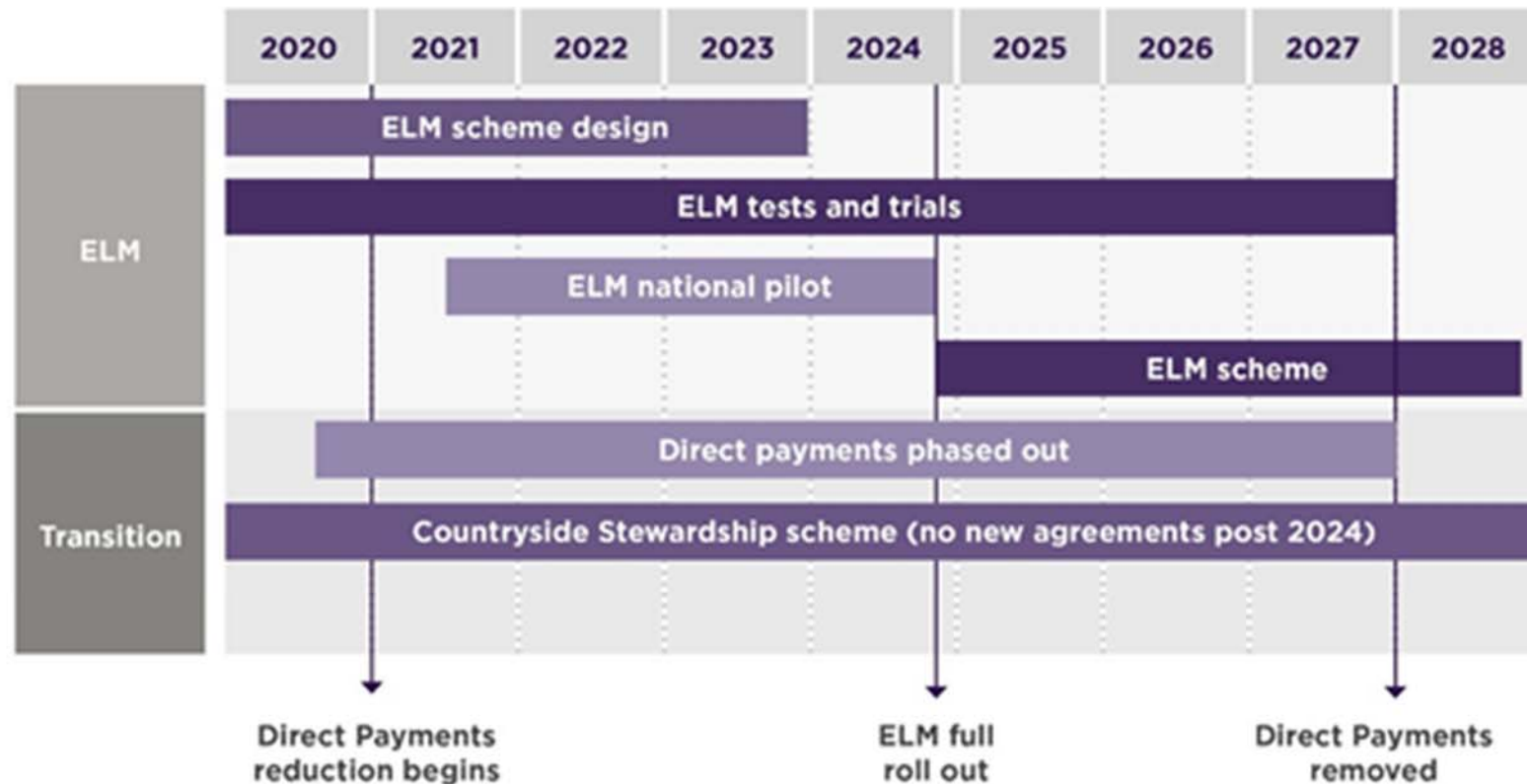


Figure 14: Transition period

ELMS comprises three components with differing levels of ambition, scale of actions and length of agreements:

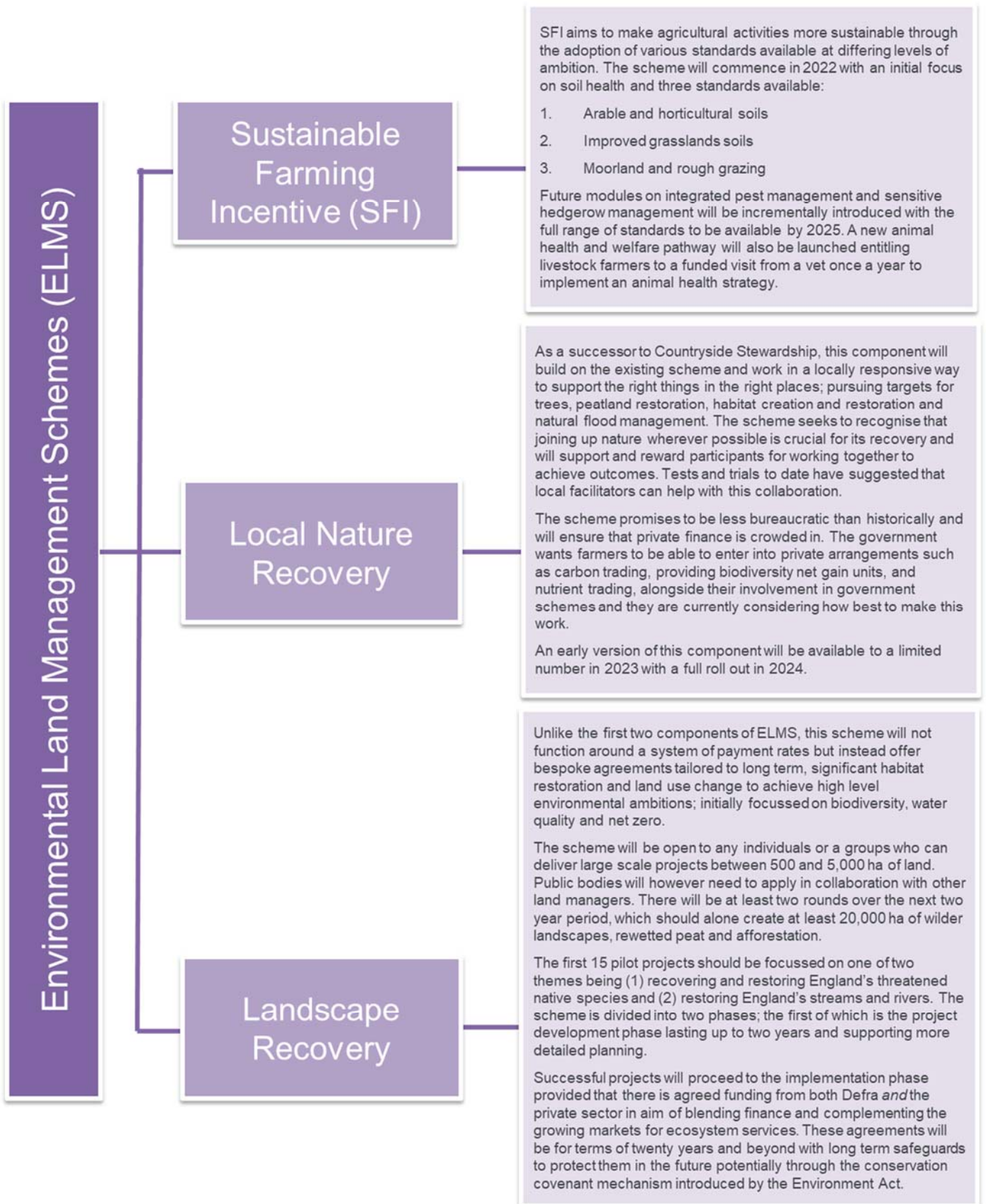


Figure 15: Environmental Land Management Schemes

Applicants will be able to enter a combination of the Sustainable Farming Incentive and Local Nature Recovery scheme, so long as the actions they commit to are compatible and there is no double funding for the same outcome.

DEFRA intend the Sustainable Farming Incentive to help deliver the environmental outcomes required under the Agricultural Act and 25 Year Environment Plan. Some of the key measures for success include the following:

- Extensive take-up of the Sustainable Farming Incentive, with a target of “70% of farms and farmland in the scheme by 2028”;
- Increasing participation, both in terms of amount of land and wider delivery of environmental actions under the scheme;
- Increasing soil health as one of the significant targets for “profitable and sustainable” farming.

The example is given that if “by 2028 the soil standards cover 50% to 70% of eligible agricultural soil in England, this could save approximately 330 to 460 thousand tonnes of CO2 equivalent in 2028”. Therefore the combined impact of farmland being entered to the minimal level of ELMs will make a significant contribution to reducing climate change.

Countryside Stewardship agreements are considered to be the bridge to the new Environmental Land Management Schemes and in 2022, payment rates increased for both new and existing agreements on average by 30% compared to 2013; sending a powerful signal to land managers to get involved in the interim.

The government are committed to ensuring that farmers are better off when they seek private financing opportunities, whereby three major markets for environmental services are materialising as detailed on Figure 16 below.



Figure 16: Evolving markets for environmental services

Renewable Energy

The Climate Change Act 2008 (amended in 2019) committed the UK to achieving net zero by 2050. It introduced the long-term target for the UK to reduce greenhouse gas emissions in response to the climate change crisis. The UK Energy White Paper: Powering Our Net Zero Future, sets out how the country intends to transform energy. It is widely acknowledged that the way we produce energy requires a decisive shift from fossil fuels to using clean energy for electricity generation. Decarbonising the energy system over the next 30 years means replacing fossil fuels with clean energy technologies such as renewables, which will become the predominant form of energy.

Delivering this transition will require investment and support from Local Authorities. The Sheffield Core Strategy (2009) includes the Council's policies in relation to climate change and the intentions to reach net zero targets. Policy CS 63 (Responses to Climate Change) illustrates the steps proposed by the Council to reduce the city's impact on climate change. One of the key actions is for the Council to promote developments that generate renewable energy. Policy CS 65 (Renewable Energy and Carbon Reduction) sets a target for the Council to achieve renewable energy capacity in the city in excess of 60MW by 2021. It recognises large-scale grid-connected renewable energy developments will play an important part in exceeding this capacity target. This figure is likely to increase as the Emerging Draft Local Plan is produced and published.

Access to the Countryside

The Council aims to make countryside and open space as accessible as possible. Countryside and open space ranges from large areas of woodland, grassland and moorland to small areas of public managed grassland on the outskirts of settlements and small woodland blocks in remote locations.

A large part of the Council's portfolio is designated as "Access Land" under the Countryside and Rights of Way Act 2000 (CROW). This land is largely let on long leases and agricultural tenancies but there are rights for the public to access the land for recreational purposes including walking, sightseeing, bird-watching, climbing and running.

The government will also be working to support access and heritage through ELMS.

Planning

Land within the Rural Estate falls within the boundaries of Sheffield City Council, North East Derbyshire Council and the Peak District National Park. We have undertaken a review of the Rural Estate portfolio to identify land which may be suitable for development. As part of this a desktop review of each property was completed screening the sites against environmental constraints and planning constraints including local and national planning policy. Relevant local and national planning policy considerations are highlighted below this also includes a summary of the emerging Sheffield Local Plan. For clarity we have not reviewed individual buildings which will require appraisal when opportunities arise.

Local Planning

Sheffield City Council

The Council's Current Development Plan comprises the Core Strategy (CS) which was adopted in 2009 and the saved policies of the Unitary Development Plan (UDP) which was adopted in 1998.

In addition to the Development Plan national guidance in the form of the National Planning Policy Framework (NPPF) is a material consideration in decision making.

Core Strategy (2009)

The following policies are not an exhaustive list but are considered relevant and have been given consideration as part of the review of the Rural Estate:

- CS1 Land for Employment and Economic Development
- CS2 Business and Industrial Development on Brownfield and Greenfield Land
- CS22 Scale of the Requirement for New Housing

- CS23 Locations for New Housing
- CS71 Protecting the Green Belt
- CS72 Protecting Countryside not in the Green Belt

Unitary Development Plan (1998)

The following policies are not an exhaustive list but are considered relevant and have been given consideration as part of the review of the Rural Estate:

- GE1 Development in the Green Belt
- GE2 Protection and Improvement of the Green Belt Landscape
- GE 3 New Buildings in the Green Belt
- GE 4 Development and Green Belt Environment
- GE 5 Housing Development in the Green Belt
- GE 8 Areas of High Landscape Value and the National Park

Emerging Planning Policies

The Publication Draft Sheffield Local Plan (the 'Sheffield Plan') was published for consultation in January 2023 and is due to be submitted to the Government for examination in summer 2023. The Plan is scheduled to be adopted by December 2024.

Under the Publication Draft Plan, the intention is to meet development needs to 2039 primarily within the existing urban areas. Green Belt release has been limited to a single, sustainably located brownfield site in the south of the city (around 270 homes are proposed on the former Norton Aerodrome site). Across the city as a whole, the plan aims to deliver 2,040 additional homes per year and provide 12.8 hectares of employment land per year. The Council is not convinced that exceptional circumstances exist to justify further Green Belt release on the grounds that sufficient homes can be provided in the urban areas to meet the city's jobs growth targets. Limiting the outward expansion of the built-up areas is regarded by the Council as an important response to the Climate and Biodiversity Emergencies, helping to reduce the need to travel, supporting more sustainable travel modes and protecting the countryside and greenspace.

Peak District National Park

The Development Plan for the Peak District National Park comprises the Core Strategy (CS) which was adopted in 2011 and the Development Management Plan (DMP) which was adopted in 2019.

The Core Strategy 2011 sets out the vision, objectives and spatial strategy for the national park, and core policies to guide development and change in the National Park to 2026. The Development Management Policies (DMP) document includes a Policies Map and guides and manages development across the National Park alongside the Core Strategy up to 2026.

Core Strategy (2011)

Policy GSP1 sets out the broad strategy for achieving the National Park's objectives having regard to the Sandford Principle, (that is, where there are conflicting desired outcomes in achieving national park purposes, greater priority must be given to the conservation of the natural beauty, wildlife and cultural heritage of the area, even at the cost of socio-economic benefits). GSP1 also sets out the need for sustainable development and to avoid major development unless it is essential, and the need to mitigate localised harm where essential major development is allowed.

