Rosefield Solar Farm

Tenancy Position of Preston Farms Ltd

EN010158/APP/8.30
Revision 01
Deadline 4
June 2026
Rosefield Energyfarm Ltd

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1. Introduction

1.1. Purpose of the Note

1.1.1. This note has been prepared on behalf of Rosefield Energyfarm Limited (the **Applicant**) to provide a detailed response on the tenancy position of Preston Farms Limited in response to matters raised during - and action points - following Issue Specific Hearing 1 (**ISH1**). The Applicant's responses have been combined in this note because of the common and related issues arising from the fact that Preston Farms Ltd have the benefit of a Farm Business Tenancy until 30 September 2026, upon which date their interest in that land ceases.

1.1.2. **Section 2** provides a response to Action Point 28 requiring the Applicant to provide submissions on Preston Farms Ltd's tenancy position and its relevance to the Secretary of State's decision making.

1.1.3. **Section 3** provides a response to Action Point 33 requiring the Applicant to provide a comparative note on the compensation provisions under the Agricultural Holdings Act, a Farm Business Tenancy and the commitments made to Preston Farms Ltd in the context of the offer of replacement land.

1.1.4. **Appendix 1** is a letter from the Claydon Estate LLP is enclosed which confirms the principal freehold landowner's position in relation to its tenants, its motivation to support the Proposed Development and the circumstances in which it served a Notice to Quit on Lynda Preston (hereafter referred to as Preston Farms Ltd).

1.1.5. **Appendix 2** is a plan illustrating Preston Farms Ltd's tenanted areas, including the identification of the parcels of land held under the Agricultural Holding Act (**AHA**) tenancy as distinct from the Farm Business Tenancy (**FBT**). The plan overlays the Order limits and identifies the different rights the Applicant seeks over the relevant areas.

2. Applicant's Response to Action Point 28 (ISH1)

2.1.1. Action Point 28 required the Applicant to, by Deadline 4:

> *Provide submissions on the Preston Farms Ltd's tenancy position and its relevance to the Secretary of State's decision making.*

2.1.2. As referred to during ISH1 (see **Written Summary of Applicant's Oral Submissions at Issue Specific Hearing 1 [EN010158/APP/8.16] [REP3-049]**), it is an established characteristic of freehold ownership of land that the relevant owner may use its land in any way they see fit (subject to the principles of e.g. nuisance and negligence).[1] Another is the right of alienation, being the right to dispose of the estate again in any way the owner sees fit, including through grant of a lease. A lease is "a contract for the exclusive possession and profit of land for some determinate period".[2] Subject to the terms of the lease and any statutory provision to the contrary, a lease, once granted, is determinable on notice. The decision by Claydon Estate LLP to serve a Notice to Quit in respect of Preston Farm Ltd's FBT, as explained further in Appendix 1 in the letter from the Claydon Estate LLP, reflects the ordinary operation of these principles which apply independently of the Proposed Development and the Applicant's application for development consent.

2.1.3. The position outlined above is considered relevant to the SoS's decision making in the context of applying the tests for compulsory acquisition. As explained in the **Statement of Reasons [EN010158/APP/4.1.3] [REP1-010]** at section 5.3.1, section 122 of the Planning Act 2008 sets out the conditions which must be met in respect of an order granting development consent which includes provision authorising the compulsory acquisition of land. Relevant here is the test under section 122(3) that there is a "compelling case in the public interest for the land to be acquired compulsorily". As set out in paragraph 13 of the Government Guidance "Planning Act 2008: Guidance related to procedures for the compulsory acquisition of land" (September 2013), this means that the SoS will need to be persuaded that the public benefits that would be derived from the compulsory acquisition will outweigh the private loss that would be suffered by those whose land is to be acquired.

