

FARM DIVERSIFICATION INSIGHTS REPORT

Dudley 
Peverill
ASSOCIATES

2025





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WHO WE ARE & WHAT WE DO



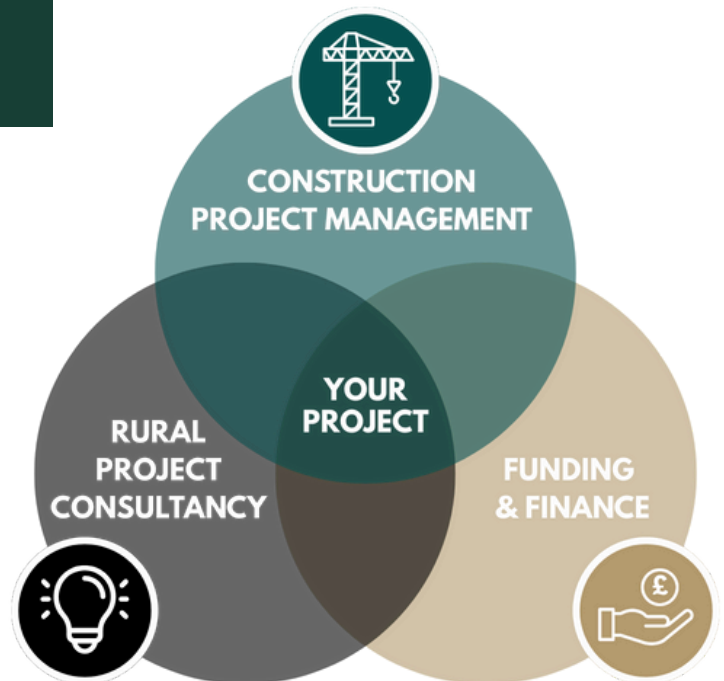
Dudley Peverill Associates began with a simple question from a neighbouring landowner: “How can I do this on my farm?” What followed quickly evolved into a trusted partnership model, built on collaboration, specialist expertise, and the conviction that rural businesses deserve more than off-the-shelf, conventional advice.

From the very beginning, our aspiration has been clear: that clients and fellow professionals alike will recommend us, whether a project moves forward to completion or proves unviable. For us, success is measured not only in projects delivered, but in the confidence, reassurance, and clarity we bring to every stage of the journey.



We produce this yearly insights report to give landowners and rural businesses a clear view of what is actually happening across the rural diversification landscape. The rural sector is being forced to evolve quickly, and the decisions farmers make today shape the strength and resilience of their businesses for years ahead. Good decisions rely on real insight, not guesswork.

These findings are designed to help you to benchmark your own thinking and understand where others are investing time, capital, and energy.