Policy GSP2: Enhancing the National Park states that:

- Opportunities for enhancing the valued characteristics of the National Park will be identified and acted upon.
- Proposals intended to enhance the National Park will need to demonstrate that they offer significant overall benefit to the natural beauty, wildlife and cultural heritage of the area.
- When development is permitted, a design will be sought that respects the character of the area.
- Opportunities will be taken to enhance the National Park by the treatment or removal of undesirable features or buildings. Work must be undertaken in a manner which conserves the valued characteristics of the site and its surroundings.

- Development in settlements necessary for the treatment, removal or relocation of nonconforming uses to an acceptable site, or which would enhance the valued characteristics of the National Park will be permitted.

Policy GSP3 sets out development management principles and states that all development must respect, conserve and enhance all valued characteristics of the site and buildings, paying particular attention to, amongst other elements, impact on the character and setting of buildings, scale of the development appropriate to the character and appearance of the National Park, design in accordance with the National Park Authority Design Guide and impact on living conditions of communities. 27.

Policy GSP4 sets out that to aid the achievement of its spatial outcomes, the National Park Authority will consider the contribution that a development can make directly and/or to its setting, including, where consistent with government guidance, using planning conditions and planning obligations.

Development Management Policies (2019)

The following policies are not an exhaustive list but are considered relevant and have been given consideration as part of the review of the Rural Estate:

- DMC1 Conservation and enhancement of nationally significant landscapes
- DMC4 Settlement limits
- DMC5 Assessing the impact of development on designated and non-designated heritage assets and their settings
- DMC6 Scheduled Monuments
- DMC7 Listed Buildings
- DMC8 Conservation Areas
- DMC10 Conversion of a heritage asset
- DMH5 Ancillary dwellings in the curtilages of existing dwellings by conversion or new build
- DME2 Farm diversification
- DMR1 Touring camping and caravan sites
- DMR2 Holiday occupancy of touring camping and caravan sites
- DMR3 Holiday occupancy of self-catering accommodation

North East Derbyshire Council

The Development Plan for North East Derbyshire Council comprises the North East Derbyshire Local Plan (2014-2034) which was adopted on 29 November 2021.

North East Derbyshire Local Plan (2014-2034)

The following policies are not an exhaustive list but are considered relevant and have been given consideration as part of the review of the Rural Estate:

- Policy SS10: North East Derbyshire Green Belt
- Policy SDC5: Development within Conservation Areas
- Policy SDC1: Re-use and Conversion of Buildings in the
- Policy SDC1: Re-use and Conversion of Buildings in the Green Belt and Countryside
- Policy WC6: Camping, Chalets, Caravans and Lodges in the Countryside
- Policy WC5: Visitor and Tourism Development

National Planning Policy

In addition to the Development Plan (please see below Local Policy sub-section), national guidance in the form of the National Planning Policy Framework (NPPF) is a material consideration in decision making.

Originally coming into force on 27 March 2012, the Framework (along with the subsequent Planning Practice Guidance - PPG), were published in revised form on 19 February 2019. Annex 1: Implementation of the Framework

sets out the relationship between the Framework (and PPG) to various local planning documents stating that it is a material consideration from the date of publication (paragraph 218). The Framework was further revised on 21 July 2021, which includes a targeted focus on design quality of places.

The National Planning Policy Framework (2021) has a presumption in favour of sustainable development at its core, a defining principle which takes precedence over out-of-date development plan documents. A further remit of the Framework is to promote economic growth, social inclusion, and environmental sustainability.

Introductory paragraphs for the Framework set out its context. Paragraph 7 informs that the (overarching) purpose of the planning system is to contribute to the achievement of sustainable development and that the policies in Paragraphs 18 to 223 should be taken as a whole, as they constitute the Government's view of what sustainable development means in practice.

Paragraph 8 sets out the three interdependent and overarching objectives of sustainable development, which should be pursued in mutually supportive ways to secure net gains across each of the objectives:

- An Economic objective – to help build a strong, responsive, and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
- A Social objective – to support strong, vibrant, and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering well-designed beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
- An Environmental role – to protect and enhance our natural, built, and historic environment, including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.

Chapter 13 relates to Protecting the Green Belt. It sets out in paragraph 137 that the Government attaches great importance to Green Belts. The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and their permanence. It goes on to highlight in paragraph 138 that the Green Belt serves five purposes:

- a) to check the unrestricted sprawl of large built-up areas;
- b) to prevent neighbouring towns merging into one another;
- c) to assist in safeguarding the countryside from encroachment;
- d) to preserve the setting and special character of historic towns; and
- e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land".

Chapter 140 highlights that once established, "Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans. Strategic policies should establish the need for any changes to Green Belt boundaries, having regard to their intended permanence in the long term, so they can endure beyond the plan period. Where a need for changes to Green Belt boundaries has been established through strategic policies, detailed amendments to those boundaries may be made through non-strategic policies, including neighbourhood plans".

Paragraph 141 states that "before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries, the strategic policy-making authority should be able to demonstrate that it has examined fully all other reasonable options for meeting its identified need for development. This will be assessed through the examination of its strategic policies, which will take into account the preceding paragraph, and whether the strategy:

- a) makes as much use as possible of suitable brownfield sites and underutilised land;
- b) optimises the density of development in line with the policies in chapter 11 of this Framework, including whether policies promote a significant uplift in minimum density standards in town and city centres and other locations well served by public transport; and
- c) has been informed by discussions with neighbouring authorities about whether they could accommodate some of the identified need for development, as demonstrated through the statement of common ground.

Paragraph 142 states that "when drawing up or reviewing Green Belt boundaries, the need to promote sustainable patterns of development should be taken into account. Strategic policymaking authorities should consider the

consequences for sustainable development of channelling development towards urban areas inside the Green Belt boundary, towards towns and villages inset within the Green Belt or towards locations beyond the outer Green Belt boundary. Where it has been concluded that it is necessary to release Green Belt land for development, plans should give first consideration to land which has been previously-developed and/or is well-served by public transport. They should also set out ways in which the impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land”.

Paragraph 143 provides guidance stating that “when defining Green Belt boundaries, plans should:

- a) ensure consistency with the development plan’s strategy for meeting identified requirements for sustainable development;
- b) not include land which it is unnecessary to keep permanently open;
- c) where necessary, identify areas of safeguarded land between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period;
- d) make clear that the safeguarded land is not allocated for development at the present time. Planning permission for the permanent development of safeguarded land should only be granted following an update to a plan which proposes the development;
- e) be able to demonstrate that Green Belt boundaries will not need to be altered at the end of the plan period; and
- f) define boundaries clearly, using physical features that are readily recognisable and likely to be permanent”.

Paragraph 176 relates to National Parks and states that:

“Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty which have the highest status of protection in relation to these issues. The conservation and enhancement of wildlife and cultural heritage are also important considerations in these areas, and should be given great weight in National Parks and the Broads. The scale and extent of development within all these designated areas should be limited, while development within their setting should be sensitively located and designed to avoid or minimise adverse impacts on the designated areas”.

Minerals

Sheffield has very few mineral deposits which are potentially available for extraction and it is unlikely that opportunities for commercial mining or quarrying will arise upon the Rural Estate.

As an urban area with a legacy of industrial uses, there will be limited opportunity for mineral extraction within the City. The large “rural” areas to the west border sit within the Peak District National Park, so mineral extraction would be more or less precluded.

We have undertaken a review of the minerals and waste planning policies and allocations within the two relevant Plans:

- Sheffield Core Strategy, adopted on 4 March 2009 and the emerging Replacement plan, October 2020
- The Peak District Plan is The Peak District National Park Local Development Plan, adopted October 2011.

We found that there are no new minerals allocations on SCC land, and no allocation for minerals in any of the inset maps.

STAKEHOLDER ENGAGEMENT

Key stakeholders for the Rural Estate were identified with engagement taking place via an online survey and focused online stakeholder meetings. Restrictions relating to Covid-19 prevented in person meetings.

Stakeholders included representatives from the Environment Agency, Sheffield and Rotherham Wildlife Trust, the RSPB, local landowners, outdoor recreation groups, SCC tenants, SCC Cabinet Members, SCC Officers and the National Farmers Union to name a selection.

Stakeholder Survey

The online stakeholder survey was available to the selected participants in June 2021 with 37 responses in total. As shown in Figure 17 below there was a range of respondent types.

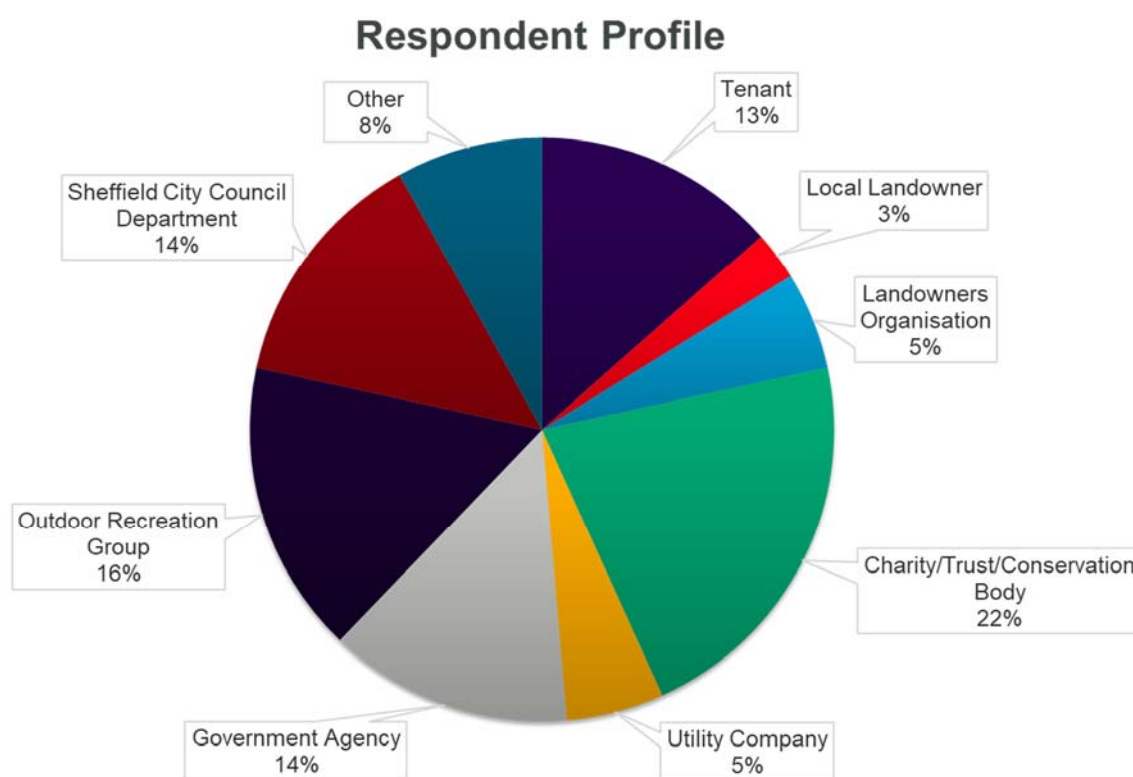


Figure 17: Respondent profile

We summarise below the key findings from the Survey.

- Participants felt that tenants were the top stakeholder group with whom it is important to collaborate with in pursuit of delivering wider benefits; however, there was a distinct lack of tenant engagement across the survey and the majority did not wish to be contacted further.
- Solar panels (small scale) were the most popular renewable energy technology that participants would like to see the Council prioritise.
- More participants saw the agricultural transition period as an opportunity rather than a challenge and the majority would be interested in Environmental Land Management Schemes.
- In terms of what the Rural Estate should be prioritising in its current operations, natural capital opportunities and sustainable land management practices were seen to be the most important when combining the first and second

choice of individuals (who selected five in total). The maximisation of capital receipts and commercial development did not feature in anyone's first or second selection as indicated in Figure 18.

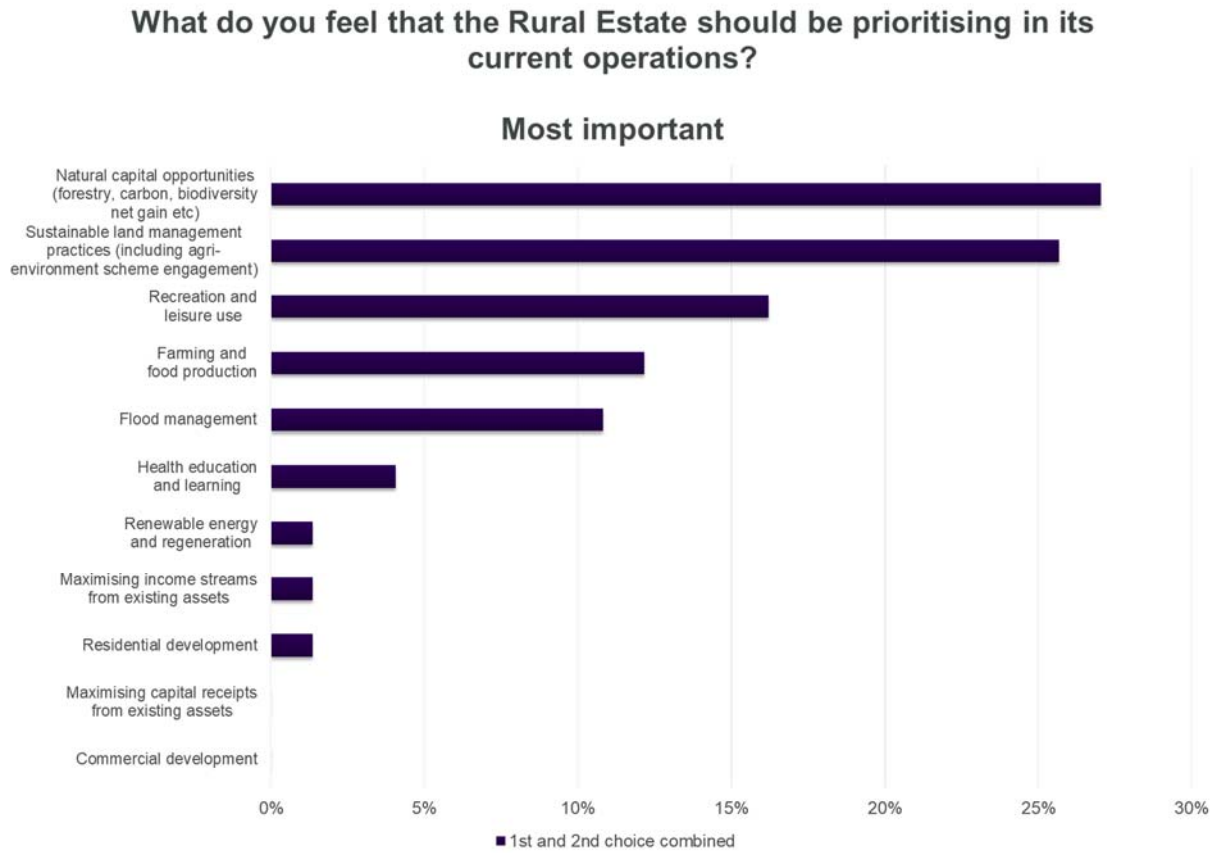


Figure 18: Priorities for current operations

- Similar opinions were expressed in relation to the Council’s future operations as indicated in Figures 19 & 20 below.