2.1.4. For the reasons explained above and discussed further in Section **Error! Reference source not found.** at the response to Action Point 33, Preston Farms Ltd currently benefits from no security of tenure in respect of its FBT and therefore has no long-term certainty that its interest will continue. In respect of the plots under the FBT, it has been granted rolling 12-month

[1] See Wilson v Waddell (1876) 2 App. Cas. 95
[2] See Prudential Assurance Co Ltd v London Residuary Body [1992] 2 A.C. 386

tenancies since 2014. As such, the nature of this interest is such that any interference with it (through the exercise of powers of compulsory acquisition) is inherently less than that associated with, for example, being dispossessed of a freehold land interest, or a long leasehold interest with many years left to run. The nature of the interest to be interfered with is therefore relevant to the SoS's consideration of the proportionality of this impact when weighed against the significant public benefits to be delivered by the Proposed Development. Although matters of compensation arising from compulsory acquisition are outside of the SoS's remit, it is noted that if compulsory purchase of this lease were required (which it is not, as possession can be obtained via notice in this instance) it would be expected to attract significantly less compensation than, for example, acquisition of a long leasehold, because the market value of a periodic tenancy is significantly lower than that of a long leasehold. For completeness it is noted that acquisition of the latter interest falls under a different compensation regime given the lease length, as discussed further in Section 3 of this note. This is indicative of the extent of impact that a tenant under a periodic tenancy, such as Preston Farms Ltd, would experience, when compared to a party such as a long leaseholder.

2.1.5. Separately, being aware that the lease is subject to a Notice to Quit and will therefore determine on 30 September 2026, informs the SoS's understanding of the extent to which powers of compulsory acquisition may need to be relied upon in the implementation of the Proposed Development. If the lease determines independently of the Proposed Development, the Applicant will not need to exercise its powers of compulsory acquisition in respect of this interest and in turn the determination of the lease is not an impact, or private loss, deriving from the Proposed Development. This therefore goes to the SoS's consideration of whether the public benefits of the Proposed Development outweigh any private loss suffered.

3. Applicant's Response to Action Point 33 (ISH1)

3.1.1. Action Point 33 required the Applicant to, by Deadline 4:

> *Provide a comparative note on the compensation provisions under the Agricultural Holdings Act, a Farm Business Tenancy and the commitments made to the Preston Farms in the context of the offer of replacement land.*

3.1.2. Agricultural land in England and Wales is commonly occupied under either an Agricultural Holding Act (**AHA**) tenancy under the Agricultural Holding Act 1986, or a Farm Business Tenancy (**FBT**) under the Agricultural Tenancies Act 1995. These regimes are governed by different legislation and provide materially different rights to, and require different obligations of, landlords and the tenants. AHA tenancies apply to agreements granted before 1 September 1995, whereas FBTs apply to most tenancies granted on or after that date.

Agricultural Holding Act (**AHA**) Tenancies

3.1.3. AHA tenancies are governed by the Agricultural Holding Act 1986 and are characterised by a highly protective, statutory regime for tenants. These tenancies are typically periodic in nature, meaning they do not have a fixed end date and continue indefinitely unless terminated in accordance with the AHA. Given the more limited circumstances in which a tenancy can be terminated under the AHA as discussed below, AHA tenants benefit from strong security of tenure.

3.1.4. A key feature of AHA tenancies is the potential for statutory succession, whereby, on death or retirement a relative may apply to take over the tenancy, subject to eligible criteria such as suitability, livelihood dependence, and commercial unit test. This is typically allowed through two generations.

3.1.5. Termination of an AHA is tightly controlled and must be under one of the grounds summarised below:

- Case A: "the tenant has attained the age of sixty-five,….suitable alternative accommodation is available…or will be available for him.
- Case B: "the land is required for use, other than agriculture."
- Case C: "the tenant… was not fulfilling his responsibilities to the farm in accordance with the rules of good husbandry."
- Case D:, "the tenant, has failed to comply with a notice…to pay rent due."

- Case E: “the commission had materially prejudiced the interest of the landlord in the agricultural holding by the tenant of a breach, which was not capable of being remedied.”
- Case F: “the tenant …had become insolvent
- Case G: “the death of a person who immediately before his death was the sole (or sole surviving) tenant
- Case H: “the Minister certifies in writing that the notice to quit is given in order to enable him to use or dispose of the land for the purpose of effecting any amalgamation…”

3.1.6. A landlord must serve a Notice to Quit and rely on specific statutory grounds set out above. If grounds A or B are relied upon for termination, then the tenant is entitled to compensation. The AHA compensation regime is determined by statute. Compensation includes:

- tenant-right matters (e.g. crops and cultivations) lost as a result of the notice,
- improvements to the holding (long and short term, reflecting value added),
- disturbance compensation, being typically five times rent but potentially up to a maximum of six times rent.

