

# **County Farms**

The gateway to a new business opportunity...



## Estate background and purpose

The Staffordshire County Farms estate currently comprises 94 farms equipped with house, buildings and land across a total of 8,600 acres. Although the estate is predominantly made up of 61 dairy units, there are many opportunities for livestock and smaller arable producers and we welcome ideas to make the assets work harder.

With a focus on top performing commercial food production, the estate provides agricultural entrepreneurs with the facilities needed to get the businesses up and running.

The Estate has offered on the open market and let 19 units to new starters

since 2008. 11 of those in the last 3 years up to 2016.

Of the 19 new starters, 10 have been 1st generation farmers who have gone out and sought the education and experience to put them in contention to take on a tenancy.

The estate charges commercial competitive rents and are in no way subsidised. The opportunity is that SCC are ideally placed to have an estate strategy that promotes new entrants because we have retained farms that are the right size with the right facilities and are within the reach of new starters.





Our aim is to provide the landlords infrastructure on farm, with buildings, fodder storage, muck storage etc. in order that tenants can grow their businesses quickly, giving them the best chance to find opportunities off the estate.

County Farms Estate in
Staffordshire offers a unique
service which is vital within today's
tenanted sector, with few other
avenues for new entrants to either set
up from small beginnings or expand
their current businesses. Many of the
applicants have started business in a
small way with a flock of sheep or herd

of cattle, or come from a management role on an established dairy farm. The Estate provides the next step, a means of entering the industry, developing a profitable enterprise with the overall outcome to progress either within or off the Estate.

Having lots of money behind them before they start the business is not the key to success but having the knowhow and drive to make money from a limited start-up capital is essential.

We are looking for people who can innovate and be the best in their field.

### **Current Estate Arrangement**

**Starter Holding** – A starter holding is defined as a holding offered to let on the open market, normally above 60 acres and equipped with house, buildings and land.

To grant a 10 Year fixed term Farm Business Tenancy.

The tenancy will have a break clause which can be used to terminate the tenancy by the landlord on the 6th anniversary of the tenancy. This enables the Landlord to review the tenants business and ensure it is profitable and progressing as would be expected.

**Progression Holding** – A progression holding is defined as a holding in excess of 90 acres and equipped with house buildings and land, which is offered to let primarily to existing tenants.

To grant a fixed term Farm Business Tenancy with a term to be calculated as follows:

26 Years less Term already expired in occupation of any other County Council Holdings.

The tenancy will have a break clause which can be used to terminate the tenancy by the landlord on the 12th anniversary of the term and every 4 years thereafter. This enables the Landlord to review the tenants business and ensure it is profitable and progressing as would be expected.





#### **Previous**

Mike was running his own share-milking business with Laura in Lincolnshire, providing all management to 350 cow dairy herd. This included employing labour, organising contractors and suppliers and day-to-day running of the unit. This enabled them to build up assets in the form of their own cattle to subsequently bring onto their own farm.

#### **Current**

Mike and Laura run the business as a team as well as bringing up their twin boys, Henry & Oscar. Michael having graduated from Aberystwyth Uni and Laura from Harper Adams, met whilst working on the same 300 cow dairy unit.

#### **Tenancy**

10 Year Farm Business Tenancy on a 'Starter Holding'

#### Size

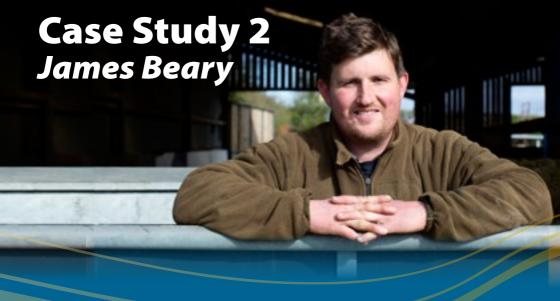
82.79 acres (33.46 hectares) permanent pasture, plus additional sourced land and investigating alternative agreements such as contract grass growing with neighbouring arable farmers.