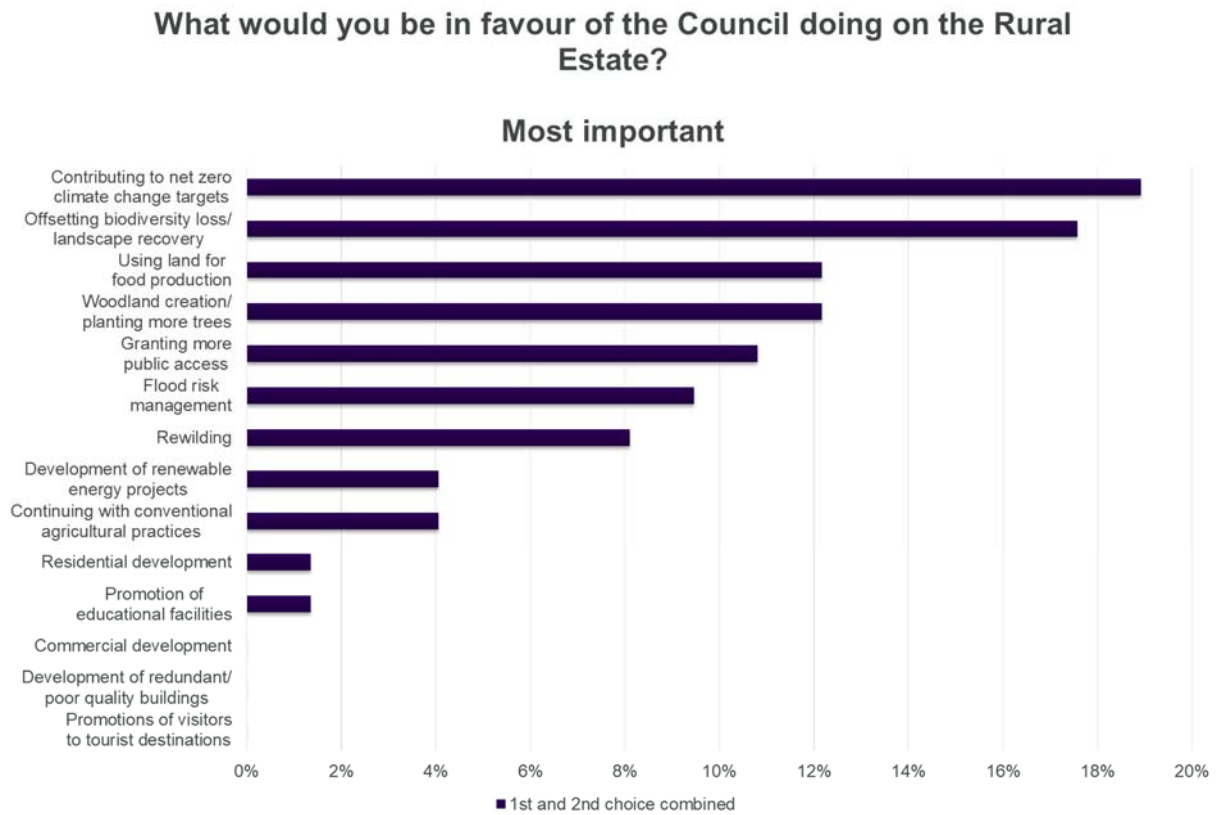


Figure 19: Options favoured on the Rural Estate

What would you be opposed to the Council doing on the Rural Estate?

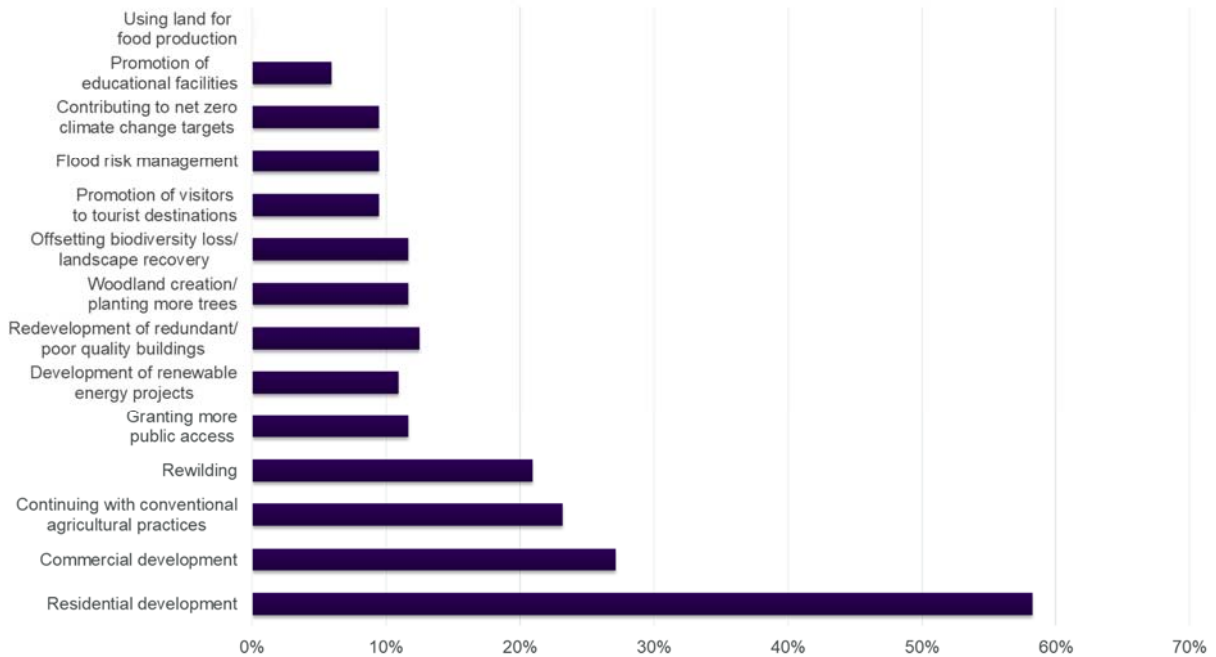


Figure 20: Options opposed on the Rural Estate

- Public grants and environmental schemes were seen as the most important method of funding available to deliver the potential objectives.

How should the Council deliver the potential objectives identified above?

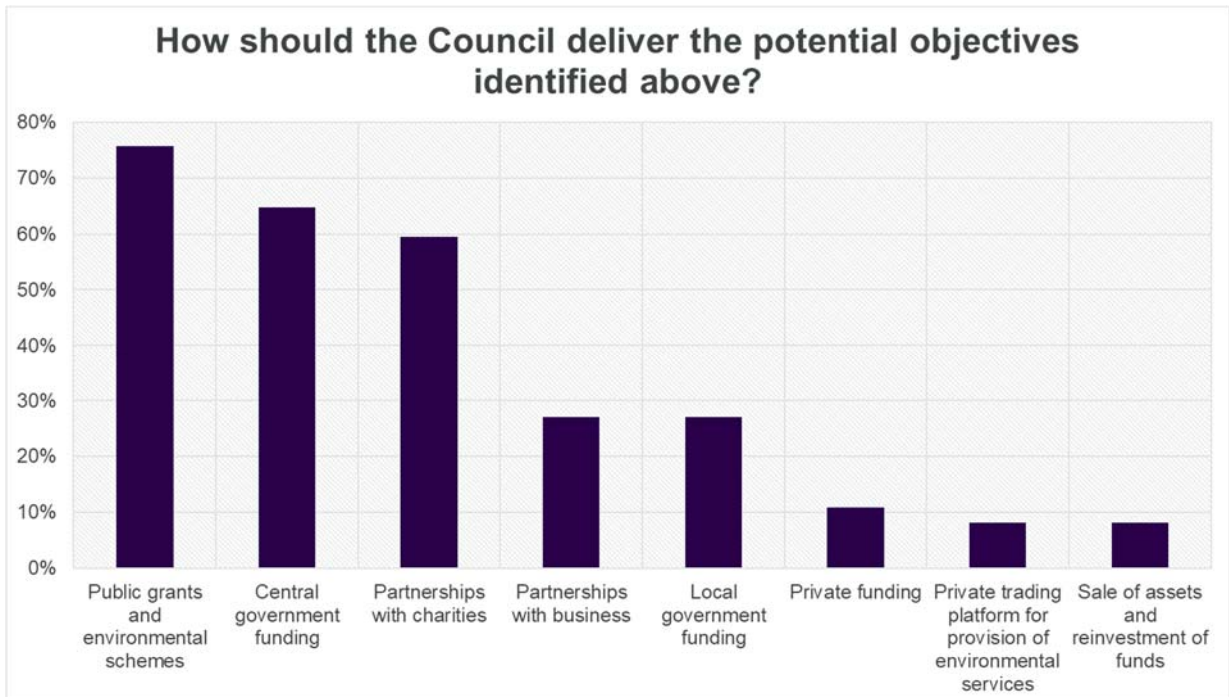


Figure 21: Delivery of potential objectives

- The provision of additional bridleways and cycle paths together with improvements to make existing routes more accessible were considered important in relation to the quality and accessibility of recreational space.

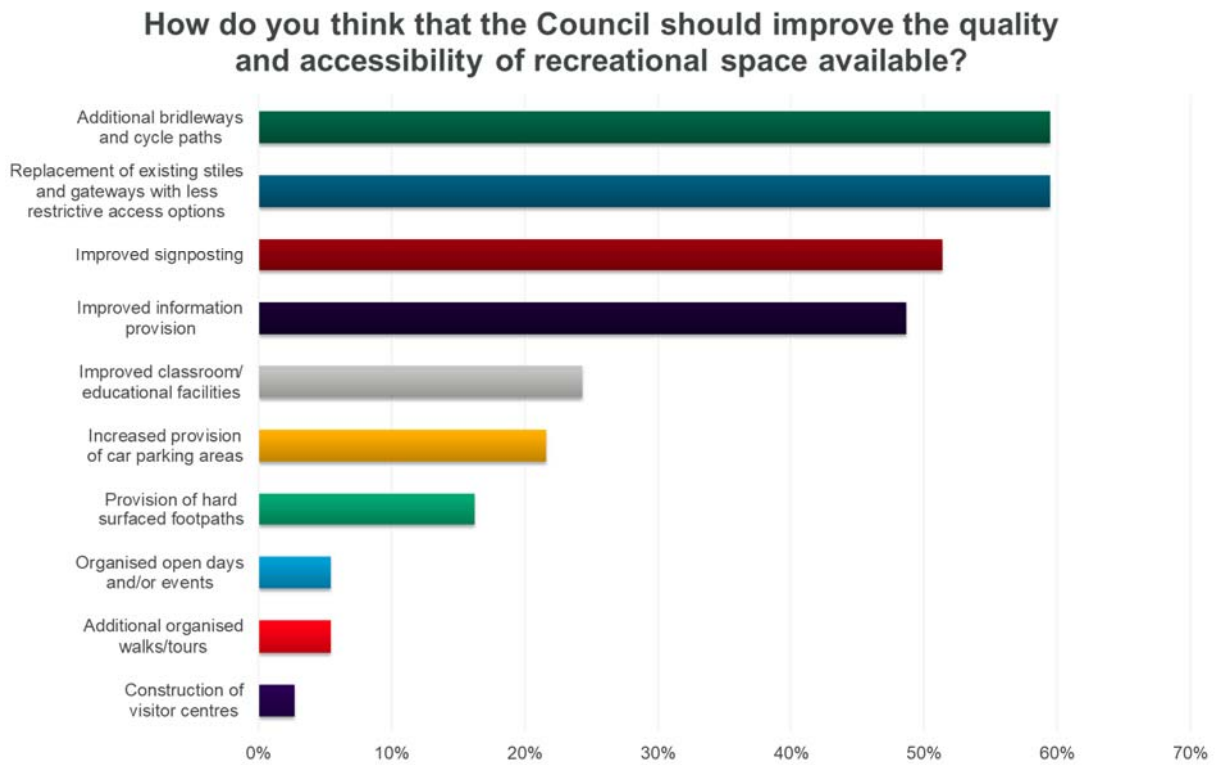


Figure 22: Improvements to the quality and accessibility of recreational space

- Towards the end of the survey, we asked the qualitative question: what is the main issue you would like to see addressed on the Rural Estate in the next 10 years and any additional comments they have? We have provided a selection of the responses received below:

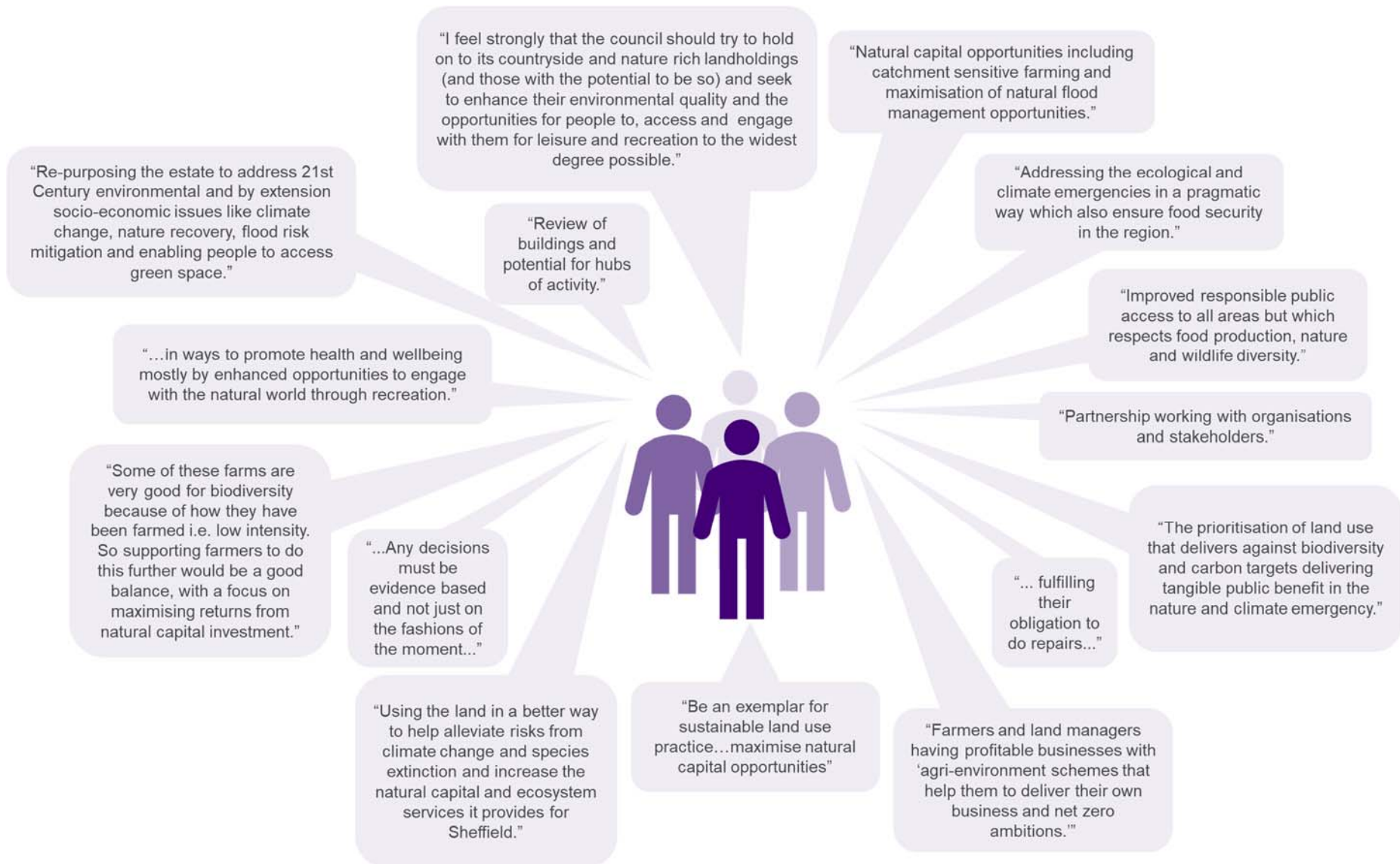


Figure 23: Stakeholder responses

Stakeholder Meetings

Following analysis of the survey responses the outcomes were utilised as a basis for discussion during the Stakeholder meetings in October and November 2021. The following key themes were identified for further discussion:

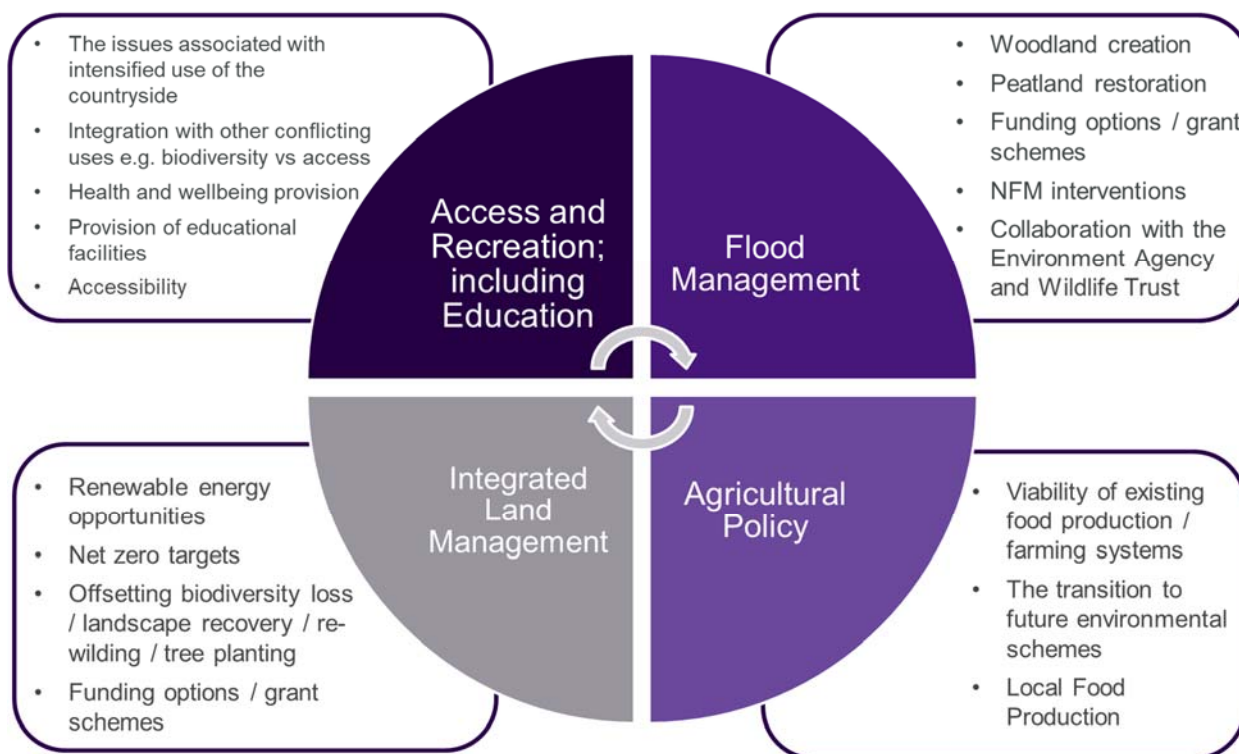


Figure 24: Stakeholder Meeting Key Themes

SHEFFIELD CITY COUNCIL RURAL ESTATE VISION

To promote the adoption of an integrated approach to land management facilitating the delivery of a diverse range of environmental and public benefits through collaboration



RURAL ESTATE STRATEGIC AMBITIONS

Challenges and Opportunities



Strategic Ambitions, Objectives, Action Points & Recommendations

Key aspirations identified in the SCC Land and Property Plan include the following:

- Use the estate to tackle the climate and ecological emergency and support a low carbon economy.
- Look for opportunities to use land and assets to increase the level of renewable and low-carbon energy generation and address resilience through the use of land to restore the natural water cycle, support natural flood management, increase carbon sequestration and energy generation and to restore biodiversity.
- Balance the need to protect biodiversity with the other needs of the city and look for creative solutions to these challenges.
- Dispose of surplus estate in a timely manner to reduce costs, free up revenue funding streams, improve and support service delivery and generate capital for investment in other priorities.
- The Agricultural Estate will adapt its policies and objectives to support the Corporate Landlord function.

Having considered the recently adopted SCC Land and Property Plan together with the existing SCC policies and stakeholder engagement we have formulated various objectives for the Estate as summarised in Table and examined in greater detail below:

Maintenance & Improvements			
Strategic Ambition: To address the existing maintenance backlog and work towards improving the future sustainability of the assets and improving tenant relationships			
<p>It is understood that some of the properties do not currently meet the minimum standards of compliance required for let properties. Examples include the Minimum Energy Efficiency Standards (MEES), Electrical Safety Regulations and The General Binding Rules in relation to septic tanks.</p> <p>The Council also has a considerable backlog of outstanding maintenance works which are required on their holdings in accordance with their obligations under the tenancy agreements. This is in addition to legal compliance works.</p> <p>Ongoing investment is required in the Council's rural holdings in order to ensure that the farms continue to be income generating assets and do not deteriorate and become a liability, which in turn will preserve capital values. This is particularly important with the emphasis on improving future efficiency and sustainability across the Estate. Budgetary constraints are likely to require the Council to initially prioritise investment in statutory requirements.</p> <p>There may also be the potential for joint investment with tenants or obtaining grant funding to improve the infrastructure and buildings on the holdings. In limited circumstances it may be possible for windfalls to be partially re-invested back into the Rural Estate holdings via cross-subsidisation.</p>			
Objectives:	0-5 years	5-10 years	10+ years
Carry out works to meet legal compliance standards	✓	✓	✓
Carry out existing outstanding maintenance works	✓	✓	
Invest in improvements and ongoing maintenance works			✓
Action Points & Recommendations:			
<ul style="list-style-type: none"> • Carry out an audit to identify any existing and pending statutory non-compliances. • Carry out an initial physical inspection of all holdings to review existing and future maintenance requirements. This should be monitored through a programme of annual inspections. Discussions should be held with tenants in relation to their own maintenance obligations. • Review tenancy agreements to establish responsibility for any required works. 			

- Instruct any appropriate surveys and inspections to establish budgetary requirements to carry out any identified works that are the responsibility of the landlord. Obtain approval for an appropriate budget for the works identified; to include a contingency element.
- Given the considerable scale of the backlog, prioritise these works over a maintenance plan period of up to 10 years to enable time to catch up with the backlog and implement anticipated improvements required in line with legislation.
- Establish an Approved Contractors List (ACL) of competent and experienced persons/businesses.
- Carry out enhanced maintenance works, such as choosing more sustainable and efficient options, where appropriate and where budget allows.
- Consider joint investment with tenants to improve farmsteads and farm infrastructure.
- Apply for grant funding where available and in conjunction with tenants or partners where appropriate.
- Consider reinvesting windfalls either partially or in full back into Rural Estate holdings.

Low Carbon Economy, Renewable Energy and Climate Change

Strategic Ambition: To contribute towards the Council's net zero, environmental and sustainability targets

The Council has an ambitious target of reaching net zero and has produced a '10 Point Plan for Climate Action' which establishes the framework for the city to become carbon neutral by 2030.

The report published by ARUP in 2020, entitled 'Pathways to Net Zero in Sheffield 2020/21', suggests that the main ways in which land use, land use change and forestry can contribute to the achievement of Sheffield's net zero target are through extensive expansion of tree cover and restoration of peatlands; adopting an aspiration of doubling sequestration.

The Council has also declared a Biodiversity and Ecological Emergency and Climate Emergency.

Due to the nature of the occupation of the various assets on the Estate, it will be essential to obtain consent from and work in collaboration with the respective tenants to deliver the measures required in pursuit of the Council's objectives. With many environmental opportunities, management control or ongoing tenant co-operation is required. This could be negotiable with tenants on marginal areas of land that are the least productive, however there are limited means by which to regain vacant possession of assets subject to long term tenancies where tenants are unwilling to engage.

We understand that in order to contribute to the Council's Net Zero targets a tree planting strategy is to be produced. It is important to consider the most appropriate locations for any planting, some of which may be within the Rural Estate, to avoid any unanticipated negative impacts. Any proposed planting must take into consideration the species to be planted, tree-spacing, soil type, climate variability, any required boundary work and future woodland management intentions.

Peatlands can provide a large carbon store; however they are a significant source of greenhouse gas emissions when in a degraded state. When in good condition, peatlands act as a carbon sink, sequestering additional carbon dioxide from the atmosphere. Restoring peatlands by re-wetting them and ensuring the appropriate vegetation cover is therefore an important action towards net zero targets. Peatlands are also important for biodiversity, flood alleviation and water quality.

There are a number of patches of deep peat in the Council's Estate, many of which cover relatively small areas. These have been identified by using the BGS Soil Property Peat Coverage mapping layer, as well as Priority Habitats as a secondary source, and establishing soil types. The England Peat Action Plan (May 2021) has a target to deliver an updated peat map by 2024.

Some of the largest areas of peatland on the Estate are subject to long term leases. For example, one of the largest areas of deep peat within the Council's rural estate is under the management control of the RSPB and the National Trust who occupy the landscape under a long term lease. The conservation charities look after the Eastern Moors on behalf of the Peak District National Park Authority and the Burbage

Moors on behalf of the Council, under the joint venture entitled the Eastern Moors Partnership. The site is also part of a larger scale management project known as the Sheffield Moors Partnership (SMP). A Management Plan has been produced in draft for the Eastern and Burbage Moors covering the period 2018-2023, with a longer 25 year vision published in 2013.

Any environmental schemes and improvements which generate significant environmental outcomes are anticipated to be long term and therefore tenancy arrangements should be considered. It may be necessary for the Council to be party to the scheme agreements at the outset should the term of the tenancy not extend to the length of the required scheme implementation and maintenance periods or should any tenancy unexpectedly cease.

Dependent on the environmental measures carried out there may be long term impacts on the capital values of the properties. The emerging markets for natural capital and biodiversity attribute values to some of the environmental outcomes produced. Whilst the Council will encourage tenants to enter into suitable environmental agreements it may be necessary for the Council to consent to the works and retain some of the benefits of the environmental outcomes to reflect any impact on the Council's retained land. However, it is acknowledged that this may deter tenants from undertaking environmental improvements and therefore a share of the environmental outcomes may be negotiated.

There is potential for the Council to capitalise on opportunities to develop renewable energy projects on the Estate either through leasing the land to a developer, through partnerships or developing the project themselves. Whilst not all renewable energy projects will contribute to net-zero targets, opportunities may arise which could generate significant income for the Council providing the ability to cross-subsidise investment in delivering projects to meet sustainability targets.

It is likely that in order to maximise benefits to the Council management control of the sites will need to be obtainable. In a fast moving continuously developing market, good knowledge of market transactions is essential. In order to obtain the best commercial terms for either a lease or sale of the asset or SCC to develop the sites, it will be necessary to work with specialist consultants. Consideration will need to be given to the impact of these schemes on the wider Estate and environment against the Council's Land and Property Plan objective of utilising the Estate for energy generation.

Objectives:	0-5 years	5-10 years	10+ years
Establish policies for consenting to and implementing the delivery of Environmental Schemes with tenants and partnerships	✓		
Establish policies for future control and attribution of environmental outcomes e.g. Carbon Credits	✓		
Plant trees adopting the principle of "the right tree in the right place"	✓	✓	✓
Peatland restoration projects working in partnership with third parties and/or utilising grant funding where appropriate	✓	✓	✓
Exploit opportunities for renewable energy installations	✓	✓	✓

Action Points & Recommendations:

Environmental Schemes and Attributing Environmental Outcomes

- Consider agreement terms and future tenancy renewals to ensure that appropriate funding sources are obtainable whilst ensuring that environmental outcomes are monitored. Longer term agreements may need to be considered to enable partners and tenants to enter into appropriate schemes and deliver the desired outcomes.
- Give consideration to the implications of the sale or allocation of any environmental outcomes (to the Council or third parties), e.g. carbon credits, which may impact on the capital value of a site. This could be significant if identified for disposal.
- Explore opportunities for public and private funding and regularly signpost to tenants where applicable, for example Countryside Stewardship and the upcoming Environmental Land Management Schemes

(ELMS), the Nature of Climate Peatland Grant Scheme and private financing through the sale of any surplus carbon units where the strict criterion is satisfied.