Compensation is typically negotiated between parties and should a dispute arise it is referred to arbitration.

Farm Business Tenancies (**FBTs**)

3.1.7. FBTs were introduced by the Agricultural Tenancy Act 1995 to create a more flexible and market orientated system of agricultural lettings. They apply to tenancies granted from 1 September 1995 onwards.

3.1.8. FBTs are typically granted as fixed term, although can be periodic by agreement. The terms of the tenancy are largely governed by the contract between the landlord and tenant, allowing high degrees of flexibility in how arrangements are structured. The security of tenure under an FBT is limited in comparison to AHA tenancies. The tenancy will generally terminate at the end of the agreed term, subject to any notice provisions. For tenancies exceeding 2 years, a minimum of 12-months written notice is typically required to terminate.

3.1.9. The compensation provisions under an FBT are more limited than under the AHA regime. They will typically be limited to tenant improvements that cannot be removed and any specific contractual terms. This is governed by Statute and will be negotiated in accordance with the Agricultural Tenancies Act 1995. Any dispute would be referred to arbitration.

3.1.10. Termination procedures are simpler and more flexible, with fewer statutory barriers. This allows landlords to regain possession more easily compared to AHA tenancies, making FBTs more commercially attractive to landlords.

Preston Farms Ltd Agreed Heads of Terms

3.1.11. Preston Farms Ltd (the **Prestons**) occupy various parcels of land within the Order Limits on both an FBT and AHA basis. The plan at **Appendix 2** shows the land occupied by Preston Farms Ltd under different tenancies with the Order Limits overlayed.

3.1.12. The Applicant is seeking permanent acquisition of land required by the Applicant for solar PV and the Rosefield Substation over plots 6/13,7/3,7/9 and 7/12. These plots are currently held by the Prestons under a FBT (shown in blue with pink dots on the plan at Appendix 2). The Prestons also occupy land and property (Sion Farm) under the same FBT which is outside of the Order Limits (shown in green on the plan at **Appendix 2**).

3.1.13. The Applicant is seeking permanent acquisition of new rights required by the Applicant for cabling and access over plots 7/1 and 7/5 which are currently also occupied by Preston Farms under the FBT (shown in blue with light blue dots on the plan at **Appendix 2**). Vacant possession of this land is not required.

3.1.14. The Applicant is seeking permanent acquisition of new rights required by the Applicant for cabling and access over plots 6/10 and 6/12 which are currently occupied by Preston Farms under the AHA (shown in purple with light blue dots on the plan at **Appendix 2**). Vacant possession of this land is not required.

3.1.15. The term of the FBT ended in 2014 and Preston Farms have been in occupation on an annual tenancy basis since this date. Termination of this tenancy is therefore upon service of a notice to quit with a minimum of 12 months' notice. A Notice to Quit was served by the Claydon Estate LLP (the **Landlord**) on 26 September 2025 with the tenancy to determine on 30 September 2026 (being more than 12 months' notice). As the Landlord confirms in its letter at **Appendix 1**, this was issued in circumstances where Heads of Terms had been agreed for the new tenancy which included the replacement land. As set out above, entitlement to any statutory compensation under a FBT is limited to improvements the tenants have made to the land.

3.1.16. Notice has not been served for the AHA land as vacant possession is not required, although the Landlord has sought to include the AHA land in the FBT commercial agreement being negotiated to allow for the provision of the required access rights as well as securing the long-term occupation of the land for the Prestons.

3.1.17. A summary of the terms offered, and agreed in the signed Heads of Terms with Preston Farms (excluding commercially sensitive matters), include:

- 'Replacement Land' on a 40-year term FBT on land of equal size to the area to be vacated which adjoins the current Preston land holding.
- A renewal of the FBT land outside of the Order Limits on a 40-year term
- A 'turn key' relocation to the replacement land.
- A conversion of the AHA land tenancy to a new FBT that extends to 40 years and reflects the terms of the AHA thus again ensuring security of tenure and avoiding succession risk of renewal.

3.1.18. The terms agreed far exceed the statutory compensation available to tenants under the termination of a FBT, which is limited to compensation for tenants' improvements.

Terms agreed added benefits

3.1.19. As per the details set out above, Preston Farms' current security of tenure is vulnerable as a large part of their occupation is on an annual FBT tenancy.