WHO WE SURVEYED

JOB TITLE

Farm Owner

83.3%

Successor

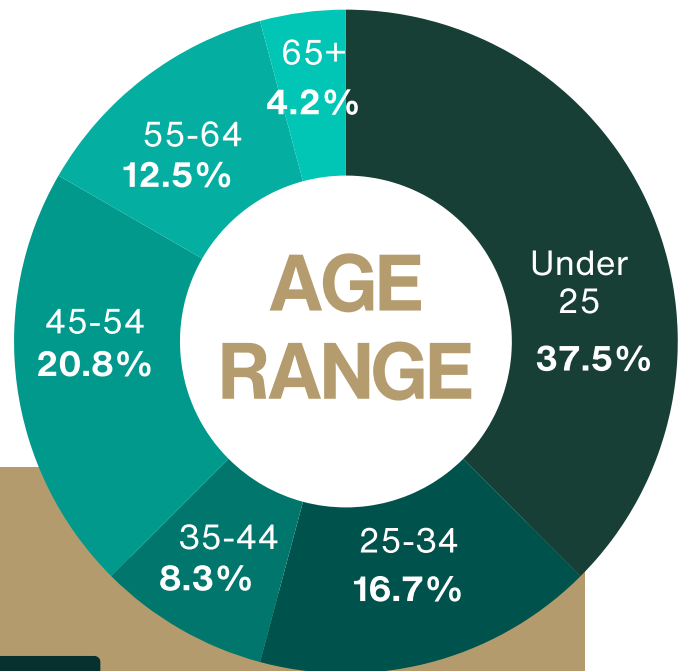
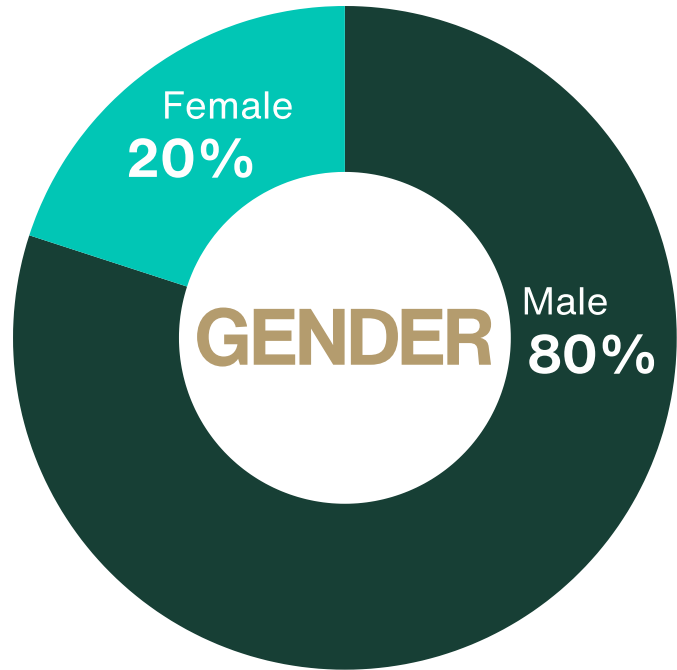
8.3%

