Cabinet

3 March 2025

Authority to Grant Farm Business Tenancies on County Farms

For Decision

Cabinet Member:
Cllr R Biggs, Property & Assets and Economic Growth

Local Councillor(s):

Senior Leadership Team:
J Britton, Executive Director for Place Services

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Statutory Authority:

Report status: Public (the exemption paragraph is N/A)

Executive summary

1. This report seeks cabinet approval to delegate authority to the Executive Director of Place to approve Farm Business Tenancy (FBT) agreement where the aggregate rental value of the lease over the contractual term exceeds £500,000. This delegation is required to support the timely implementation of the Farms Estate Strategy 2026–2036, which introduces clear tenancy routes to support new entrants and strengthen business growth within Dorset's agricultural sector.

As part of ongoing Strategy delivery, the Council is currently reletting four farms, three of which are Progression Farms. Because Progression Farms have long fixed tenancy terms and typical rents above £25,000 per annum, their aggregate rental values routinely exceed £500,000. Under current arrangements, this triggers the need for individual Cabinet approvals, making the reletting process longer than necessary. Streamlined delegated decision making will therefore support timely re-lettings and ensure alignment with the Strategy's aims.

Delegated authority is therefore sought specifically to enable efficient decision making for the four farms currently being relet, as well as all future re-lettings

where the aggregate rental value exceeds £500,000, while maintaining strong governance and alignment with the Strategy’s aims.

2. **Recommendation**

2.1 That Cabinet delegate authority to the Executive Director of Place to grant Farm Business Tenancies (FBTs) with an aggregate rental value exceeding £500,000, including those for the four farms currently being relet and any future re-lettings, following consultation with the Cabinet Member for Property & Assets and Economic Growth and the S151 Officer, on terms to be agreed.

3. **Reason for the recommendation**

3.1 To enable a responsive and efficient approach to granting Progression Farm FBTs, where contractual terms are typically 20–25 years and market rents mean the aggregate rental value routinely exceeds £500,000. Delegation supports alignment with the Farms Estate Strategy.

4. **The report**

4.1 On the 9 October 2025 Cabinet approved the adoption of the Farms Estate Strategy 2026-2036, setting out a sustainable, modernised, and future focused approach to managing the Council’s agricultural holdings.

4.2 The Strategy introduced two defined tenancy routes: Starter Farms, offering fixed terms of up to 12 years and aimed at new entrants beginning their farming career; and larger Progression Farms, offering 20–25-year terms designed for farmers ready to expand and develop more established agricultural businesses. These routes provide structured opportunities for both new entrants and those progressing their farming careers.

4.3 The Council is currently reletting four farms, Cross Farm in Buckland Newton, Rowden Farm in Long Bredy, Twyford Farm in Twyford (all Progression Farms) and Wooth Farm in Wooth (a starter farm), as part of early implementation of the Farms Estate Strategy.

4.4 Because Progression Farms are larger, and operate on long fixed terms, with rents often exceeding £25,000 per annum, their aggregate rental values regularly surpass £500,000, triggering the need for individual Cabinet approval under current arrangements.

4.5 Re-letting opportunities for agricultural holdings are shaped by the farming calendar, with new Farm Business Tenancies typically commencing only in March and September. Streamlined and timely decision making therefore ensures the Council is able to meet these reletting windows, minimising void periods and supporting smooth transitions for both the Council and prospective tenants.

4.6 Delegated authority will improve operational efficiency, maintain competitiveness in the letting market, and support continuity of food production. Governance safeguards remain in place through required consultation with the Cabinet Member for Property & Assets and the S151 Officer.

5. Alternative options considered

5.1 Retain current arrangements
Discounted, as repeated Cabinet decisions for routine, strategy aligned FBTs delay reletting and reduce market responsiveness.

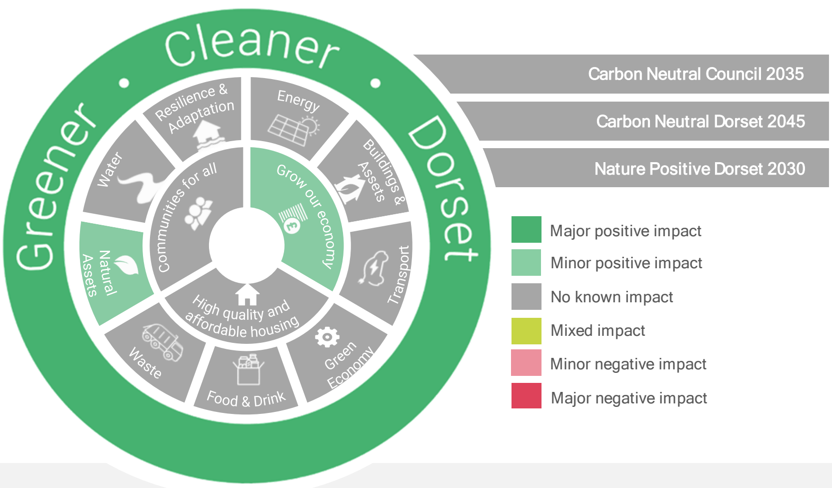
6. Legal considerations

6.1 The delegation is compliant with the Council's Constitution and statutory obligations under the Agriculture Act 1970.

7. Financial implications

6.1 FBTs provide stable income to support ongoing investment needs. Delegated approvals will reduce void periods and improve financial resilience.

8. Natural environment, climate & ecology implications



Quantitative Impact on CEE targets (if known)

	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	Unknown
2040 - Operational Emissions	CO_2 (tonnes)	Unknown
2050 - County Emissions	CO_2 (tonnes)	Unknown

Energy	No known impact
Buildings & Assets	No known impact
Transport	No known impact
Green Economy	No known impact
Food & Drink	No known impact
Waste	No known impact
Natural Assets & Ecology	Minor positive impact
Water	No known impact
Resilience and Adaptation	No known impact
Corporate Plan Priorities	**Impact**
High quality & affordable housing	No known impact
Grow our economy	Minor positive impact
Communities for all	No known impact

7.1 Delegation in itself has a mostly neutral impact. However, alongside encouraging new entrants into farming, the Strategy places a strong emphasis on enhancing the natural environment, cutting greenhouse gas emissions, improving climate resilience, and delivering meaningful ecological gains across the Farms Estate. A key ambition of the Strategy is for 70% of council farms to adopt sustainable farming practices by 2030, embedding environmental stewardship across the estate. Timely tenancy decisions ensure capable and committed tenants are in place to deliver these outcomes.

9. Well-being and health implications

9.1 Productive farms contribute to local food security, rural employment, and wider community well-being.

10. Other implications

10.1 Delegation supports delivery of the Strategic Asset Management Plan and the Council Plan by strengthening Dorset's rural economy and supporting new entrants into farming.

11. Risk implications

11.1 HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: LOW

Residual Risk: LOW

12. Equalities

12.1 The Farms Estate Strategy promotes transparent and fair access to agricultural opportunities. All tenancy decisions remain subject to the Council's Equalities Policy.

13. Appendices

13.1 N/a

14. Background papers

14.1 N/a

15 Report sign-off

15.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)