3.1.20. This vulnerability is extenuated by the location of the land in close proximity to the National Grid East Claydon Substation, which is due to be extended, facilitating new project connections into the grid. As can be seen across the country, and specifically in this locality, where substations with grid capacity exist surrounding land is in high demand for energy infrastructure projects. The closer the land is to the substation the higher the demand. It is a fact that many landowners in such locations are serving notices on their tenant farmers in favour of energy projects who will pay higher rents.

3.1.21. Rather than utilising limited compensation provisions under the statutory regimes, the landlord here has gone further by seeking to secure the future of Preston Farms Limited in this location by offering replacement land and long-term occupation, not only for land required for the Proposed Development but on land outside the Order Limits.

3.1.22. Preston Farms Limited have raised concerns about the supply chain to the NHS and connect this to the Proposed Development, when in fact they are in a vulnerable occupational position irrespective of the Proposed Development. Indeed, the extended terms offered by the Landlord to Preston Farms Limited, which allow for the Proposed Development to proceed, create an opportunity for more security of occupation to Preston Farms Limited than their current position.

Appendix 1

Letter from Claydon Estate LLP

Planning Inspectorate
c/o QUADIENT
69 Buckingham Avenue
Slough
SL1 4PN

18th June 2026

Dear Mr [redacted] and Mr [redacted]

I write to you on behalf of the Claydon Estate LLP, who is the principal freehold landowner in respect of the land which Rosefield Energyfarm Ltd (the Applicant) seeks to construct, operate and maintain and decommission the Rosefield Solar Farm (the Proposed Development).

Following a period of negotiation, Claydon Estate LLP entered into an Option for Lease Agreement with the Applicant in November 2022, which has since been varied to align with the Order Limits within the Applicant's application. Before this time, we were approached by other developers seeking to promote Estate owned land including in the area in and around what the Applicant has identified as 'Parcel 3'. However, we chose to sign the Option Agreement with the Applicant because we are strongly supportive of the Proposed Development as a renewable energy project coming forward. We recognise that deployment of solar is central to the UK's urgent need for clean power in order to meet its net zero targets, and we align with the sustainability objectives of the Applicant and the climate change resilience which the Proposed Development will deliver. The Estate is pleased to be able to facilitate this nationally significant infrastructure project and promote land for a purpose which is policy-aligned. The Proposed Development offers the Estate a source of long-term stable income which would support its long-term viability, and this in turn is beneficial for the Estate's tenants.

We currently lease land within the Order Limits to two existing tenants: [redacted] (The [redacted] family) and [redacted] (Preston Farms). We have a longstanding and strong relationship with each tenant. [redacted] has a tenancy granted under the Agricultural Holdings Act 1986. [redacted] holds two separate leasehold interests under different regimes: the holding known as Botolph Farm is subject to a tenancy granted under the Agricultural Holding Act 1986 which was assigned to [redacted] in 1999. The holding known as Sion Hill Farm is subject to a Farm Business Tenancy (FBT). The FBT was granted in 1999 and expired in 2014. Since expiry in 2014, the FBT has continued on a rolling annual 12-month basis. Relevantly, the FBT expired well before negotiations with the Applicant commenced.

As the Claydon Estate has entered into the Option Agreement with the Applicant that includes the land which is currently under these leasehold interests for the purposes of the Proposed

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Development, the Claydon Estate is actively seeking to negotiate voluntary agreements with each of the [redacted] family and Preston Farms in lieu of the Applicant needing to rely on any compulsory acquisition powers it may be granted under the Development Consent Order.

As part of these voluntary negotiations, and despite no legal requirement for us to do so, we have actively engaged with each tenant to offer appropriate replacement land for them to lease outside of the Order Limits. The Claridge family and Preston Farms, as represented by their appointed land agents, were involved in discussions regarding the respective replacement land and this was agreed in Heads of Terms with each tenant signed in September 2025. This replacement land is equal in area to their existing leased land. While this is not required of us, given the value of our relationship with each tenant, it is important to us that we try to provide them with the opportunity to continue to run a viable farming business. We intend for the Heads of Terms to form the basis of detailed Farm Business Tenancy (FBT) Agreements. We note that all substantive points in the agreement with the [redacted] are largely resolved, and we anticipate the agreement to complete shortly. The status of matters with Preston Farms are less progressed, as explained further below.

