

CONTRACT FARMING OPPORTUNITY
3 YEAR TERM WITH EFFECT FROM

29TH SEPTEMBER 2024



COATES MANOR FARM, FOSSEHILL AND FIELD BARN FARMS,
ALL NEAR CIRENCESTER
GLOUCESTERSHIRE

APPROXIMATELY 185 HECTARES (457 ACRES) IN TOTAL

BACKGROUND:

The arable farming at Coates, near Cirencester, Gloucestershire has been undertaken by a local farming Contractor on behalf of Royal Agricultural Farms for many years. Significant changes have occurred in the agricultural industry since the last review of the arrangements in 2016, and the Governors of the Royal Agricultural University now consider that it is an appropriate time to reassess the University Farm's strategy with an open market tender. The start date for the new arrangements will be 29th September 2024.

With volatile prices and policy change, it is anticipated that a sustainable farming system, balancing productivity and the latest techniques, will be appropriate for the farming of the arable unit going forward.

The University's criteria for assessing the tender will be based on the following ambitions:

1. Adopt regenerative farming principles;
2. Promote development of Social Enterprise Businesses;
3. Produce food for the University's own hospitality functions;
4. Support collaboration and innovation;
5. Deliver financial sustainability;

To support these aims, approximately 75 acres of the existing arable area has been allocated for the promotion of Social Enterprise Businesses (coloured green on plan overleaf). The tender is being run in two ways 1) a whole farm approach with the successful Contractor working with and overseeing the whole unit, including the Social Enterprise Businesses area (the preferred approach), 2) two standalone tenders aimed at both Social Enterprise Businesses over the 75 acres only and the farming of the remaining arable area (approximately 382 acres).

Applicants will be required to provide information on how they will meet the five criteria above.

Under the preferred approach, RAU Farms will work closely with the appointed Contractor in delivering the above aims, focusing on a direct link between food grown on the farm and the end use at RAU. This will be an exciting and innovation approach, working with local businesses to achieve the overall aims. Whilst a relatively large area has been set aside for inclusion within Social Business Enterprises, it is anticipated that the area may initially be smaller than this but will increase over time. The Contractor will work closely with the Social Enterprise Businesses to provide cultivations, etc., on an as required basis and charge for each operation.

LOCATION

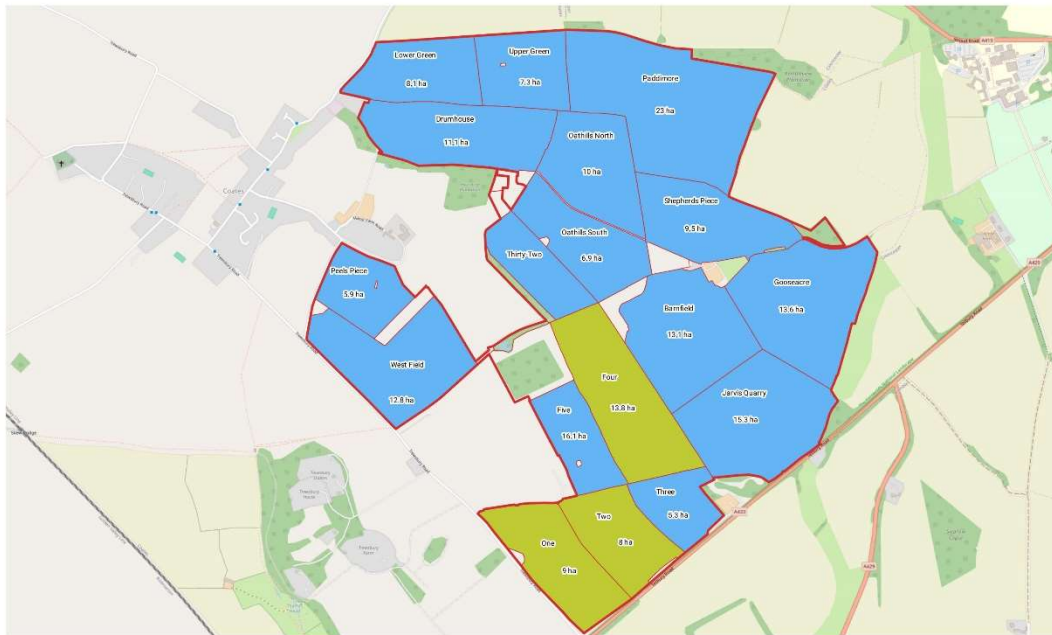
THE LAND

Is predominantly in a ring fence situated to the south and east of Coates village with good access off Council maintained roads. The land is gently sloping, lying between the 110-150 contour marks and is shown as Grade 3 on the MAFF Provisional Land Classification Plan.

