



## EXECUTIVE DECISION NOTICE

<b>SERVICE AREA:</b>	<b>PLACE</b> Estates Business.
<b>SUBJECT MATTER:</b>	<b>GRAZING SITES – FUTURE MARKETING PROPOSALS</b>
<b>DECISION:</b>	That it be DETERMINED that: <ol style="list-style-type: none"><li>1. The existing grazing waiting list is closed.</li><li>2. That grazing sites are marketed for letting or disposal when they become available.</li></ol>
<b>DECISION TAKER(S):</b>	Councillor Oliver Ryan
<b>DESIGNATION OF DECISION TAKER (S):</b>	Executive Member (Finance and Economic Growth)
<b>DATE OF DECISION:</b>	1 December 2021
<b>REASON FOR DECISION:</b>	In order to demonstrate that future lettings or disposals of grazing land is carried out in a fair and transparent manner.
<b>ALTERNATIVE OPTIONS REJECTED (if any):</b>	None.
<b>CONSULTEES:</b>	N/A.
<b>FINANCIAL IMPLICATIONS: (Authorised by Borough Treasurer)</b>	<p>The report provides details of the existing and proposed future marketing arrangements for grazing sites across the borough.</p> <p>Section 2.1 of the report references that the Council owns 22 grazing/agricultural sites with the majority let via farm business tenancies. The existing annual lease income realised via these sites is £0.007m per year.</p> <p>Where feasible, it is advised that existing leases are urgently reviewed to evaluate the opportunity to significantly increase the negligible annual level of lease income currently received to ensure best consideration is being realised.</p> <p>The report proposes that sites are re-let on the open market as they become available. It is envisaged that this approach will ensure that best consideration will be realised for future levels of income receivable and it is essential that the directorate retains supporting evidence that demonstrates this. Any additional income receivable will also contribute towards the Council's significant future year financial savings requirements.</p>
<b>LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)</b>	This proposal is a sensible approach to the management of the grazing sites to ensure that the council is achieving the best market rent possible for the sites and is a more transparent approach to managing the lettings, especially as sites become available so infrequently, as the current waiting list is not able to accommodate acreage and location

	<p>preferences.</p> <p>There is no proposal to change the term of the grazing agreements will still be for a rolling period of 2 years and should be subject to rent reviews where appropriate.</p>
<b>CONFLICT OF INTEREST:</b>	None.
<b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b>	N/A.
<b>ACCESS TO INFORMATION:</b>	<p>The background papers relating to this report can be inspected by contacting the Report Writer, Georgia Cayton by:</p> <p> Telephone: 0161 342 3421</p> <p> E-mail: <a href="mailto:georgia.cayton@tameside.gov.uk">georgia.cayton@tameside.gov.uk</a></p>





Signed

Dated: 1 December 2021

Councillor Oliver Ryan Executive Member (Finance and Economic Growth)

## EXECUTIVE DECISION REPORT

<b>SERVICE AREA:</b>	<b>Place</b> Estates Business
<b>SUBJECT MATTER:</b>	<b>GRAZING SITES – FUTURE MARKETING PROPOSALS</b>
<b>DATE OF DECISION:</b>	1 December 2021
<b>DECISION TAKER(S):</b>	Councillor Oliver Ryan
<b>DESIGNATION OF DECISION TAKER (S):</b>	Executive Member (Finance and Economic Growth)
<b>REPORTING OFFICER:</b>	Ian Saxon Director of Place
<b>REPORT SUMMARY:</b>	The report outlines the existing approach to the letting of vacant grazing sites via a long established waiting list. The report outlines a proposal to close the existing waiting list and to explore the opportunity to advertise any new opportunities to the open market.
<b>RECOMMENDATION:</b>	That the Council closes the current grazing waiting list and markets grazing sites when they become available.
<b>JUSTIFICATION FOR THE DECISION:</b>	In order to demonstrate that future lettings or disposals of grazing land is carried out in a fair and transparent manner.
<b>ALTERNATIVE OPTIONS REJECTED (if any):</b>	None.
<b>CONSULTEES:</b>	N/A.
<b>FINANCIAL IMPLICATIONS: (Authorised by Section 151 Officer)</b>	<p>The report provides details of the existing and proposed future marketing arrangements for grazing sites across the borough.</p> <p>Section 2.1 of the report references that the Council owns 22 grazing/agricultural sites with the majority let via farm business tenancies. The existing annual lease income realised via these sites is £0.007m per year.</p> <p>Where feasible, it is advised that existing leases are urgently reviewed to evaluate the opportunity to significantly increase the negligible annual level of lease income currently received to ensure best consideration is being realised.</p> <p>The report proposes that sites are re-let on the open market as they become available. It is envisaged that this approach will ensure that best consideration will be realised for future levels of income receivable and it is essential that the directorate retains supporting evidence that demonstrates this. Any additional income receivable will also contribute towards the Council's significant future year financial savings requirements.</p>