Given we had agreed and signed Heads of Terms with Preston Farms which importantly included agreement to move them to replacement land, we were comfortable serving a Notice to Quit on 26 September 2025 on Preston Farms in respect of the FBT leasehold interest. To be clear, the Claydon Estate could serve this Notice to Quit at any time irrespective of the Applicant and the Proposed Development, but the Estate elected to do this following agreement of the Heads of Terms.

This gives Preston Farms at least 12 months' notice, being until 30 September 2026, to bring their current FBT arrangement to an end with the view that a new FBT Agreement will be in place as per the agreed Heads of Terms. This notice was served in good faith on the assumption that the new FBT Agreement would be entered into in advance of the expiration of the notice to quit. Progress on reaching agreement with Preston Farms has been slow with limited productive engagement, presumably given the concerns they have raised during the Examination. The first draft FBT for one of the holdings has been with Brown & Co, Preston Farms' agent, since October 2025 with the remaining draft FBTs provided in May 2026. We are also engaging with Preston Farms in respect of the farming relating to the replacement land.

We hope that negotiations between now and the end of September with Preston Farms will be positive and productive, and that a finalised FBT can be agreed well before their current leasehold interest ceases. However, if such an agreement is not reached, the Notice to Quit remains in place, with the date of 30 September 2026.

While we respect our long-term relationship with Preston Farms, the Claydon Estate will act in the best interests of its long-term viability which includes ensuring the diversity of its tenancy portfolio. At this point in time, the Claydon Estate has chosen to support the Applicant's project over other

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potential development. However, we note that in circumstances where the Proposed Development does not gain consent, we would be open to supporting other forms of development.

We trust this letter assists in clarifying matters before the Examining Authority in respect of the tenancy interests within the Order Limits. Please let us know if we can provide any further information or clarification.

Yours sincerely,

[redacted]