It is chiefly described on the Soil Survey as Sherborne (shallow well-drained brashy calcareous clayey soils over limestone associated with slowly permeable calcareous clayey soils). There are areas of heavier land which are described as Moreton, Didmarton, Waltham, Haselor and Evesham.

Most of the enclosures are of a convenient size and shape for modern arable farming techniques. Currently, approximately 185 hectares (approximately 457 acres) of land of which net cropped area is currently 170 hectares (420 acres).

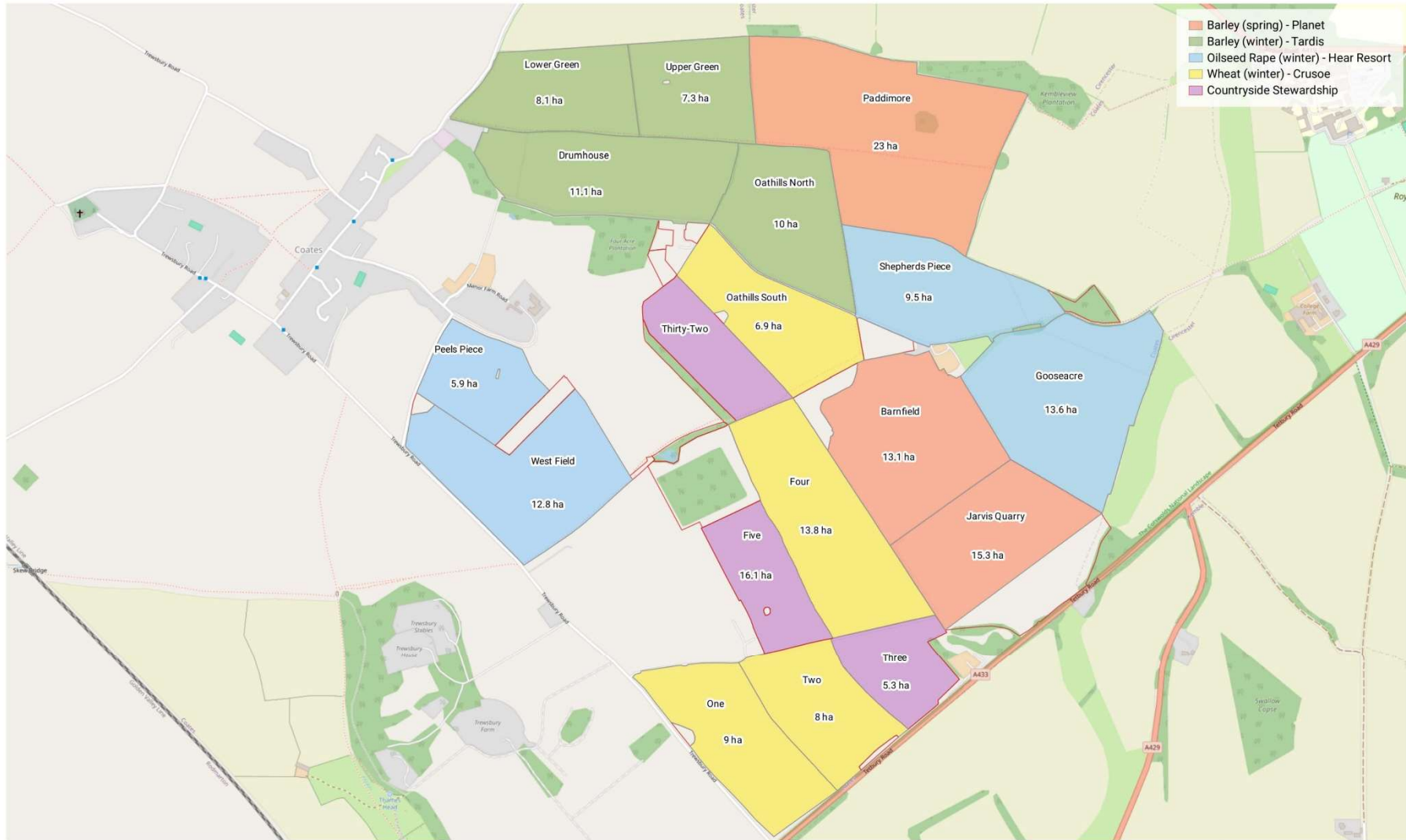
Cropping records and copies of the most recent soil tests are appended to this document.