<p><b>LEGAL IMPLICATIONS:</b> <b>(Authorised by Borough Solicitor)</b></p>	<p>This proposal is a sensible approach to the management of the grazing sites to ensure that the council is achieving the best market rent possible for the sites and is a more transparent approach to managing the lettings, especially as sites become available so infrequently, as the current waiting list is not able to accommodate acreage and location preferences.</p> <p>There is no proposal to change the term of the grazing agreements will still be for a rolling period of 2 years and should be subject to rent reviews where appropriate.</p>
<p><b>CONFLICT OF INTEREST:</b></p>	<p>None.</p>
<p><b>DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:</b></p>	<p>N/A.</p>
<p><b>ACCESS TO INFORMATION:</b></p>	<p>The background papers relating to this report can be inspected by contacting Georgia Cayton by:</p> <p> Telephone: 0161 342 3421</p> <p> E-mail: <a href="mailto:georgia.cayton@tameside.gov.uk">georgia.cayton@tameside.gov.uk</a></p>

## **1. PURPOSE OF THE REPORT**

- 1.1 To set out a new approach to the marketing of vacant grazing sites across the Borough.
- 1.2 This report outlines a proposal to close the existing grazing land waiting list held by the Estates Team and seeks approval to advertise any new opportunities to the open market.

## **2. BACKGROUND**

- 2.1 The Council owns 22 grazing/agricultural sites across the Borough with the majority let via Farm Business Tenancies. Most sites have long-standing tenants with sites infrequently becoming available for re-letting. These sites realise an annual lease income of £0.007m per year.
- 2.2 Following a review of the Councils grazing land portfolio, three vacant sites have been identified and are available to market.
- 2.3 For many years, the Council's Estates Team has kept a grazing waiting list, which currently holds 70 entries. There is high demand for grazing land, with the Estates Team receiving at least one enquiry each week from members of the public seeking grazing land in the Borough; consequently, the waiting list is steadily increasing in number. As sites are infrequently available to let, it is unlikely that any recent enquirer would ever reach the top of the list.
- 2.4 It should also be noted that not all plots of land are suitable for all parties on the waiting list due to location and size factors. In previous cases, when the next person on the waiting list has been approached, the land has not always been suitable for their use. It does not follow, therefore that the next person on the waiting list would be in a position to take occupation of the identified plots.

## **3. CURRENT POSITION**

- 3.1 In the event that an opportunity to re-let a site emerges, the Estates Team will currently approach the first person on the waiting list to determine whether they would be interested in occupying the land, if this person is not interested in taking the land, contact with the next person on the list is made, and so on.
- 3.2 When assessing the proposed rental, the Estates Team will value the land based upon comparable evidence, which is a recognised Valuation Method. However, as the Council has not marketed a grazing site for some years and due to the level of demand experienced the Council may not be obtaining the highest market rent possible for the sites. Therefore, particularly in light of the demand for sites, the Council could achieve higher rental levels should these sites be advertised in the Open Market.

## **4. PROPOSAL**

- 4.1 Many Local Authorities have opted to close their waiting lists and market opportunities, which have become available in order to ensure that the open market is driving rental values and ensure that the Council is achieving rental levels, which reflect the demand for grazing land.
- 4.2 It is proposed that the Council closes the grazing waiting list and advertises future opportunities via the Council's website. At the point in which a site becomes vacant, the Council will also consider the potential to dispose of its interest in the land, seeking a

capital receipt to maximise income to the Council. Any disposal of land will be in accordance with the Councils adopted Disposal of Council Owned Land and Property Policy.

- 4.3 It is further proposed that all parties currently on the waiting list are contacted and advised of the closure of the waiting list and informed of the proposed new process for the letting or disposal of vacant sites.
- 4.4 In the event that a site becomes available or a new site identified for letting or disposal, the Estates Team will consult local Elected Members prior to advertising the opportunity.

## **5. RECOMMENDATIONS**

- 5.1 As set out at the front of the report.