#### Cows

Mike runs 85 cross-bred (predominantly Montbeliarde-cross) milking cows plus dairy followers on the county farms holding. The majority of which were reared from heifer calves in rented sheds in order to build up stock within the previous share-farming enterprise. They are achieving an average yield 6750-7000L. On an autumn, block calving (October-December) utilising grazed grass by a system of high tensile electric fence, rotating around paddocks and routinely measure grass to ensure they are hitting specific targets. Mike & Laura together do all their own AI & Foot trimming.

#### Investment

The landlord has invested in a new, modern cubicle building with approximately 100 spaces, plus loose house calving yard, together with concrete sleeper tracks and various other improvements. With a combined approach to investment in infrastructure with the Landlord, Mike and Laura have taken full advantage of this opportunity and have the ambition to drive their business forward.



In 2009, James set up Tru Contracting, a groundwork and gritting business whilst also working self employed on various farms. He also sought an education and completed A degree at Harper Adams, expanding his experience further in New Zealand for a considerable time.

#### **Tenancy**

10 Year Farm Business Tenancy on a 'Starter Holding'.

#### Size

85.78 acres (34.71 hectares) permanent pasture, plus additionally sourced privately rented ground.

#### **Business Structure**

Livestock

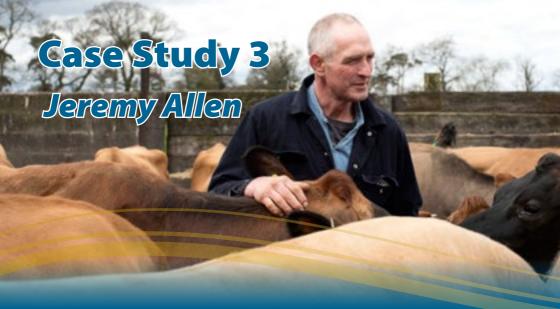
Sheep - runs 600 ewes Aberfield x Romney as his main enterprise. He has researched and sourced the specific genetics and type of ewe to give his desired outcome. All lamb outside and have scanned 190% this year for the 2016 lambing season, he is continually improving and striving for best efficiencies and performance. Blade Beef – Contract Rearing Calves Rears 800 calves per year, rears them from 2 to 14 weeks old. Receives a batch every 8 weeks. Works as an 'all-in, all-out' system to ensure high welfare & hygiene. Calves are 42 days on milk powder fed by automatic feeders plus Ad-lib straw and nuts. James works to KPI's, ensuring top performance, and provides all labour and facilities. Blade provides feed, vet & med, milk powder & the cattle.

#### **Investment**

James invested in 4 feed stations & 1 automatic machine (which feeds 120) He has adapted buildings for wash down and ventilation, as well as gating system & race for ease of movement. 'Top Rearer in North', 'Top 5% of Blade Rearers' Nationally!'

#### **Future**

James' personal target is for 1000 ewes run as a 'one-man' system and to finish his own beef cattle.



#### **Previous**

Jeremy was a first generation farmer, starting out with a just few hens, some sheep, a wheel barrow and fork across 25 acres on the County Farms Estate, with the long term desire to establish a dairy enterprise. Together with his wife Helen, they have being building up ever since, expanding onto a 50 acre holding to start milking and successively progressing further onto their current unit near Gnosall.

#### **Tenancy**

Farm Business Tenancy on a 'Progression Holding'

#### Size

105 acres (42.50 hectares) permanent pasture on the County Farms Estate

#### Cows

Jeremy runs 130 pedigree Jersey milking cows, a home reared, closed herd. His 100 young-stock are reared off-farm by a heifer rearer. They calve all year around to ensure a level profile for their milk buyer. They are achieving an average yield 6200L.

Targets for Milk Quality are high and are achieving 6% Butterfat, 4% Protein, Somatic Cell Count of under 250. The cows diet includes grass and maize silage together with some blend and compound fed in parlour. Jeremy and Helen sell their surplus heifers which command great interest due to showing and reducing numbers of pedigree Jerseys nationally.

#### **Innovation**

Jeremy and Helen saw a gap in the market and with their keen eye and specialist knowledge they produce a niche, 'added value' product on a specialist contract with high constituents.





#### **Previous**

Giles started on the County Farms Estate in 2012 on a 60 acre unit in Penkridge. Ever since Giles and his wife, Emily have expanded the business significantly in a short period of time due to their ambition and high level of efficiencies. After actively seeking the next step, looking for opportunities on or off the Estate, they have consequently been successful in gaining a progression holding tenancy within the County Farms Estate near Stoke-on-Trent.