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200 m
Scale 1:6000 (or 40)

HARVEST 2024 – CURRENT CROPPING PLAN



FARM BUILDINGS

A general purpose building is located at the former dairy buildings at Field Barn Farm which is suitable as a temporary store for grain or fertiliser. The building is not considered suitable for long-term storage under current ACCS regulations. There are no drying facilities. The building measures approximately 25m x 13m.

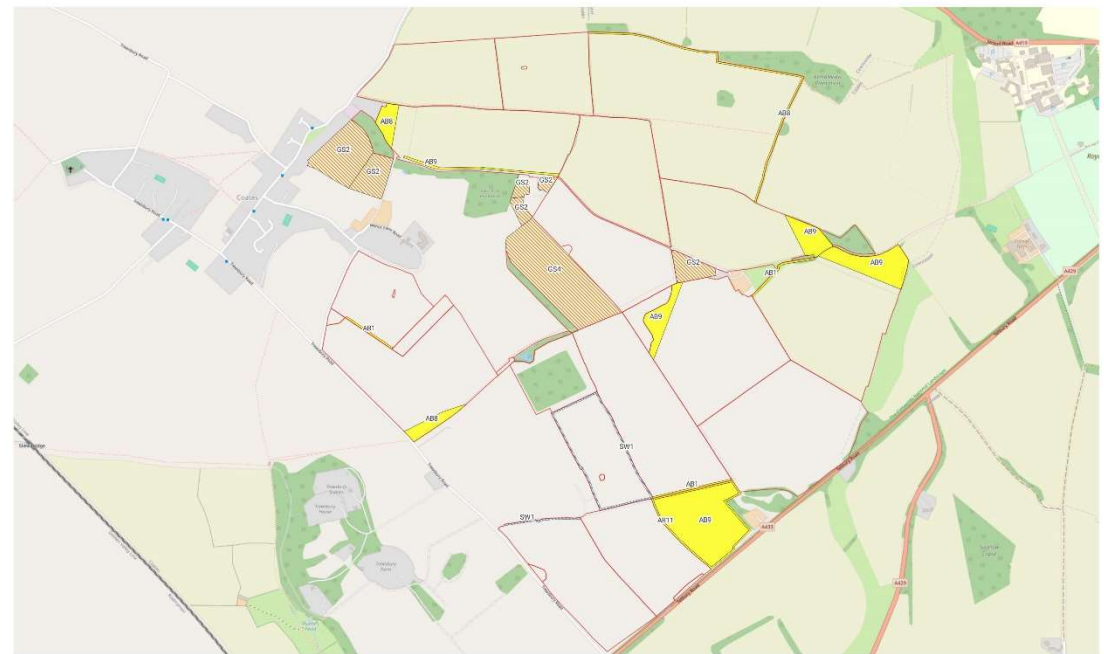
The spray store at Coates Manor Farm is available for use by the appointed Contractor, but all other buildings will be excluded from the Contract Farming Agreement. There is a water tank and mains water supply adjacent to the spray store for use within the main Contracting Agreement.

The farm building complex at Fossehill Farm, Coates will be available to support the small enterprises businesses.