Tenant Farmer

4.2%

Spouse/Partner of Farm Owner

4.2%

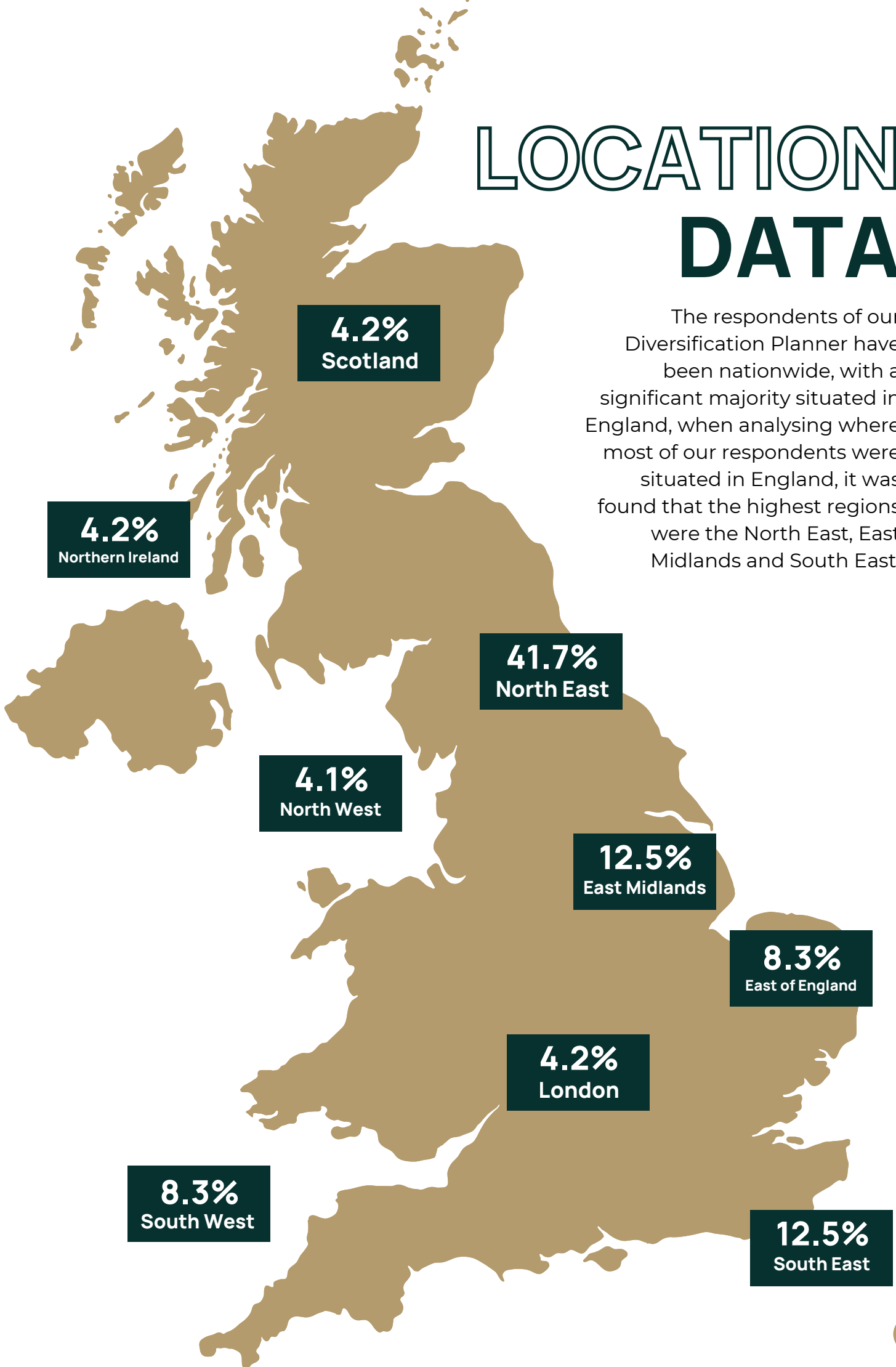


FARM SIZE

1-50 hectare	50%
50-100	12.5%
100-250	12.5%
250-500	4.2%
500-1000	8.3%
1000+	12.5%

LOCATION DATA

The respondents of our Diversification Planner have been nationwide, with a significant majority situated in England, when analysing where most of our respondents were situated in England, it was found that the highest regions were the North East, East Midlands and South East.



FARMER MINDSET

65%
of Farmers
Welcome
Change and
New Ideas

When asked about change and new ideas, 65% of landowners in 2025 described themselves as open-minded, compared with 70% in 2024. At first glance this suggests a smaller progressive cohort. In practice it reflects a broadening of engagement. Rising financial pressures are drawing more traditionally minded farmers into the diversification conversation. Whereas the 2024 figure likely captured those already exploring new enterprises, the 2025 result indicates that previously cautious farmers are now considering diversification out of necessity. The headline percentage is lower, but the pool of potential adopters is wider and includes farmers who would not previously have engaged.

This is reflected by 100% of respondents agreeing to "I feel diversification is necessary for my rural business to remain profitable"

WHAT THIS MEANS FOR PROJECTS:

- Offer low-risk pilots and pop-ups to prove demand before investing.
- Prioritise capex-light, modular schemes that can scale.
- Build in phased permissions and decision gates to reduce perceived risk.
- Provide finance options and sensitivity testing to overcome hesitation.
- Use peer learning and site visits to normalise adoption.

100%
agreed "I feel
diversification
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COLLABORATION

In 2025, 54% of landowners described themselves as collaborative, up from 51% in 2024. This rise suggests a growing recognition that successful diversification needs skills beyond the core farming business.

More owners are willing to partner with specialist operators, advisers, tenants, and finance providers to access expertise, share risk, and accelerate delivery. This strengthens the outlook for joint ventures and other partnership-led models.

54%

described themselves as “collaborative”

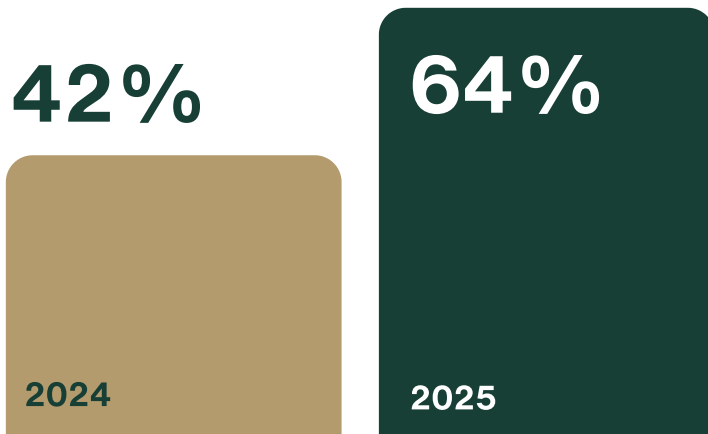
WHAT THIS MEANS FOR PROJECTS:

- Map required capabilities and fill gaps with partners, not payroll.
- Use simple JV or management agreements with clear roles and KPIs.
- Run a structured operator/tenant selection with criteria and references.
- Document governance, dispute routes, and exit options from day one.
- Share marketing calendars and data so partners pull in the same direction.