Estate Manager

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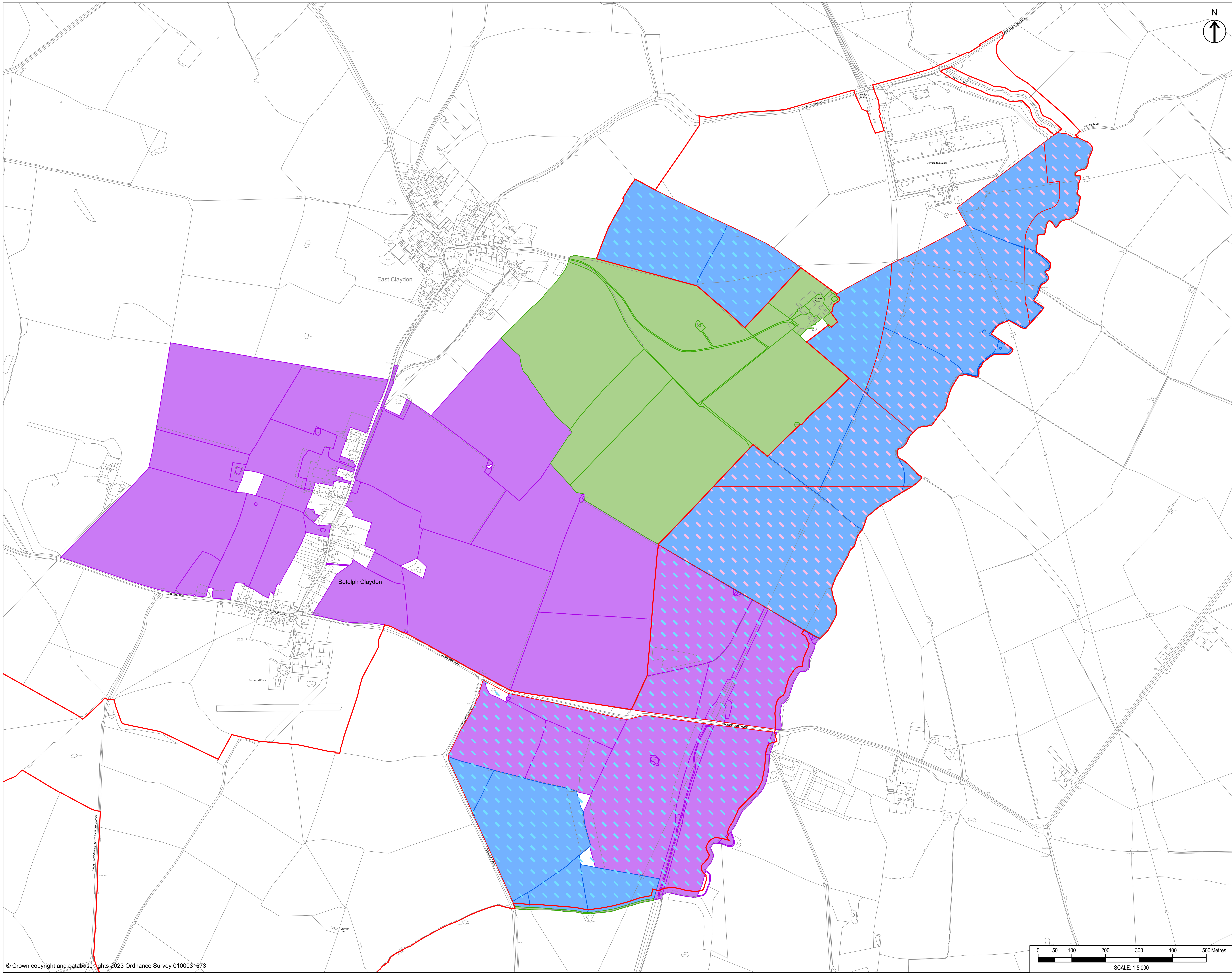
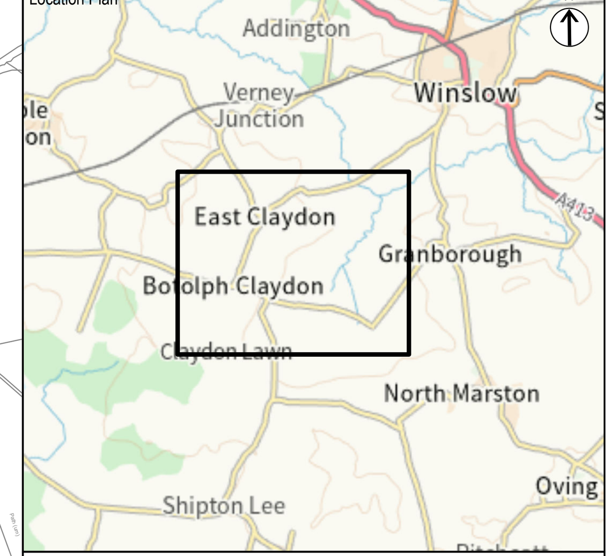
Appendix 2

Preston Farms Ltd's Tenanted Areas



Location Plan



Notes

1. DO NOT SCALE FROM THIS DRAWING, USE ONLY PRINTED DIMENSIONS
2. ALL DIMENSIONS ARE IN METRES UNLESS STATED OTHERWISE
3. THIS DRAWING IS TO BE READ IN CONJUNCTION WITH ALL OTHER RELEVANT DOCUMENTATION

Key to Symbols

- Order limits - the area within which the authorised development may be carried out.
- Order land - freehold to be compulsorily acquired and in relation to which it is proposed to extinguish easements, servitudes and other private rights.
- Order land - new rights to be compulsorily acquired and restrictive covenants to be imposed and land in relation to which existing easements, servitudes and other private rights the exercise of which is inconsistent with the rights and restrictions acquired pursuant to the Order are to be extinguished.

Preston Farms Ltd's Tenanted Areas

- Land let to Preston Farms under a AHA
- Land let to Preston Farms under FBT (inside Order Limits)
- Land let to Preston Farms under a FBT (outside Order Limits)

Rev	Description	Date	By / Check	Approved
P01	First Issue	19/06/26	KM / VH	JD

Purpose of Issue

FOR INFORMATION

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Client

EDF ENERGY RENEWABLES LIMITED

Project Title

ROSEFIELD SOLAR FARM

Drawing Title

LAND INTEREST PLAN - PRESTON FARMS LIMITED

SHEET 1 OF 1

Drawn	Checked	Approved	Date
KM	VH	JD	19/06/26

GH Project Number	Scale at A1
201576.00002	1:5,000

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