COUNTRYSIDE STEWARDSHIP SCHEME

The Farm is managed under a Countryside Stewardship Agreement, which runs until 31st December 2025. The agreement is managed by the Farmer directly with proceeds from the scheme to be retained outside of this Contract Farming Agreement. The Contractor would be preferred to establish any non-rotational or rotational options each year, at a payment rate per hectare (or per acre) to be agreed. Headline options are AB1 Nectar Flower Mix plots, AB11 Cultivated areas for arable plants, AB8 Flower rich margins and plots, AB9 Winter Bird Food, GS4 Legume and herb-rich swards SW1 4-6m buffer strip on cultivated land.



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SUSTAINABLE FARMING INCENTIVE SCHEME

It is anticipated that alongside the existing Countryside Stewardship Scheme, an application to the SFI scheme will be appropriate as part of the farms policy in a move towards regenerative agriculture. The successful applicant will be required to assist with and benefit from liaison in the Farm's application, with options directly affecting arable operations expected to be included within the divisible surplus.

LIVESTOCK

As part of a regenerative system, it is anticipated that livestock will be required to form part of the farming system. The field boundaries are currently non-stockproof after many years of arable cropping, so applicants must consider this, as well as lack of mains water to most fields, as part of their tender. Use of third party graziers will be considered, subject to appropriate references and agreements being available.



ROYAL AGRICULTURAL UNIVERSITY LIAISON

The Royal Agricultural University have appointed Teresa North, Director of Commercial Services and Facilities, as first point of contact between the Royal Agricultural University and the appointed Contractor. A representative will be available on the viewing day to answer queries. A regular point of contact will be appointed to deal with matters on the ground, should quick decisions be required in the future to allow for the future smooth running of this Contract Farming Agreement.

There will be quarterly formal meetings to review farming matters and management accounts etc. Farming policy will be agreed annually between Royal Agricultural University and the Contractor each May.

Smooth liaison and knowledge transfer of farming policy and information between the University and the Contractor is an essential element of this Agreement in order to provide for the benefit of the teaching, learning and PR resources of the Royal Agricultural University. It will be essential that the appointed Contractor is able to provide timely and accurate records and figures for the University. These are essential not only for accounting procedures but also for use by University lecturers and in order to comply with agricultural regulations such as Nitrate Vulnerable Zones.

The RAU Farms Educational Brief in the draft Contract Farming Agreement reads as follows:

- 1 Royal Agricultural University Farms are operated by the Farmer as an adjunct to the Farmer's educational purposes and in order to demonstrate practical husbandry and farm management to students at the University and to external bodies. As part of its remit the Farmer also uses the farms for research purposes, either alone or in collaboration with others. It is therefore an essential requirement that this Agreement assists and complements these purposes.
- 2 The Contractor will accordingly be required to:
 - 2.1 Permit access to all parts of the Farm at any time by staff, students and others authorised by the Farmer;
 - 2.2 Notify the contact appointed by the Farmer within three working days with full details of all operations to be carried out pursuant to this Agreement. This will include details of the type of operation; the parcel numbers; machinery use, timings and costings; fertiliser, seeds, sprays and any other inputs used. The Farmer will also require timely information on yields and outputs, together with forward plans for the Farm;
 - 2.3 Notify the Farmer's appointed contact within three working days of full details of any agronomy and other advice relating to the Farming Business and Farm Plan including the results of any soil tests.
 - 2.4 Permit the use of the Farm for research and demonstration purposes, including open days.
- 3 It is to be expected that the Contractor will assist the Farmer in agreeing to other reasonable requests that further the educational aims of the Farm.

VIEWING DAY

A Viewing Day will be held strictly by confirmed appointment through Messrs Moore Allen & Innocent Agriculture Department (Tel: 01285 648107); please refer to:
Stuart Milsom (stuart.milsom@mooreallen.co.uk),
Elliot Hutt (elliot.hutt@mooreallen.co.uk or
Kellie Gilbride (kellie.gilbride@mooreallen.co.uk).

We will be holding a formal viewing session on Wednesday, 8th May – 10.00 a.m. – 3.00 p.m.

We will be located at the grain store (///bungalows.rush.bands) to meet applicants in person.

If you are planning to view the farm, please contact Kellie Gilbride with your e-mail and telephone number to arrange an appointment. Please take appropriate measures to ensure appropriate bio-security.

