



FARM DIVERSIFICATION

ARE YOU MAKING THE MOST OF
YOUR PROPERTY?

Farm diversification is key for many landowners and farmers as it enables them to diversify their income away from the main farming operation through utilising redundant or surplus buildings or land of low productivity.

Diversifying agricultural enterprises can not only increase financial stability but can also enable business opportunities and security for younger generations, make the countryside more accessible and boost the wider rural economy.

At Robinson & Hall we have vast experience in assisting clients with farm diversification opportunities from concept to the planning and construction stage.

Key Statistics:

£31,100

AVERAGE INCOME PER ANNUM FROM DIVERSIFIED ACTIVITIES

13%

OF TURNOVER COMES FROM DIVERSIFIED ENTERPRISES

50%

OF ALL FARMS RENT OUT BUILDINGS FOR NON-FARMING USE

72%

OF FARMERS RUN A DIVERSIFIED BUSINESS

Statistics are from GOV UK data.

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“Many thanks for all the hard work you put into obtaining planning permission for me, much appreciated..”

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“I think I can say quite categorically we wouldn’t have gotten here without your invaluable advice and support, so thank you so much for everything.”

T F



RESIDENTIAL



WEDDINGS



STORAGE



INDUSTRIAL



OFFICES

BUILDING DIVERSIFICATION

Converting farm buildings is a great way to bring your buildings back to life, whilst boosting income and ensuring the farm is functioning sustainably. Not only can it help the farm but also the community, with new jobs being created and services for the local area.

There are various ways you can convert your buildings. Some farmers opt for industrial or storage use, which often only requires minor improvements. Others will convert their buildings for residential use and offer holidays lettings, or convert to offices and rent their buildings out to other businesses. A few of our clients have also set up very successful wedding businesses from their converted buildings.

The option which is best for you will depend on various factors, such as the building location, access, conversion costs, demand for the space and how this will fit with your main farming operation.



LEISURE



PARKING

FARMYARD DIVERSIFICATION

Do you have an unused space on your farmyard? You might think about utilising this area and creating income stream. Examples of farmyard utilisation includes container storage, caravan or car parking or other businesses in need of space.

It is important that prior to exploring this avenue, you consider matters such as planning permission, suitable access arrangements, security, insurance and how this change of use might impact on your existing farming operations.

With space becoming a valuable and sought-after commodity, there is an opportunity for farms to capitalise.



CARAVAN STORAGE



GENERAL STORAGE



WEDDINGS



GLAMPING

LAND DIVERSIFICATION

Diversifying away from traditional farm activities can be lucrative and help farmers protect their business with additional income streams.

With sustainability at the forefront of people's minds and the Government introducing mandatory policy around Biodiversity Net Gain (BNG), farmers have a unique opportunity to diversify their incomes by offering land for ecological enhancements. Not only does it provide income, it also benefits the land with low impact use, whilst supporting environmental stewardship and providing long-term benefits for the soil, water quality and nutrient cycles.

Aside from BNG, we have seen clients offer their land for tourism, renewable energy schemes, weddings, experience days, dog walking and much more.

If an area of your land isn't bringing the return you would expect then it would certainly be worth considering these options.



RENEWABLE ENERGY



FISHING



WATERSPORTS



ANAEROBIC DIGESTION



COMPOST

RESERVOIRS/LAKES

Is your farm realising its optimum potential? We can assist you in exploring ways to supplement your agricultural income by turning your reservoirs/lakes into additional streams of income.

Have you considered how you can turn your water features into a lucrative business, such as water-based sports like sailing, aqua parks, paddleboarding, etc?

The creation of a reservoir may not require planning permission, subject to passing the relevant permitted development rights tests, although it is always worth checking with us. For example, if you decided to venture into fish farming, this falls outside the definition of agriculture and therefore would require planning.