- Where appropriate, collaborate with environmentally focussed and/or neighbouring stakeholders and pursue a landscape-scale approach in order to maximise the benefits, as well as promoting opportunities for the understanding and enjoyment of the countryside by the public. The upcoming Landscape Recovery tier of ELMS could lead to a greater environmental benefit in terms of peatland restoration, and other climate change goals such as reversing biodiversity decline.

Tree Planting

- Work in conjunction with the wider Council departments to implement the tree planting strategy and access funding where appropriate sites have been identified.
- Give consideration to the long-term impacts that wide scale tree planting may have on the capital value of a site. This could be significant if identified for disposal.

Peatland Restoration

- Continually review available data sources to identify any suitable peat areas within the Estate and where appropriate progress with further detailed investigations.
- Assess the viability of restorative works on small acreages of deep peat, alongside potential carbon income or carbon units for the Estate's own use.
- Consider whether the Council will actively pursue such schemes themselves or to work in partnership with a third party or tenant. As this is an emerging market there are limited precedents for these arrangements which should be reviewed on a case by case basis by someone working within the Natural Capital field.
- Where vacant possession of an identified peatland is available and/or tenants are willing to engage, the Council should look to ensure that these areas are within a recovering condition and under suitable land management practices.
- Give consideration to the long-term impacts that measures implemented may have on the capital value of a site. This could be significant if identified for disposal.

Renewable Energy Installations

- Establish an internal approval procedure to allow for agile decision making where viable opportunities are identified.
- Progress with opportunities identified within the rural estate subject to any internal policy or other constraints. This should include battery storage schemes which could allow for cross-subsidisation to contribute towards wider sustainability ambitions.
- Enter into early negotiations to obtain vacant possession where opportunities arise. Collaboration with tenants could also be considered.
- Consider the impact of these schemes on the wider estate and environment against the Council's Land and Property Plan objective of utilising the Estate for energy generation.
- Seek external expertise to obtain the best commercial terms for either a lease or sale of the asset or give consideration to SCC developing the sites. Specialist external consultants will be required due to commercial and technical nuances and fast and continually evolving markets in this sphere.
- Carry out periodic screening reviews of the rural estate to identify any opportunities arising from changes in viability and policies.
- Provide support and encouragement to tenants to consider opportunities for small scale generation on farms to improve the energy efficiency of holdings in particular where grant funding is available.

Public Access, Recreation & Education

Strategic Ambition: To accommodate inclusive access and enhance education opportunities across the rural estate where appropriate in order to facilitate the health and wellbeing of Sheffield's inhabitants and visitors.

In recent years there has been increased utilisation of the countryside around Sheffield as part of the Outdoor City. This has been intensified during the Covid-19 pandemic which has increased pressure on rural habitats. In order to ensure that access is inclusive car parking and electrical charging provision should be maximised together with improved public transport links, footpaths which are well maintained and where possible footpaths should be accessible and hard surfaced with obstacles removed. We understand an updated Rights of Way improvement plan to cover the period 2023-2033 is currently being prepared.

There may be public benefits deliverable via woodland planting, in addition to carbon sequestration and natural flood management. The England Woodland Creation Offer (EWCO) offers stackable payments for the provision of public goods as well as providing support for the buying and planting of trees, including payments for improving public access to woodland and planting close to settlements.

Maximising the connectivity of blue green infrastructure could improve local habitats and enhance the experience of visitors to the countryside. A careful balance must be struck between encouragement of recreational activities and public access where demands are significant and may have an adverse impact on any existing habitats and conservation measures.

The Council should foster relationships with education providers, such as those with the existing tenant Whirlow Hall Farm Trust, which hosts schools on day and residential visits to enable pupils to learn in an alternative environment to the classroom.

Objectives:	0-5 years	5-10 years	10+ years
Encourage tenants to consider tourism and education opportunities via farm diversification	✓	✓	✓
Enhance infrastructure to improve access and mitigate issues associated with intensified use of the countryside	✓	✓	✓

Action Points & Recommendations:

- Support the ongoing development of the updated Rights of Way Improvement Plan and its eventual implementation.
- Encourage tenants to grant permissive footpaths where improved network connectivity may be achieved.
- Where an approach is received from a tenant wishing to explore diversification activities, guidance should be provided in relation to any consents and information required by the Council to assist in a decision as to whether the project will be permitted. Where a project is deemed suitable and is consented to, this should be formally documented and recorded on the Council's internal systems. Any such changes should be noted as part of the annual inspections.

Collaboration and Partnerships

Strategic Ambition: Strengthen existing partnerships and build new relationships with relevant parties to deliver wider objectives and maximise outcomes

It is unlikely that the Council will be able to deliver all of their objectives independently due to budgetary constraints and limited resources. Therefore it is considered essential that partnerships are formed and enhanced to facilitate delivery and maximise specialist knowledge from external bodies.

The Council is currently working in partnership with organisations such as the Sheffield and Rotherham Wildlife Trust on management of Nature Reserves and through broader partnership arrangements such as the Sheffield Lakeland Landscape Partnership; hosted by Sheffield and Rotherham Wildlife Trust to deliver

environmental and wider benefits. There is scope for further interaction with such organisations and adjoining landowners, which may enable environmental outcomes to be maximised through improved connectivity and projects on a landscape scale. We understand that the Sheffield Lakeland Partnership and SCC tenants are currently taking part in an ELMS Landscape Recovery trial which suggests that a similar approach may be adopted for future environmental schemes on the land. It is likely given the terms of the tenancies and length of agreements involved that the Council would need to be party to any such agreements. It is noted that such schemes may not be open to public bodies and therefore collaboration with tenants and partners will be essential to meet eligibility criteria.

Communication and engagement with tenants has been limited in recent years. Fostering better relationships through more frequent correspondence with tenants and regular physical inspections will improve engagement with initiatives and willingness to collaborate. Where possible options to amalgamate holdings will be considered when tenancies end to enable holdings sizes to be increased which should improve the viability of the Council's equipped farm holdings and improve existing tenant relations, reducing the administrative burden on the Council.

The Council will work with tenants and third parties to encourage opportunities and branding initiatives to add value to farm outputs and diversify incomes.

Objectives:	0-5 years	5-10 years	10+ years
Improve communication, engagement and collaboration with tenants and existing partners	✓		
Improve internal communication between Council departments to ensure co-ordinated decision making, policy formulation and record keeping	✓		
Identify and maintain new and existing partnerships to foster a coordinated approach to environmental schemes and improvements between tenants, local landowners and organisations	✓	✓	✓
Provide support for tenants to add value to farm outputs and improve business viability		✓	✓

Action Points & Recommendations:

- Carry out a coordinated review across Council departments of existing and proposed projects with external partners enabling the identification and recording of key points of contact on a central database.
- Enhance cross-departmental communication and record keeping through improved systems, engagement and coordinated, collective decision making.
- Conduct annual visits with key tenants to consolidate relationships and identify any opportunities or actions required as part of proactive management.

Integrated Land Management

Strategic Ambitions: To utilise the rural estate to maximise the provision of ecosystem services, reduce emissions and address the nature and climate emergencies; utilising nature based solutions in collaboration with third parties where appropriate

For some sites, there are various potential competing land use options. It will be necessary to establish the Council's preferences and priorities on a site by site basis dependent on the characteristics of the asset, the potential outcomes and internal policy.

Natural capital mapping had been undertaken in conjunction with Natural Capital Solutions and other partners. This mapping uses a Geographic Information System (GIS) to provide spatial perspective on the variation in natural capital assets, the potential benefits which could be delivered across an area and where there is local demand for some ecosystem services. The work has been carried out in conjunction with the

other South Yorkshire local authorities and should be considered in its wider context in order to maximise and potentially 'stack' any benefits resulting from environmental improvement works.

Whilst this mapping is able to provide an indication of possible target sites, further information gathering and measurements are required 'on the ground' to assess site specifics and identify other possible constraints and opportunities.

A South Yorkshire Catchment Plan is in draft which aims to reduce flood risk, mitigate climate change and support climate resilient communities. The creation of the Plan arose after the November 2019 flooding and includes specific actions for the Sheffield City Region including "to carry out further economics assessment and wider natural capital analysis to support development and ongoing nature based solutions investment in the catchment". We understand that the Council have already carried out a study on the high level benefits of NFM to Sheffield flood protection and mapped various storage based features, such as earth banks on obvious flood paths, where the topography was most suitable. This may be complimentary to the existing Sheffield Lakeland Landscape Partnership work and potential Landscape Recovery pilot schemes which could include contiguous land holdings located across the Rural Estate.

Stewardship is considered to be the 'bridge' to the upcoming Environmental Land Management Schemes. There are currently various Countryside Stewardship Agreements across the Estate; some of which span multiple holdings within the Council's ownership and include other areas which are outside of the Estate. There are a multiplicity of other schemes currently available, including the Farming in Protected Landscapes Fund, which may offer additional options which should also be explored.

The Council should be aware that any obligations entered into under an environmental scheme may bind the Council and any subsequent tenants, for instance if the scheme holder surrenders their tenancy agreement or the tenancy agreement expires prior to the termination of the scheme.

Following the Council's declaration of a Biodiversity and Ecological Emergency in 2021, the Council should support biodiversity enhancement across the Estate where the Council benefits from management control or has the co-operation of the Tenant. Enhancement could be funded in part through environmental schemes or through the private sector and Biodiversity Net Gain (BNG) once this becomes a legal requirement.

As the Local Planning Authority, Sheffield City Council may need to create a 'bank' of Biodiversity Net Gain units and land for use by those developers who are unable to achieve on-site or off-site Biodiversity Net Gain. Local Nature Recovery Strategies are to be developed in time which will identify areas to target nature recovery. However, it may be suggested that the Rural Estate can contribute to this bank of Biodiversity units. Notably, this can only be achieved where the site is vacant, comes back in-hand/tenancy renewed or through negotiation and collaboration with existing tenants.

Where biodiversity gains need to be delivered off site, 'offsetting' assets within the same local authority will be considered favourably by the Biodiversity Metric; whereby the number of units are reduced for offset delivered in a neighbouring authority and further afield.

Recent market analysis published as part of the consultation adopts a central assumption of £20,000 to £25,000 per biodiversity unit. Using the Biodiversity Metric 3.0, changing intensive grassland considered to be in poor ecological condition to a more species-rich habitat could deliver somewhere between 1.4 and 4.7 units of biodiversity gain per hectare. However, this will vary by site and a detailed assessment would be required to account for the existing habitat and its condition, soil type, location and timescales for any proposed change. The Biodiversity Metric is also likely to continue being updated and therefore any figures are subject to change.

Under the current BNG consultation, the government are considering whether to allow enhancement of the non-designated features of statutorily protected sites however this could introduce additional complexity or be difficult to deliver and enforce in practice, making it an unlikely inclusion.

Where full management control of a site is unavailable, the Council could signpost tenants to appropriate professional advisors to assist in accessing environmental schemes or private sector investment to support environmental enhancement. This option, whilst potentially incurring a cost, could help the Rural Estate to be pioneers in these options, fast-tracking improvements on the Council's property in support of the Biodiversity Emergency and providing workable examples to other farmers in the Authority Area.

Alternative land uses such as peri-urban farming or community orchards could also be considered, particularly in areas on the urban fringe where traditional agriculture may be challenging and there may be wider benefits to the community.

Objectives:	0-5 years	5-10 years	10+ years
Manage competing land use priorities and ensure appropriate record keeping is maintained	✓	✓	✓
Facilitate Natural Flood Management	✓	✓	✓
Encourage participation in environmental schemes	✓	✓	✓
Enhance biodiversity across the Estate and explore opportunities for Biodiversity Net Gain	✓	✓	✓

Action Points & Recommendations:

Land Use Priorities & Record Keeping

- Review all available information in relation to sites such as natural capital mapping and any identified development potential in order to prioritise land uses which deliver the greatest beneficial outcomes.
- As part of a wider audit of the farms and annual inspections, there will be a need to update and maintain appropriate records for particular land uses or improvements which are undocumented via addendums to tenancy agreements; in particular where there may be a breach of tenancy terms had permission not been formally granted.
- Encourage tenants to regularly collate data for their farms and undertake carbon auditing using one of the tools currently available on the market. If the information was forthcoming this would provide baseline carbon data which could be used to inform future decision making.

Natural Flood Management

- Continue to identify key target areas for NFM through more detailed information gathering with partners and/or grant funding where appropriate.
- Collaborate with the relevant partners to achieve the collective actions set out in the draft South Yorkshire Catchment Plan following its finalisation.
- The Council should continue to work with organisations, such as the Sheffield Lakeland Partnership, to implement the recommended NFM actions where the tenants (if applicable) are willing to participate, and such actions will not sterilise the existing practices over the holding.
- Consider environmental schemes and private funding opportunities that may finance the works prior to instigating NFM.

Environmental Schemes

- The Council should endeavour to regularly update tenants regarding environmental schemes available and the Council should assess any interest on a case by case basis prior to granting consent; to be documented on a centralised system.
- Tenants should be supported in entering into schemes such as stewardship subject to the terms of their occupation and with the options selected having been reviewed in the wider context of the Strategy.

Biodiversity Net Gain

- Where there is any development identified on the Estate, the Council will need to consider what land (where there is full management control available) may be best placed to deliver Biodiversity Net Gain (BNG) requirements.
- As part of screening sites for potential BNG, the Council should give due consideration to site specifics and existing landscape designations (e.g. SSSI) which could impact on the eligibility and/or the ability to deliver gains.

Identified Opportunities for Potential Development

Potential Planning Sites

Sites located within the Peak District National Park:

A large proportion of the Rural Estate sites are located within the Peak District National Park and Sites of Scientific Interest (SSSI). As set out within the Policy overview above the statutory purposes of National Parks are to conserve and enhance their natural beauty, wildlife and cultural heritage and to promote opportunities for public understanding and enjoyment of their special qualities. Development within National Parks is therefore restricted by national and local planning policy.

Within the Peak District National Park, the only development potential is for conversion of traditional buildings to alternative uses subject to meeting relevant planning policies.

We suggest that sites with buildings with potential for conversion to alternative uses are reviewed in further within a site-specific Planning Appraisal detail to determine the prospects.