EXPRESSIONS OF INTEREST

Interested parties are asked to submit Expressions of Interest by mid-day on Wednesday, 22nd May at 12.00 noon to Moore Allen & Innocent, 33 Castle Street, Cirencester in a sealed envelope marked "Private & Confidential – Royal Agricultural University CFA" or via e-mail to stuart.milsom@mooreallen.co.uk, setting out details of their business on Form A and with detailed financial proposals with reference to:-

- (i) Proposals for the cropping of the farm.
- (ii) How you will meet the University's Five Criteria for assessing the tender.
- (iii) An assessment of the potential profitability of the farm.
- (iv) Indicate the projected returns from the Agreement and the projected divisible surplus available to the Farmer and the Contractor (Form B). Please submit gross margin and whole farm margin analysis, cash flow projection and any other information that you consider relevant.

If the Farmer does proceed with a Contract Farming Arrangement it is anticipated that the Agreement will be finalised and signed by late June 2024.

Services

Mains water supply to Coates Manor Farm dairy buildings (spray storage tank).

Burdens

The land is crossed by a number of footpaths and overhead electricity lines.

Farm Policy

In line the ambitions outlined above, RAU Farms anticipates that the farming system proposed will contain an element of sustainability. Alongside the existing Countryside Stewardship Scheme, an application to the Sustainable Farming Incentive would be favourably considered, which can run concurrently with the three year term of the Contracting Agreement. It is further anticipated that some form of livestock introduction maybe required to support the farming system. The soil health should be closely monitored and indices maintained or improved from those currently listed.

Arable Crop Marketing and Storage

Due to recent volatility in arable crop commodity prices, it is proposed that arable crops produced under this agreement are marketed through recognised crop marketing pools (e.g. Openfield) or alternative risk averse strategy.

Storage and/or significant crop drying would need to take place either through central storage facilities or in facilities available to the appointed Contractor subject to crop separation or use of a certified weighbridge.

BPS Scheme

No payments or claims for BPS will be included within the divisible surplus.

The Contract Farming Agreement

It is proposed that this will be based on Moore Allen & Innocent's Contract Farming Agreement which will

be amended to reflect the circumstances of Coates Manor Farm, Fossehill and Field Barn Farms. The Farming Contract will be for an initial three years from 29th September 2024 to 28th September 2027. Early entry onto stubbles will be available subject to a right of holdover for harvesting the 2024 crops.

The Farmer will retain all payments relating to land in the Basic Payment Scheme and Countryside Stewardship but SFI will be considered depending on the options chosen and their interaction with the Contract Farming Agreement.

The Farmer's remuneration shall comprise the sum of £80 per hectare for the arable land plus a set percentage of the divisible surplus.

The Contractor's remuneration shall comprise basic remuneration of a fixed rate per hectare sown to arable crops and a set percentage of the divisible surplus and will have to include the costs of maintaining any areas included under Environmental Land Management Schemes.

Bank Account

A Farm Account in the sole name of the Farmer is held to deal with all income and expenditure from the farming business.

References

References will be sought at the appropriate time together with confirmation that the Contractor has all necessary insurance policies in force, Quality Control Assurance and Health and Safety Audit etc.

Note

(i) The Farmer reserves the right not to accept the lowest contracting charge or any proposal.

(ii) The information contained within these details is confidential to the Farmer and the applicant to whom it is sent. All information received from applicants will be treated in strict confidence and used only in connection with the Royal Agricultural University Contract Farming Opportunity.

(iii) These brief details, plans and schedules attached are produced for guidance purposes only. Interested parties are advised to rely on their own investigations, professional advice and inspection of the farm. These notes do not form part of any Agreement.

Moore Allen & Innocent for themselves and for the vendors or lessors of this property whose agents they are give notice that:

(1) The particulars are set out as a general outline only for the guidance of intending purchasers or lessees, and do not constitute, nor constitute part of, an offer or contract;

(2) All descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact but must satisfy themselves by inspection or otherwise as to the correctness of each of them;

(3) No person in the employment of Moore Allen & Innocent has any authority to make or give any representation or warranty whatsoever in relation to this property.



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