OTHER FORMS OF DIVERSIFICATION

The list appears endless when it comes to farm diversification. Examples not mentioned prior include composting and anaerobic digestion, family petting zoo and seasonal activities such as Christmas shops, pumpkin picking or maize mazes for children.

If you are unsure which path is right for you and your business then please get in touch and we can guide you through the various options and which might work best in your current circumstances.



THE PROCESS

If you want to maximise the potential of your site, please contact us and we can help you through the following process:

Step 1. Undertake the planning feasibility study

The planning feasibility study, which helps to assess whether your proposal is likely to be acceptable, is carried out at the initial stage. It is a process for exploring the opportunities and constraints. You will be provided with a written assessment outlining the pros and cons of different options and recommendations.

It will provide you with a deeper understanding of your site and the different planning options to move your project forward.

Step 2. Submit the pre-application enquiry to the local planning authority

The pre-application enquiry is where we submit the proposal, including the planning statement, site plan and floor plans, to the local planning authority to seek advice on whether it is acceptable in planning terms.

The officer will provide detailed comments against the relevant planning policies and other material considerations associated with the proposal, identify the information required to accompany the formal planning application, and discuss the possible constraints and impact of your project.

The pre-application enquiry could save a considerable amount of time and money as it helps to understand the relevant policies that apply, identifies the impact of your project and whether there is a need for a specialist's input.

Step 3. Submit the full planning application

Upon receipt of comments from the planning officer, we may be required to revise the development proposal and submit a full planning application to the local planning authority. Information such as a planning statement, architectural drawings, layout plan, details of design and the specialist's report should be included in the full planning submission. The local planning authority will then assess the application against the national and local planning policies and consult with relevant consultees. The application will be determined within 8 to 13 weeks.

CONSIDERATIONS

When selecting your diversification project, it is important not to rush this decision and ensure you have considered a number of the below key factors:

Firstly, why?

Whether you wish to improve the tax efficiency of the business, explore a specific new interest or simply generate potential additional income streams, it is important that the decision is made for the right reason. This new venture will sit alongside your established farm enterprise; however, it cannot compensate for an underperforming core business.

High level considerations

Once the decision is made to diversify, choosing the asset is important, i.e. the vacant/redundant building, where it is situated and how will it impact on the current farming operation. Does the barn/land have suitable access and services and what type of planning will be required?

Depending on the diversification, consideration may need to be given to market demand and competition, funding availability, the target audience and the availability of workforce.

Financial aspects

Now the asset has been identified, what will it cost to change the use, whether that be conversion to an office/dwelling, servicing the glamping pods or setting up the wedding venue? Consideration will also need to be given to tax implications, cost of marketing, insurance and other matters such as planning and professional services.

The green light

The once pipe dream is now inching towards reality. It is important to focus the attention on ensuring this new business venture succeeds, whilst the core business operations do not suffer.



Our focus is to add value to your land or property, so over the years, the level of services we provide has evolved to ensure that we can cater for virtually any land or property requirement.

HOW WE CAN HELP

Farm diversification might be daunting at first, but identifying what it is that could be your unique selling point is the first step to a successful project. Whether it be a redundant farm building, storage yard or paddock, it is integral to understand how best to maximise your chances of success. We are here to guide you through this journey and ensure that you have considered all bases prior to jumping feet first into the unknown. With 72% of farms now having some form of diversification, it is becoming commonplace for farm assets to be seen as another means of income, as opposed to conventional farm production.

Farm diversification can help increase the value of your assets and also:

- ✚ Buy out business partners or family members
- ✚ Allow the next generation to continue in the business
- ✚ Fund another farming project
- ✚ Facilitate business growth
- ✚ Survive in an increasingly competitive market
- ✚ Pay off core debt
- ✚ Make a comfortable retirement a reality



PLANNING APPLICATIONS



CHANGE OF USE



PROJECT MANAGEMENT



BUILDING MAINTENANCE & REPAIRS



RENEWABLE ENERGY



PROPERTY MANAGEMENT



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