Sites located within Sheffield City Council:

Urban Sites

There are two sites within the urban area which have been identified as having potential for residential development subject to a detailed technical review:

- Part of Land at Reignhead Farm, Eckington Way, Woodhouse Lane, Moss Way, Beighton (05339) which sits outside of the Green Belt
- 03878 - Land at Greengate Lane North (which was identified as suitable for housing within the Housing and Economic Land Availability Assessment under reference: S02514)

We suggest that these sites are investigated further through a detailed technical review (review of highways/access, ecology, heritage, arboriculture) to determine if there are any constraints to development and refine the development potential further to inform a Planning Strategy.

Green Belt

A large proportion of the Rural Estate is located within the Green Belt. As highlighted in the policy review above national and local planning policy restrict development in the Green Belt with paragraph 137 of the Framework stating that *“the fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and their permanence”*.

In the short term whilst planning policy restricts development in the Green Belt there are certain forms of development which are deemed to be not inappropriate such as the re-use of existing buildings, provided, they preserve its openness and do not conflict with the purposes of including land within it. In the short term there is therefore the potential for conversion of existing agricultural buildings within the Green Belt to alternative uses subject to meeting relevant planning policies. We suggest that sites with buildings with potential for conversion to alternative uses are reviewed in further within a site-specific Planning Appraisal detail to determine the prospects.

It is acknowledged that the spatial strategy being progressed by the Council within the draft Sheffield Local Plan is to only release brownfield sites in the Green Belt due to there being no exceptional circumstances to justify the release of greenfield land. As a result, there is therefore no opportunity to bring forward the Rural Estate land which is located within the Green Belt within the emerging Local Plan, which covers the development period to 2038.

In the much longer term, beyond the currently emerging Local Plan there are a number of properties which are within the Green Belt but sit adjacent to the urban area and may have development potential for residential development subject to:

- A technical review of the site
- Green Belt Reviews as part of the preparation of a future Local Plan for the development period beyond 2038
- Exceptional circumstances cases to justify release of land from the Green Belt for development as part of a new Local Plan (beyond 2038) or a Local Plan Review

Examples of Green Belt sites which may have potential in the long term subject to the points highlighted above include:

- The farms at Ryecroft in Dore and Ecclesfield / Grenoside,
- Agricultural land in Beighton

We suggest that these sites are reviewed in further detail to determine the prospects for promotion of these sites within subsequent Local Plan reviews and/or when preparation of a new Local Plan commences for the development period beyond 2038.

Sites located within the North East Derbyshire Council

There are two sites (UPRN reference 01235 and 01284) located within North East Derbyshire. Both sites are located within the Green Belt and conservation areas. In the short term whilst planning policy restricts development in the Green Belt there are certain forms of development which are deemed to be acceptable such as the re-use of existing buildings, provided, they preserve its openness and do not conflict with the purposes of including land within it. In the short term there is therefore the potential for conversion of existing agricultural buildings within the Green Belt to alternative uses subject to meeting relevant planning policies. We suggest that sites with buildings with potential for conversion to alternative uses are reviewed in further within a site-specific Planning Appraisal detail to determine the prospects.

It is unlikely that land referenced UPRN 01235 would be suitable for development in the longer term given the location of the site within the Green Belt.

Part of land referenced UPRN 01284 which is located adjacent to Mossbrook Infant and Junior Special School may have development potential in the longer term subject to technical review and the need for release of Green Belt land within an emerging Local Plan or subsequent Local Plan reviews.

Potential Energy Sites

To assist the Council with attaining its renewable energy capacity targets we have undertaken a review of the Rural Estate portfolio to identify land which may be suitable for renewable energy development. A desktop review of each property was completed screening the sites against environmental constraints, planning constraints and the feasibility of obtaining a grid connection.

Of the 95 sites screened, seven sites are thought to have potential for renewable energy developments, providing there is a viable grid connection. Each of our recommendations relies on sufficient grid capacity being available at a nearby substation. Capacity is finite, and competition for grid connections is extremely high and capacity may be taken up by other developments nearby. For a scheme to go ahead the Council must act quickly in decision-making and agreeing terms with a developer, so that grid capacity for the project can be secured.

In addition to a viable grid connection, for a parcel of land to be deemed suitable for an energy development it must be free from any planning or environmental constraints, have suitable topography, sufficient screening or landscaping to minimise any visual impact from public highways and/or residential properties and must be of sufficient size for the particular technology. Typically, this is in excess of 40 acres for a grid connected solar farm and over two acres for a battery energy storage scheme. Consequently, some sites are not suitable for a grid connected solar farm due to lack of available space, however, they are suited to a battery energy storage scheme.

Of the remaining sites, many were discounted due to a combination of the above. Some sites lie within the National Park, as well as the Green Belt and Conservation Areas. In addition, the closest point of connection to the grid for most sites was located in excess of 2km away, a distance that, dependent on connection costs, may cause a development to be commercially unviable.

At the time of this review there is no legislation in England to support onshore wind development and as such we have not made any recommendations for this in our review. Should legislation change in favour of onshore wind development we recommend revisiting the portfolio for this technology and any other advances in renewable energy.

A brief summary of each site is included below:

Butterthwaite Farm	<ul style="list-style-type: none"> • Private wire solar into Hydra Business Park • Grid-connected solar farm (up to circa 13MW based on land area) • Battery energy storage scheme
Land at Greengate Lane North	<ul style="list-style-type: none"> • If other development is pursued the opportunity to supply this with renewable energy should be explored, such as rooftop solar and/or a district heating scheme

Land at Myrtle Bank (comprising two land parcels)	<ul style="list-style-type: none"> • Private wire solar into industrial site located at Orgreave Drive or two nearby schools (Ballifield Primary School and Handsworth Grange Community Sports College) • EV charging station off Beaver Hill Road • If other development is pursued the opportunity to supply this with renewable energy should be explored, such as rooftop solar and/or a district heating scheme
Reignhead Farm	<ul style="list-style-type: none"> • EV charging station off A57 • Private wire solar into Crystal Peaks Shopping Centre or Drakehouse Retail Park
Land at Shotnell and Stubbing Farm	<ul style="list-style-type: none"> • Grid-connected solar farm (up to circa 10MW based on land area)
Land at Waverley Cottages	<ul style="list-style-type: none"> • Battery energy storage scheme • Peak power gas scheme • EV charging station off A630
Land at Westfield (comprising two land parcels)	<ul style="list-style-type: none"> • Private wire solar into Crystal Peaks Shopping Centre or Drakehouse Retail Park • If other development is pursued the opportunity to supply this with renewable energy should be explored, such as rooftop solar and/or a district heating scheme

The Council have already considered potential battery storage sites at Jordanthorpe Parkway and Hazlebarrow Farm which have not been pursued. Although battery storage sites would not contribute to net zero targets they should still be considered as a standalone option, given that there appear to be inadequate suitable sites with grid connection or land availability to develop a commercial scale joint solar and battery storage scheme. The additional income stream from a standalone battery storage scheme could be used to cross-subsidise investment to achieve the wider estate objectives detailed above. This could include suitable renewable energy schemes, essential repairs and environmental initiatives such as tree planting, peatland restoration and natural flood management.

Next Steps

It is recommended that any opportunity is progressed via an Option to Lease agreement between the Council and a developer. It may also be possible for the Council to consider developing the site, subject to availability of funding and the appropriate expertise. There is a need to ensure that the Council are achieving best value and are progressing with a reputable, experienced firm with a proven track record of project delivery. Therefore, an independent consultant will be required to provide advice in relation to the promotion of each site via informal tender to technology-specific developers using a succinct set of marketing particulars, inviting highest and best offers by a strict deadline. Following bid analysis and developer selection the independent advisor will progress to negotiation of Heads of Terms. Once agreed the chosen developer will be provided with a Letter of Authority allowing them to apply for and secure a grid connection for the proposed scheme. Once a viable grid connection is secured, the developer will progress with a planning application. It is at this point legal negotiations of the Option and Lease documents will be undertaken and agreed.

Should the Council wish to progress a private wire opportunity, it is suggested that a similar approach is followed. Once a chosen developer has been selected, we recommend that the developer then identifies and secures an off-taker for the electricity generated on site. The Council can then agree Option and Lease documents with the developer.

The table below provides an indication of the current market terms for each development type.

	Battery Energy Storage Scheme	EV Charging Station	Peak Power Gas Scheme	Solar PV (Grid Connected & Private Wire)
Land Area	2 – 3 acres	0.5 – 3 acres	0.5 – 2 acres	20 – 80 acres
Lease Term	25 years	20 – 25 years	20 - 30 years	35 – 40 years
Rent	£1,500 - £3,000/MWh	£44,000 - £70,000/annum	£3,000 - £3,500/MW	The higher of £900 - £1,000/acre or a % gross annual revenue share (typically 6 – 7%)

RURAL ESTATE PLAN AND MANAGEMENT POLICIES

Core Estate Policy

The Bradfield Estate

The Bradfield Estate is located to the northwest of the City of Sheffield. The properties within the estate comprise both equipped farms and bare land lettings. Land types are typically grassland and moorland with some woodland. The extent of the Bradfield Estate is shown on the Figure 26 below.

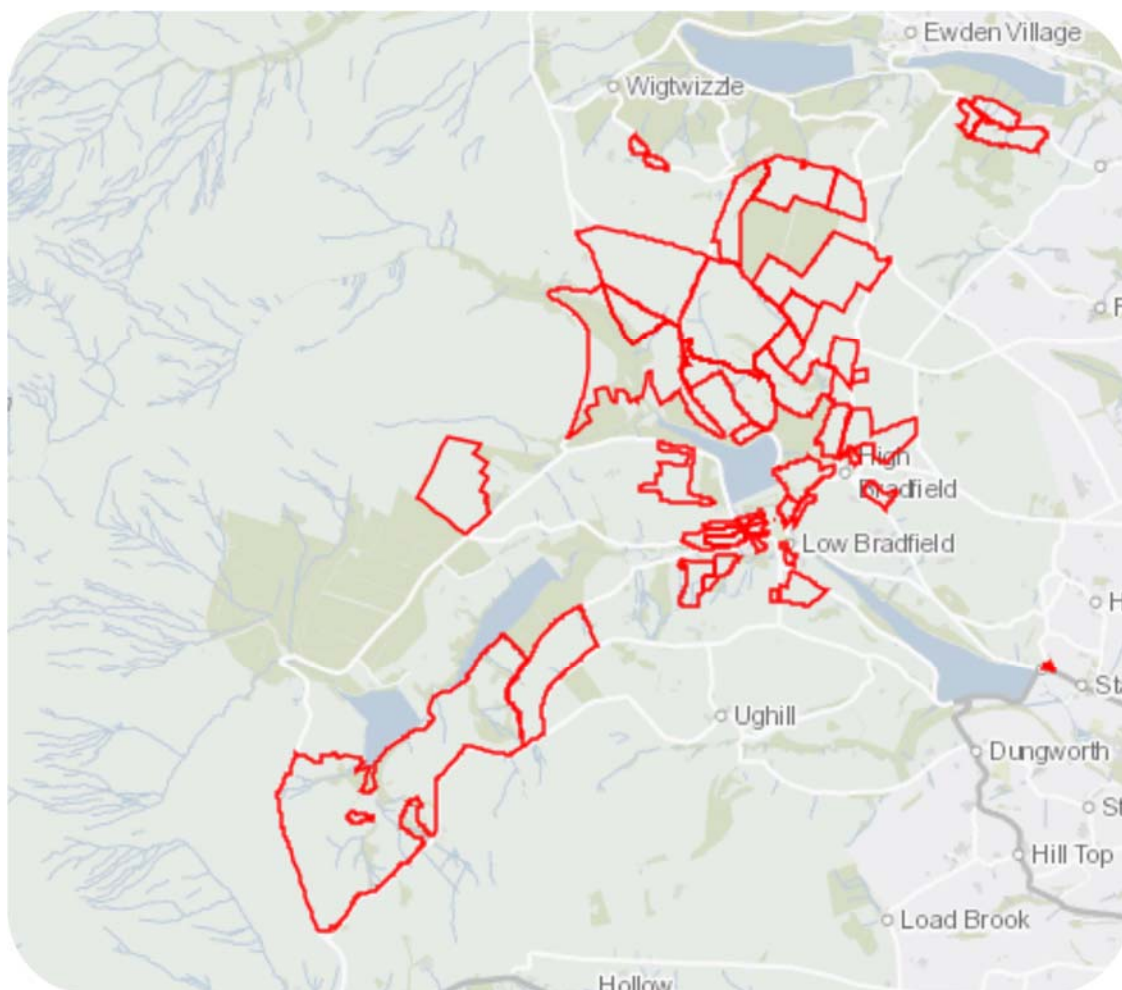


Figure 25: The Bradfield Estate (Contains OS data © Crown Copyright and database right 2020)

To date this area has been the focus of the projects carried out by the Sheffield Lakeland Landscape Partnership as the large contiguous blocks of land are suited to landscape scale environmental improvements. The varied upland nature of the farms also provides excellent potential for a wide range of future schemes and activities which will likely look to foster collaboration at a landscape scale in pursuit of maximising any environmental benefits. It is therefore recommended that where possible the Estate remains intact as a core estate with any sales off limited to small areas of land on the periphery or where a significant premium may be achieved such as garden land plots or developable farmsteads in accordance with the disposals policy set out below.

The Ringinglow and Dore Estate

The Ringinglow and Dore Estate is located to the southwest of the City and comprises equipped farms and bare land holdings; some of which are understood to be held as charitable assets. The Estate includes both upland and lowland land types with the large areas of moorland to the west considered to be of particular interest for future environmental works and schemes.

