

**CABINET**  
**21 January 2025**

**Response to Council motion on changes to inheritance tax and other farming matters**

**Report by Director of Economy and Place**

**RECOMMENDATION**

1. **The CABINET is RECOMMENDED to**
  - a) Note the council's current and planned policy and programme activity in support of the rural economy;
  - b) Note the requests from Council to Cabinet made through the motion on Farming passed by Council on 10 December 2024 and how the council's approach will address these issues.

**Executive Summary**

2. This report addresses the motion agreed by Council on 10 December 2024 that related to the impact on farm businesses and farming families of measures announced in the autumn statement of 30 October, 2024.
3. It summarises the council's existing and emerging policy and programme support to rural businesses and sets out how the council's approach will address the issues raised in the motion that are within the influence of the county council.

**Background**

4. Through a motion agreed by Council on 10 December 2024, Council requested Cabinet to ensure that:
  - Its own policies are as supportive of local farmers as reasonably possible;
  - The newly integrated Oxfordshire Local Enterprise Partnership ('OxLEP') prioritises the local rural economy in its governance structure and ongoing development of its strategic plan;
  - The Cabinet Member for the Environment organises a meeting with local farmers and elected members of all political groups to listen to their concerns with a view to informing the Council's and OxLEP's ongoing policy development.

5. Council also requested that the Leader of the Council write to the Chancellor of the Exchequer and Secretary of State for the Environment, Food and Rural Affairs to ask that changes to inheritance tax exemptions impacting on farming families be reconsidered for the sake of environmental protection and food security.

### **Current policy and programme support**

6. The council's current policy and programme framework provides some elements of support to farming communities in Oxfordshire. These areas are summarised below.

#### ***Economic strategy and business support***

7. Previous economic planning under the management of OxLEP (now Enterprise Oxfordshire) stated the '*need to support the food and farming sectors county-wide*'. It also stated the need to support agricultural business to transition to the regenerative model to deliver carbon and biodiversity benefits, and highlights the growing role Oxfordshire is playing in this context, using the example of the FarmEd initiative, based in Shipton under Wychwood.
8. Oxfordshire's Growth Hub is managed by Enterprise Oxfordshire. It delivers Department of Business & Trade funded SME support and delivers a range of business support activities that are accessible to all SME's, which will naturally include family farms. Activities include webinars, 1-2-1 support, workshops, Foundations to Growth and Peer Networks. It currently supports more than 2,500 SMEs across the county.
9. Enterprise Oxfordshire is also currently delivering two UK Shared Prosperity Fund/Rural England Prosperity Fund business support programmes for West Oxfordshire District Council and Cherwell District Council, including support for rural businesses. However, it is also noted that these funds were limited in terms of how they could support the farming community. It is also noted that Enterprise Oxfordshire have been consulting the Department for Environment, Food & Rural Affairs (DEFRA) on how to access other funding streams that are not locally funded.

#### ***Oxfordshire Food Strategy***

10. The Oxfordshire Food Strategy, developed in partnership between all Oxfordshire Councils and local VCS organisation Good Food Oxfordshire, makes food supply a key strategic priority. The council is a member of a countywide steering group that is working on delivery. This group includes representatives from farmers and food producers, community larders, local authorities, and the universities.
11. The strategy states two clear ambitions which are aimed at supporting farmers:

- Sustainable supply chains: ensure that more locally produced sustainable food is bought and consumed locally, and that supply chains are more resilient.
  - Sustainable food economy: ensure that local food businesses flourish with more production, more outlets, more employment, and better standards for workers
12. This strategy will set the context for decisions on, for example, procurement and investment plans. Local work on the role of ‘anchor institutions’ (large-scale organisations with a long-term economic impact in an area, such as a council or hospital) including within the council, is exploring how procurement can better support local suppliers.
  13. The council will consider becoming a participant in the ‘OxFarmToFork’ scheme. This scheme, run by Good Food Oxfordshire, enables Oxfordshire’s institutions to buy directly from local food producers, thus directly supporting Oxfordshire’s farmers.