#### **Tenancy**

Farm Business Tenancy on a 'Progression Holding'

#### Size

134 acres or thereabouts, plus additionally source privately rented land

#### Cows

Giles is running 112 Jersey and Crossbred New Zealand genetic cows as a Flying Herd to make best use of his grazing platform on the holding. They are achieving an average Yield 5400L. Giles currently supplies Joseph Heler Cheese on a Solids Contract.

Milk price is constituent based and dependent on kilograms of butterfat and protein attained.

#### Investment

At Giles' new progression unit the Landlords has invested to date in a new slurry lagoon, concrete wall silage clamp, concrete sleeper cow tracks, improved lighting and dairy building facilities. Together with a combined approach, the tenant has and will continue to invest, having already fenced the perimeter and all paddocks with posts and high tensile, electric wire; as well as proceeding with improving the quality of the land with an extensive re-seeding programme in place.

#### Innovation

Giles and Emily produce a 'high value' product on a cheese contract, with high constituents.

#### **Future**

This move is seen as another stepping stone for their business; and with their progressive attitude to the dairy industry they will continue to seek the next step over the next 5 years.

## **National Statistics**

The following data has been sourced from industry leaders and specialists, including the Agriculture and Horticulture Development Board (AHDB) who are the statutory level board funded by those stakeholders within the food chain.

Data like this and 'Key Performance Indicators' (KPI's) are now vital to farming enterprises, with the increasing need to bench mark against the industries top performers. By improving technical ability and performance, those applying and achieving these targets will establish viable businesses which exceed through today's volatile markets which control prices.

We have many tenants across the Estate surpassing these targets and keeping a close eye on their 'Cost of Production' and 'Comparable Farm Profit.'

We now expect the next generation of farmers and those coming forward for farming opportunities to aim for top performance targets and have an understanding of benchmarking and KPI's.

The data shown below will give you a brief overview of what to look for and act as a comparison against current farming performance.



## Top 5% of GB Dairy farmers – ranked by net margin ppl Category

Dairy stocking rate (Livestock Units/Hectare)	2.23
Herd replacement rate	1.9ppl
Cows calved - % of herd calved within a 365day period	94
Milk yield – Litres/cow/year	7,640
Labour hours (hours/cow/year)	28
Feed and forage costs	9.6ppl
Livestock costs	3.0ppl
Margin over purchased feed	decreased by 2.34ppl

(Information adapted from AHDB Dairy Farming Data, 2016)

## AHDB Livestock—KPI's Top third of producers: Suckler Beef

1 calf per year = target Weaning a calf at half the weight of its mother

Category	All Year Round	Spring	Autumn
Bull to cow/heifer ratio	1:34	1:32	1:33
% of cows/heifers scanned in calf	94%	93%	95%
Calving period – weeks	15.7 weeks	15.8 weeks	18.9 weeks
Yearly herd replacements	16.1%	15.9%	16.4%
Average calf weaning age	236 days	221 days	297 days
Average calf weaning weight	306kg	290kg	368kg
Daily Live Weight Gain from birth to weaning	1.1kg	1.1kg	1.1kg
Cow mortality rate	1.8%	1.8%	1.5%
Calf mortality rate (birth to weaning)	4%	4%	1%

(Information adapted from AHDB Stocktaking figures 2015)

## **Sheep -Non-SDA Spring lambing to finishing: Category**

Ewe to ram ratio	51:1
Scanning percentage per ewe	171%
Lambs born alive per 100 ewes	150
Lambs weaned per 100 ewes	140
Ewe mortality per annum	3.4%
Flock replacements per annum	24.3%
Average age at weaning (days)	113
Average weaning weight	31.3
Average age at sale	155 days
Daily Live Weight Gain to sale	0.24kg
Lamb weight produced per forage hectare	528
Lambs sold to store or slaughter at 155 days Average carcass weight (kg dwt per lamb) Average store weight (kg lwt per lamb)	19.9 32.2
Killing Out%	60-62%

(Information adapted from AHDB Stocktaking figures 2015)



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**f** Staffordshire County Farms





