

Manor Farm
Noke
Oxford
OX3 8TU

24/10/2022

Cherwell District Council

Ref: 22/01682/F

Farm Diversification Statement

The application for a solar farm at Manor Farm Noke will cover about 80 acres of a 320 acre land holding. It will thus become a material but not the dominant portion of the overall land use. The remainder will remain principally arable.

Diversification of farming income is encouraged by both the NFU and the Government.

The risks of not being diversified are very clearly illustrated by the history of Manor Farm. Under the previous ownership Manor Farm comprised a capital intensive and highly productive pig unit, exporting breeding sows to Europe. A combination of poor pig prices and an outbreak of disease in the late 1990s forced the pig operations to close and the sale of the farm.

When we purchased Manor Farm, we immediately started to diversify the income by converting one of the historic barns on the site to residential use and turning the land over to arable crops. The pig unit was redundant and the remaining modern farm buildings were in a very poor state of repair and crowded around several grade 2 listed buildings, spoiling their setting. We thus improved the setting at the same time as minimising capital outlays by demolishing these buildings, but this meant the arable operations became dependent on outside contractors. Taken together, these measures stabilised the farming operations.

At 320 acres the farm is too small to operate as a freestanding arable unit, at least 1000 acres would be needed. The use of contractors helps solve some of the effects of lack of scale, but also reduces the margins earned by the farm, so to maintain viability it is essential to look for other income sources.

Income from farming operations remains highly variable, due to three main causes:

- **Weather and disease:** weather patterns are becoming more extreme with climate change. This Summer's drought being the most recent example. Plant diseases and pests are becoming more virulent at the same time as environmental restrictions are causing many of the more effective pesticides and herbicides to be banned. Until three years ago 40% of our land was devoted to oil seed rape, we have now had to give up growing this as there is no effective treatment for cabbage stem flea beetle which causes the plants to collapse.

- **Variable Government Support:** Since buying Manor Farm we have had three different EU farming support schemes and following Brexit the historic payments are tapering to zero by 2027, whilst the replacement schemes have still to be fully defined, much less implemented. Whilst we should be grateful for government support, the frequent changes make forward planning very difficult. The support is only needed because we are competing with other countries that support their own agricultures and very often have lower environmental standards.
- **Volatile Prices and costs:** Since 2000 wheat has fluctuated between £60/tonne and £300. Diesel costs and electricity to operate grain driers follow the same well known fluctuations that affect householders and motorists. The biggest single input is nitrogen fertiliser. This has fluctuated between £200 and £1400/tonne. Fertiliser is essential on our low productivity clay soils but, following the war in Ukraine and the spike in gas prices, fertiliser plants have been closing so its availability at any price is now in some doubt.

All businesses are of course subject to risks, but farming is exposed to an unusual number of risks beyond its control. Taken together these mean that overall income is highly unpredictable and there is no stable financial base to support new investment.

It is the job of every business to try to manage and mitigate its risks and diversification is the best approach. The current proposal for a solar farm will meet the diversification objective by providing income from:

- Rental payments from the solar farm that are fixed for 30 years and funded by power sales
- A small amount of non-arable income from sheep grazing

More renewable power is urgently needed to hit net zero and help contain wholesale electricity prices, at the same time as electrifying much of our transport and heating infrastructure. Manor Farm is fortunately placed in being close to a suitable grid connection and, unlike arable, the operation of solar farms is entirely free of government subsidy and carries no risk of harm to the environment from chemical use.



K O Pelton
Manor Farm