***Support for nature, conservation and sustainability***

14. OCC plays a key role in funding and supporting the Local Wildlife Sites Project, in collaboration with the District Councils, the Thames Valley Environmental Records Centre (TVERC), and The Berks, Bucks and Oxon Wildlife Trust (BBOWT). This project provides free surveys and conservation management advice to the owners of Local Wildlife Sites in the County, many of which are farmers.
15. Significant activity is underway to ensure that more support will be given to the farming community in the future. For example, the Local Nature Recovery Strategy (LNRS) is currently being drafted. It picks up specific areas of the county where farming is the main land use and promotes support for farmers to carry out nature-friendly practices that can benefit biodiversity, provide public goods by increasing the resilience of the landscape, and improve the quality of the soils and health of productive land enabling it to continue to produce food into the future. As well as aiming to improve the quality and biodiversity of land in Oxfordshire, it sets out specific priorities for local farmers. It identifies the need to support farm businesses, rural landholdings and tenant farmers to create and improve wildlife-rich habitat that supports biodiversity and businesses helping species to spread through Oxfordshire’s fields, edges, and corridors.
16. Future investment proposals are likely to be designed to support the role of farmers in delivering the objectives of the LNRS (for example through new investment and credit models) and in carbon sequestration (for example through the current draft budget proposals on beyond-net zero). A specific proposal of £500,000 capital investment has been included in the draft budget published for 2025/26. If agreed, this proposal will provide seed investment in a local fund, led by the Oxfordshire Nature Partnership and the Trust for Oxfordshire's Environment. This circulating funding pot will support farmers, and other

landowners, unlock and mobilise up to £1bn of private sector funding in carbon and nature credits with significant opportunity to restore lost habitats.

**Future prioritisation of the local rural economy in economic planning and in the governance structures of Enterprise Oxfordshire (formally OxLEP), engagement with farming communities, and representations to government**

17. Enterprise Oxfordshire, formally operating as OxLEP, is a council owned company, working to support the delivery of economic strategies and objectives set by the council through cabinet.
18. As set out above, economic policy in place includes priority for the rural economy. Cabinet has already set out its requirement to reset economy policy following the new responsibilities it holds and in the light of emerging national requirements with relation to local growth planning. When setting the brief for the development of plans, officers will ensure that proposals to Cabinet reflect the needs of rural communities and farmers.
19. As also set out above, Enterprise Oxfordshire provides an element of business support into the rural economy. Officers have requested that Enterprise Oxfordshire review the extent to which this support reaches rural communities specifically and farming businesses in particular. The future designs of policy and programmes will be impacted by that review.
20. As part of its development of new economic development capacity, OCC will examine its approach to supporting the rural economy directly as well as through Enterprise Oxfordshire and other partnerships. As set out in a November 2024 report to Cabinet, as part of the establishment of revised governance for economic planning, the council will establish an Economic Advisory Partnership. In agreeing the composition of this partnership officers will advise on how rural and farming voices are included. This partnership will influence both the development of council led economic policy and Enterprise Oxfordshire delivery through nominating co-optees onto the company board, as set out in the November cabinet report.
21. Through OCC policy development and Enterprise Oxfordshire development of delivery programmes, all sectors of the economy will need to be engaged and heard. This will build on engagement already in place with rural communities through engagement with Town and Parish Councils, sector groups and through specific initiatives, such as the engagement of farming businesses in the *Together 100* green investment programme. It is also noted that OCC has sought to engage farmers in production of the LNRS, particularly through catchment partnerships and farmer clusters and that there is farmer representation on the LNRS steering group. The County Land and Business Association (CLA) and National Farmers Union (NFU) are also both engaged through associated working groups. Officers will work further with Enterprise Oxfordshire to design an impactful engagement programme that will ensure that all sectors of the economy, including farming communities, are able to have influence on policy and programme development through dedicated meetings or otherwise.
22. Finally, as requested by Council , the Leader of the Council wrote in December to the Chancellor of the Exchequer and the Secretary of State for the

Environment, Food and Rural Affairs to represent the views of Council as expressed through the agreed motion.

## Financial Implications

23. This report sets out existing activity or activity being proposed and agreed elsewhere and there are therefore no direct financial implications of this report.

Comments checked by:

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## Legal Implications

24. This report sets out existing activity or activity being proposed and agreed elsewhere and there are therefore no legal implications of this report.

Comments checked by:

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## Equality & Inclusion Implications

25. There are no specific equality and inclusion implications arising from this report and the relevant decision-making reports have or will need to consider equality and inclusion implications of individual decisions. However, it should be noted that *Including Everyone*, the council's equalities, diversity and inclusion framework, states that the specific needs of rural communities should be considered within decision making as an additional characteristic, alongside those characteristics with statutory protections.

## Sustainability Implications

26. Engagement with rural and farming communities offers significant opportunities for environmental improvement, and for climate action and adaptation. However, the specific sustainability implications of the work outlined in this report are or will be dealt with through the relevant decision-making route.

NAME

Robin Rogers, Director of Economy and Place

Background papers: The original Motion, which this paper is responding to, can be found [here](#).

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January 2025