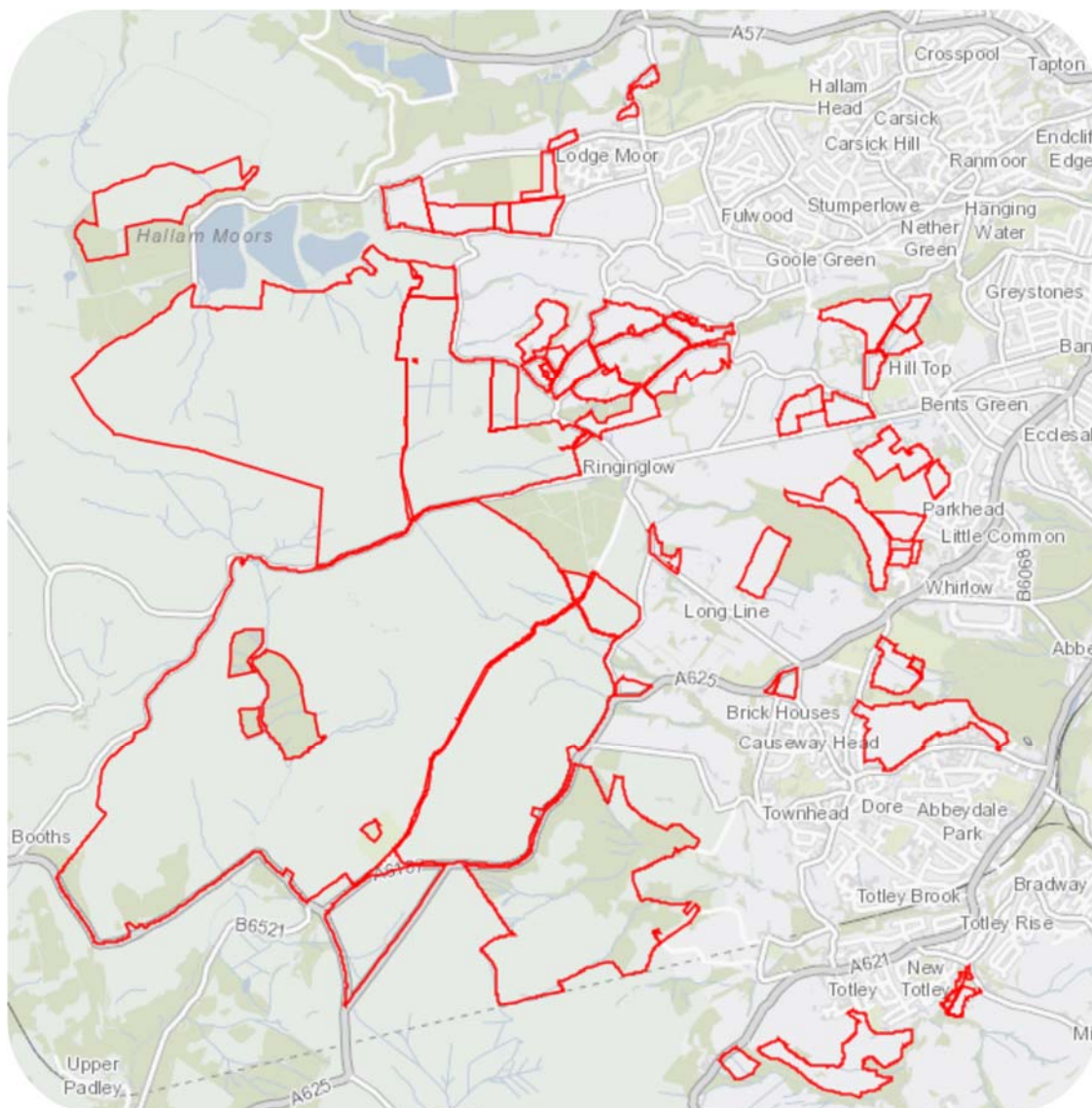


Figure 26: The Ringinglow and Dore Estate (Contains OS data © Crown Copyright and database right 2020)

As with the Bradfield core estate it is considered that the land holdings should be retained to enable landscape scale interventions to be implemented; with sales of peripheral plots or developable farmsteads possible where appropriate if windfalls or sales to special purchasers may be agreed.

Wider Estate

The wider Sheffield City Council portfolio includes various individual farms and parcels of agricultural and amenity land located around Sheffield and at Great Longstone in Derbyshire.

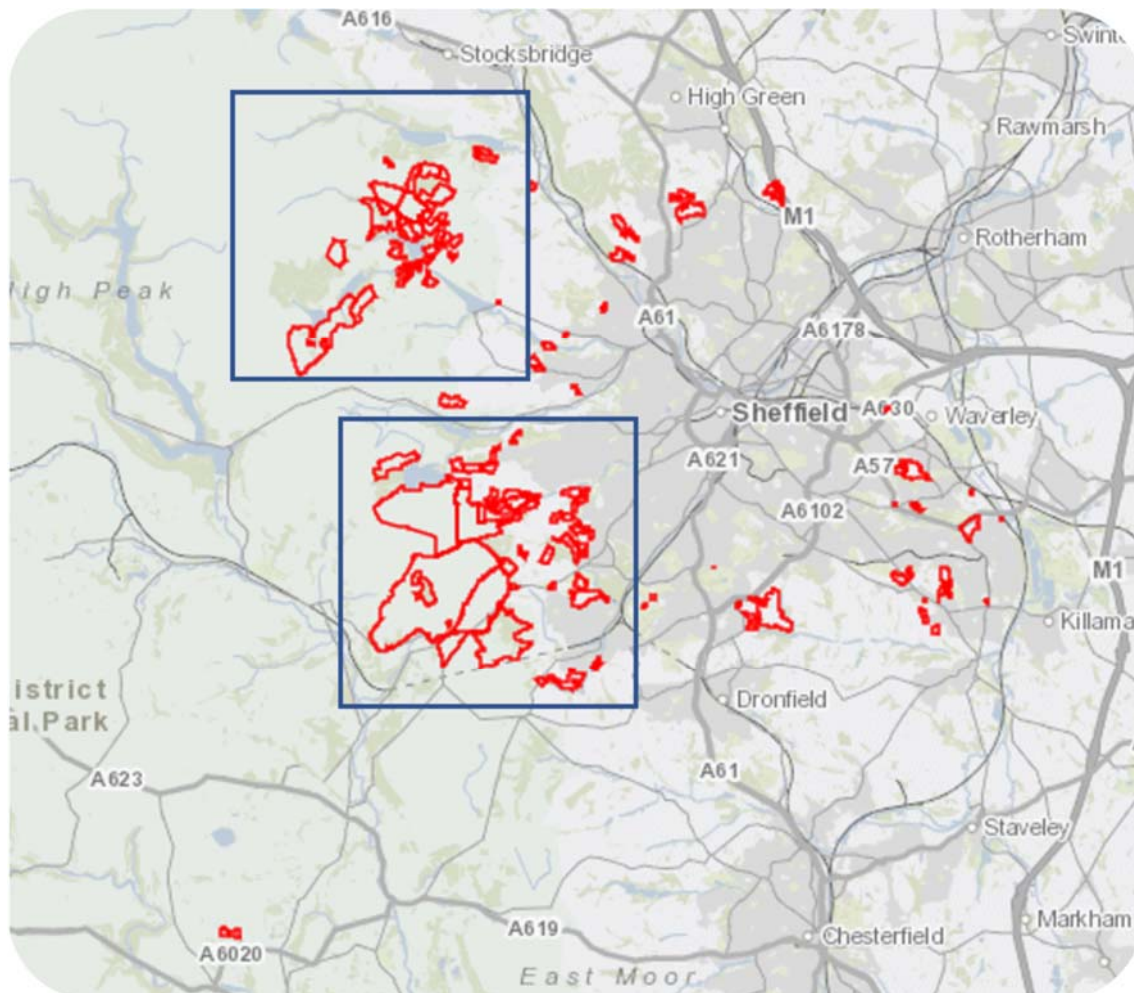


Figure 27: The Wider Estate (Contains OS data © Crown Copyright and database right 2020)

These parcels are mainly urban fringe parcels which experience the difficulties associated with urban fringe farming such as trespass. It is therefore considered that these parcels would be suited to consideration for alternative uses such as renewable energy, peri-urban farming, community orchards or development. Where possible in accordance with the disposals policy set out below opportunities should be capitalised on to maximise capital and revenue receipts from the sites.

Tenancy Management

Tenants will be expected to occupy the holdings and carry out their business in a way that respects the terms of the tenancy agreement(s).

Breaching of tenancy agreements will be addressed by direct communication with the tenant in the first instance so as to encourage the remedying of such a breach and to foster goodwill and cooperation. However, serious and/or persistent breaches will result in formal enforcement; referral to arbitration and/or legal action as appropriate. It is considered essential to regularise any historic works carried out to date where SCC consent had been granted.

Significant breaches of animal welfare regulations will be subject to legal action via the police, Trading Standards and/or other agencies as appropriate.

The Council should encourage existing tenants to plan for moving on or retirement where necessary and to hold annual meetings and farm inspections to increase contact.

For AHA tenancies without eligible successors, the Council will seek to enter into constructive dialogue with tenants, and their advisors, to explore retirement options. Decisions will be made taking account of the wishes of the tenant, availability of alternative residential accommodation, the level of the tenant's business activity on the holding, significant breaches and any other extenuating circumstances.

In respect of new lettings, where a Business Plan is submitted as part of the tender process for the holding the tenant's activities will be monitored against the Business Plan. If after two years the Plan has not been followed, other than through negotiation with the Council, then the tenant will be given 12 months to remedy this otherwise and if available to the Council a three/five year break clause to end the tenancy will be utilised.

The Estate will be managed in such a way as to promote good stewardship of the land, to enhance the landscape and to conserve and further biodiversity. Prospective tenants will be asked to address ELMS/stewardship in any Business Plans if relevant. Existing tenants will be encouraged to enhance the farms above their current condition.

The Estate will be managed in such a way as to safeguard the historic landscape and environment including but not limited to, Sites of Special Scientific Interest, archaeological sites, listed and vernacular buildings, wetlands, woodlands, hedgerows and ancient trees. Safeguarding should be secured via lease terms and monitored as part of the farm inspection process.

Diversification of farm enterprises will generally be supported through the Council 'signposting' tenant's to grant funding, mentoring, business development and training opportunities so as to ensure they benefit from every available form of assistance in support of business growth and creating new employment opportunities across the Estate.

Maintenance Policy

Property Management – Holdings including dwellings, land and buildings

Farms and properties will be inspected at least once every year with a detailed visual inspection undertaken and a record made of the general condition of the holding. The initial inspection in Year 1 will provide a benchmark for the future.

Any landlord's or tenant's repairing obligations will be noted upon inspection and actioned in accordance with the Council's obligations and available budgets. Tenants will be made aware of their repairing obligations during the annual inspection.

The Council will comply with its legal repairing obligations as required by the wide range of statutes covering the variety of lettings found on the Rural Estate.

The property management team will utilise the information gathered during annual and other inspections to allow the Council to budget more accurately for repairs and renewals required across the Estate and to inform the disposals policy.

Given the unique nature of the dwellings and farm buildings on the holdings it may be necessary to have an Approved Contractors List (ACL) of external contractors who are better suited to carrying out repairs rather than relying on internal Council Housing Repairs Service (more suited to conventional housing stock). This should also include contractors who specialise in farm buildings and listed buildings.

The Council will maintain an appropriate level of insurance to cover all liabilities as stated within the various tenancy agreements and vacant properties. This should be reviewed by a qualified Building Surveyor every five years to ensure that appropriate levels of insurance are maintained. Where the insuring liability lies with the tenant, the Council should request copies of the appropriate sections of their insurance policy annually. The sums insured should also be reviewed by the qualified Building Surveyor quinquennially.

Tenant's Improvements under Agricultural Holdings Act & Farm Business Tenancies

Only improvements appropriate to the scale of the Council's holding will generally be agreed. Larger scale developments to facilitate the farming of other non-Council land owned or leased by the tenant will be at the tenant's risk and written landlord's consent may not be provided.

For AHA tenancies landlord's written consent should be on a conditional basis where granted, with an appropriate write down period to reflect the economic life of the improvement to the farm holding.

Compensation to outgoing tenants for FBT's will be based upon details contained in the tenancy agreement, memorandums of agreement and/or statute.

Diversification outside the terms of the current tenancy agreement must be agreed in advance with the Council and all relevant consents and permissions obtained by the tenant. Where diversification is appropriate and represents business growth, the Council will seek a rent increase at rent review and when varying the terms of the tenancy. Where diversification is significant the Council, in giving its consent, will seek to negotiate a new agreement, which could include a surrender of an AHA agreement and re-letting on an FBT.

Property Management – Woodland

It is assumed that the woodland on the Rural Estate will continue to be actively managed and maintained in conjunction with external partners and/or the Parks & Countryside Service. This will include ensuring trees are safe and do not cause a hazard to the public or third-party property.

Annual tree survey inspections of roadside trees and trees along public rights of way should be carried out for insurance purposes.

As stated above farms and properties are inspected at least every year and woodland areas are to be included as part of the annual holding inspection, but undertaken by the Parks & Countryside Service Team, who will utilise the information gathered during annual and other inspections to allow the Council to budget correctly for repairs and improvements required across the Estate.

The property management team will also explore with farm tenants areas of future cooperation where woodland areas could be taken back 'in-hand' or where increased grant funding may be made available as part of ELMS or other sources.

Capital and Revenue Investment for the Existing Portfolio

There will be a presumption against capital investment except where it is essential and where:

1. the fixed equipment on a holding is inadequate in connection with a statutory function and the farm is designated for long term retention as a viable commercial holding; or
2. holdings are being aggregated and surplus buildings are to be developed or sold off, requiring investment in the consolidated farmstead;
3. substantial refurbishment to specific farm buildings of traditional construction is required to save consequential repair costs and where long term development potential is to be safeguarded;
4. substantial capital receipts can be achieved over and above the capital expenditure;
5. substantial additional revenue streams in diversified ventures may be achieved;
6. as an incentive for surrender of part of a holding.

The Council will consider capital investment in buildings and fixed equipment for commercial and diversified enterprises where a supporting case identifies opportunities to increase capital and revenue returns for the Council such as a visitor and/or educational facility.

In addition, the Council should consider cross-subsidisation, reinvesting a proportion of the additional revenue streams, from specific projects, such as battery storage rental income, to address the maintenance backlog and compliance issues.

Decision Making Triangle

The below triangle sets out the Council's priorities in terms of land management options for the Rural Estate.

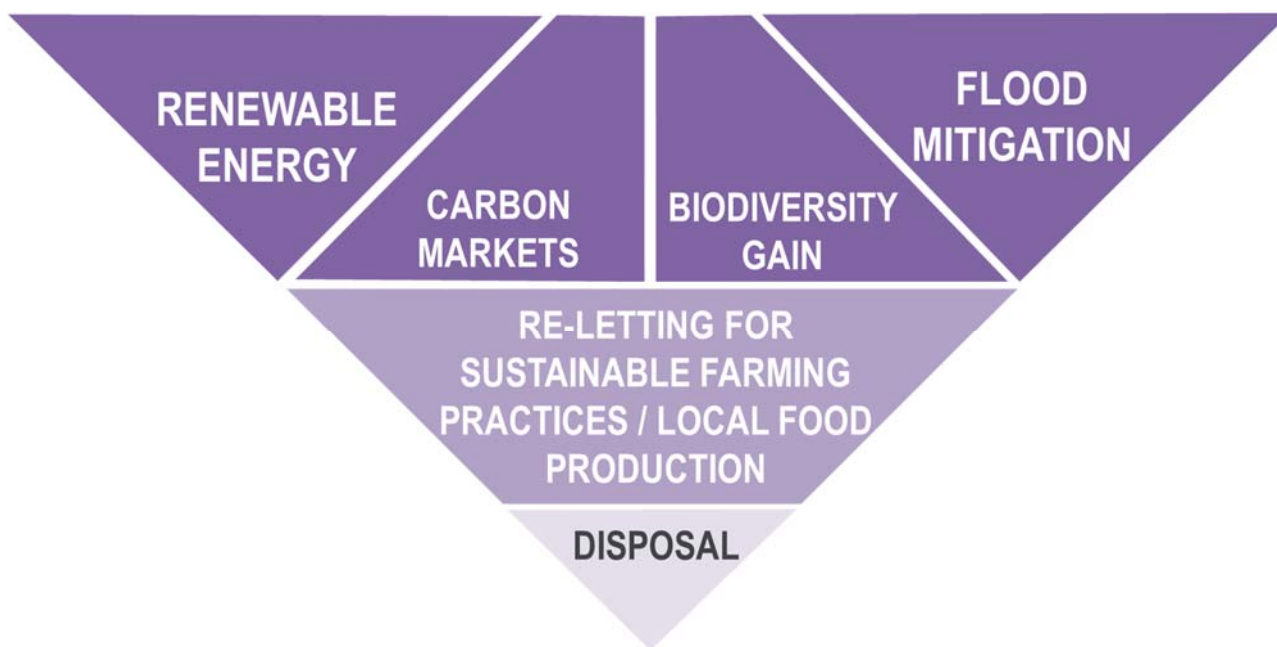


Figure 28: Decision making triangle

Environmental Policy/Integrated Land Management

The Trees and Woodlands Strategy 2018-2033 includes a headline action to “plant at least 100,000 additional trees and replace trees on a 2 for 1 basis in our greenspaces and woodlands over the next 10 years”. In pursuit of this and their ambitious net zero target by 2030, as well as addressing the Climate and Biodiversity and Ecological emergencies declared in 2019 and 2021 respectively, the Council should adopt a policy of integrated land management in order to ensure the maximisation of environmental improvements and income opportunities across the Estate.

The report published by ARUP in 2020, entitled ‘Pathways to Net Zero in Sheffield 2020/21’, suggests that the main ways in which land use, land use change and forestry can contribute to the achievement of Sheffield’s net zero target are through extensive expansion of tree cover and restoration of peatlands; adopting an aspiration of doubling sequestration. Whilst it is recognised that the potential for practical, accountable carbon emissions reductions from *nature-based solutions* is relatively limited across the Estate, these actions can provide multiple additional benefits to wellbeing and nature. Hence, the need for an integrated approach to land management and collaboration with existing farmers to encourage sustainable management and deliver wider objectives. Moving away from the historic lack of tenant collaboration, the Council must prioritise engagement with tenants in order to achieve such high environmental targets and foster a community of sustainable businesses throughout what is a period of great change for the agricultural sector.

The Council should continue to collaborate with the Sheffield Lakeland Landscape Partnership and other relevant organisations where appropriate on vacant sites and/or whereby there is sufficient tenant appetite, whilst ensuring to regularise any proposed activity or change of land use via timely addendums to tenancy agreements. Any proposals should be considered with a holistic view across the wider Estate, in order to maximise the potential environmental benefits and allow for the ‘stacking’ of co-benefits where feasible; provided that there is no double funding for the same outcome.

The Council should consider further collaboration opportunities with companies such as Yorkshire Water, who through private partnerships and potentially Landscape Recovery Schemes, may be open to funding restoration works and Natural Flood Management (NFM) practices in pursuit of water quality improvements and flood mitigation.

Disposals Policy & Acquisitions Including Vacant Property & Development

Disposals

The criteria for the disposal of land and property will be as follows:

1. An overriding presumption against the premature sale of land which has potential strategic or long term development value and which might otherwise be sold;
2. Property will not be identified for sale where it would have a serious adverse effect on the capital value, environmental value or management of retained land;
3. Land within the identified Core Estates in compact or closely related blocks will be retained;
4. Sales of farmsteads or buildings which are deemed uneconomic to renovate and/or have development potential will be considered;
5. Isolated and detached blocks of land or properties will be considered as suitable for disposal subject to consideration of the alternative land uses specified in the decision making triangle.

Disposals Policy Commentary

The Disposals Policy is to be implemented when assets are identified as surplus or no longer key to Council's functions.

It is assumed that the Council will identify surplus assets in line with their existing disposal policy.

Assets within the Rural Estate will be deemed surplus to requirements where assets do not provide an effective solution for Council functions and objectives or beneficial land use as specified in the decision making triangle.

For clarification, the term "Surplus" in this context may not necessarily reconcile with classification of assets for financial reporting purposes.

If the asset is located outside of the identified Core Estates and/or meets the above criteria for disposal should then be produced in line with the Council's surplus declaration procedure, setting out rationale for disposal, external evidence of Best Consideration (if required and available at this stage), method of disposal and timing.

Examples of suitable assets for disposal which are classified as surplus include small parcels of land with no alternative use potential and surplus tenanted properties with low rental returns and high holding costs in the form of maintenance and statutory compliance costs. Partial sales of holdings may be considered; for example, traditional barns outside the main farmstead area or farmsteads with development potential or deemed uneconomic to renovate to meet the required standards for re-letting.

Disposal of any charitable assets will need to be considered in line with the terms of the legacy gift to ensure they can be sold.

Assets which become suitable for disposal following an unexpected event (e.g. death of a tenant/change in planning policy/unsolicited approach from a potential special purchaser) are known as "Windfall Assets".

Legal and surveyors' costs should be recovered from the buyers where possible, with undertakings provided to cover abortive costs where buyers withdraw. In the event that SCC withdraw from the sale a budget will be required to cover abortive fees. It is assumed disposal costs would be capitalised against capital receipts.

Governance

It will be essential for the Council to have appropriate delegation of some powers in place to enable them to make decisions within a realistic commercial timeframe so as not to be disadvantaged.

This will be particularly relevant for leases over 7 years for agricultural tenancy agreements and commercial leases for renewable energy schemes.

Methods of Disposal

This will either be freehold disposal, a leasehold disposal (in excess of 7 years) or a grant of easements.

There are various methods of sale that may be appropriate for different circumstances, summarised as follows:

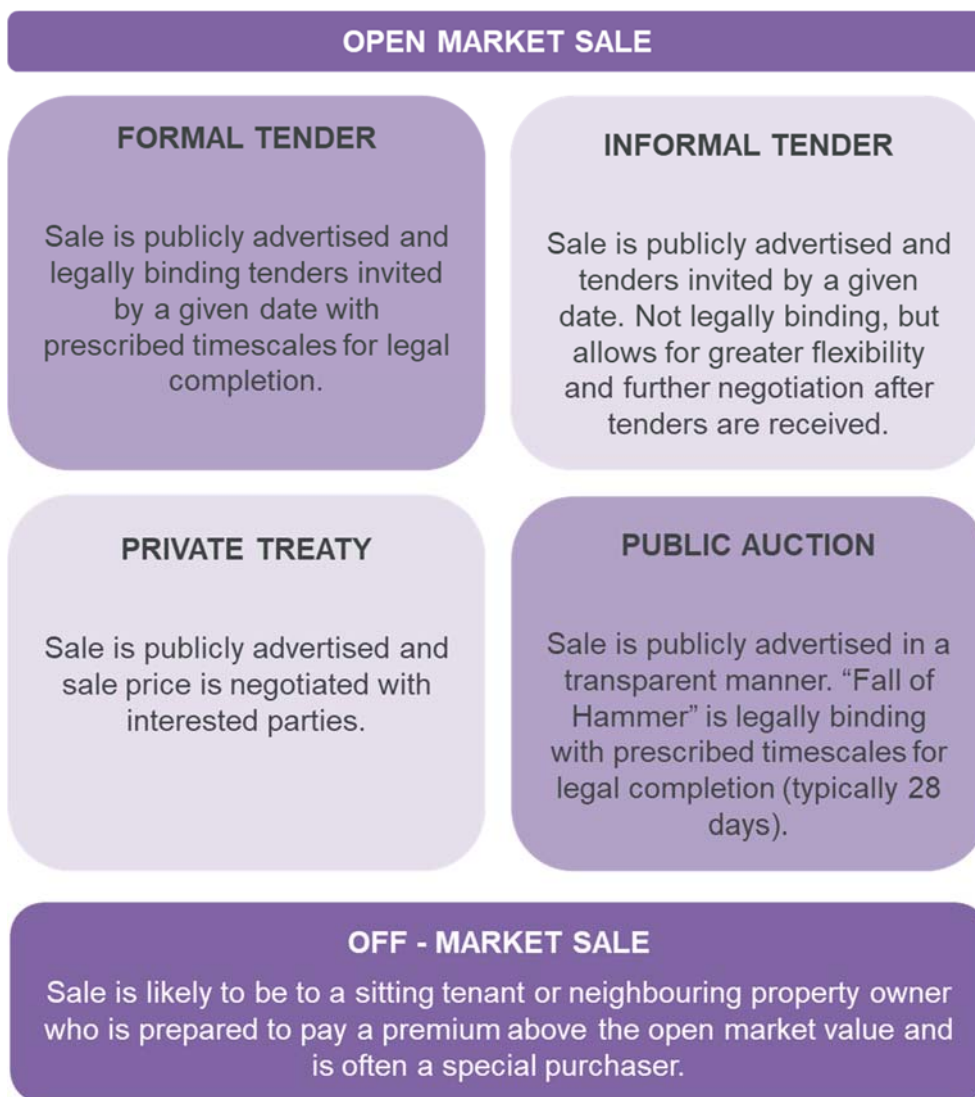


Figure 29: Methods of sale

Disposals Flowchart

The flowchart below at Figure 30 should be read with the commentary above. It applies to disposals of rural estate land holdings held by Sheffield City Council. Specific types of property, such as land held for charitable purposes may be subject to further regulation and consultation.

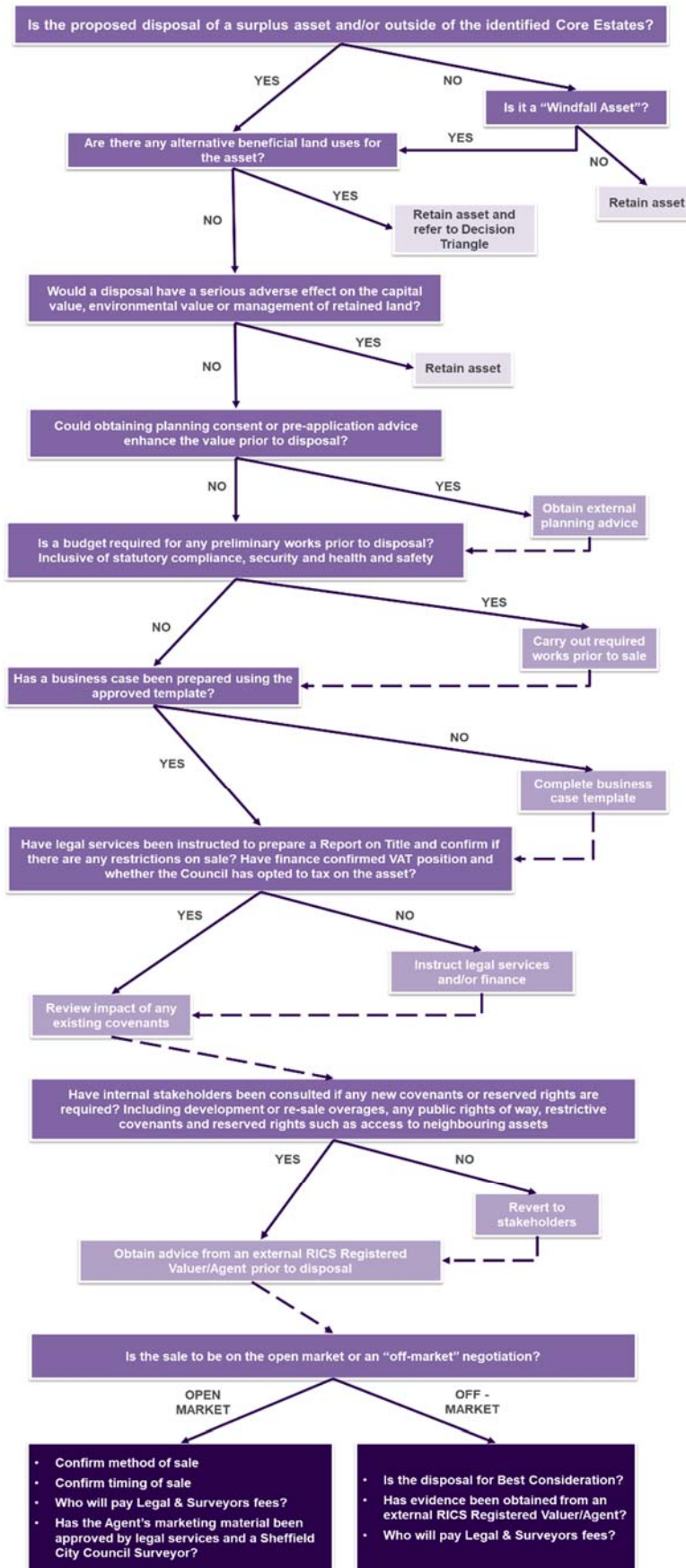


Figure 30: Disposals flowchart

Acquisitions

There will be a presumption against the acquisition of further property in the rural estate unless one or more of the following criteria are met:

1. Land which has long term development value;
2. Land and property that due to its location and strategic value has the ability to add to and/or release latent rental and capital value within the existing portfolio;
3. Land required to enable the statutory functions of the Council to be undertaken;
4. Land in compact or closely related blocks that adds environmental value to existing holdings and supports the Council's emerging climate strategy and environmental objectives.

Subject to the satisfaction of one or more of the above it is expected that any acquisition would provide longer term strategic or environmental benefits.

Lettings Policy

The lettings policy for properties within the Rural Estate will take into account the following:

Phase 1 – initial considerations



Phase 2 – Considerations for tenancy terms and applications