IS THE PUBLIC PERCEPTION OF
YOUR BUSINESS IMPORTANT
TO YOU?

ATTITUDE TO PRIVACY

In 2025, 64% of respondents said they were not sensitive about engaging with the public, up from 42% in 2024. This points to a clear shift: more landowners are willing to trade some privacy for the income, resilience, and community benefits that public-facing enterprises can bring. The change likely reflects tighter farm economics, the normalisation of agritourism, and better tools for managing boundaries (zoned access, bookings, and visitor protocols).



WHAT THIS MEANS FOR PROJECTS:

- Zone the site to separate private areas from visitor routes.
- Control access with timed bookings, defined capacities, and parking plans.
- Design screening, wayfinding, and staff points to keep visitors on track.
- Publish a visitor code, house rules, and quiet hours to manage expectations.
- For privacy-sensitive sites, prioritise low-footfall offers and B2B channels.

Bottom line: Willingness to host the public is rising, broadening the range of viable diversification models for UK farms.

PLANNING STRATEGIES

In 2024, 49% of respondents told us they would typically pursue full planning permission, while 17% preferred to utilise dispensations/permitted development where possible, to expedite, de-risk or lower the cost of the planning process.

This reflects a clear split between attitudes in planning strategies, with some landowners utilising permitted development rights where appropriate. For 2025, our takeaway remains consistent: use full planning for higher-impact, long-life, or complex schemes, and deploy permitted development tactically, where available and appropriate, for lower-risk, phased scheme delivery. This approach allows for proving demand before scaling or developing fallback positions to support subsequent full planning applications.



WHAT THIS MEANS FOR PROJECTS:

- Match the strategy to risk.
- Appoint professional planning consultants to improve success rates
- Engage with Local Planning Authorities early with pre-application advice, where constraints are material or severe (highways, ecology, landscape, heritage), to derisk abortive costs.
- Provide technical evidence and reproting pre-emptively at the application outset to prevent delays, and de-risk the validation and determination process.
- Plan a planning conditions strategy (phasing, triggers, management plans) to avoid post-consent bottlenecks.
- Utilise permitted development (prior notification) where available and appropriate, to reduce the cost and time incurred in for planning. Consider the use of permitted development rights (prior approval) to develop fallback positions where proposals could be more constrained.
- Keep a clear compliance record to minimise enforcement risk and protect asset value.

HAVE YOU EXPLORED PLANNING STRATEGIES FOR YOUR PROJECT?

64%

rated their site
access as good



HIGHWAYS ACCESS

In 2025, 64% of respondents rated their site access as good (down from 70% in 2024). Despite this confidence, highways remains a major planning constraint at many rural sites, as statutory requirements are often higher than extant access arrangements. However, only 21% of landowners felt their access could not be improved, underlining the need for targeted design solutions and mitigation. Notably, 64% said diversification can occur at a site separate from the core farming business operation, opening options to place visitors or logistically heavy enterprises where access is stronger, while keeping the home farm quieter, or exclusively for existing farming operations.

In addition, 71% reported their holding benefits from high traffic flow counts, a factor we actively monitor when considering options, as high mobility can enhance footfall, particularly necessary for retail, leisure or hospitality uses, but also raised access capacity and safety issues that must be addressed, where schemes are proposed.

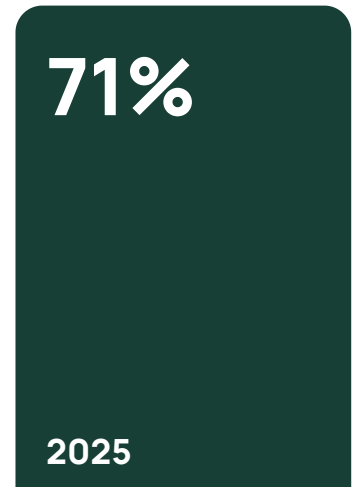
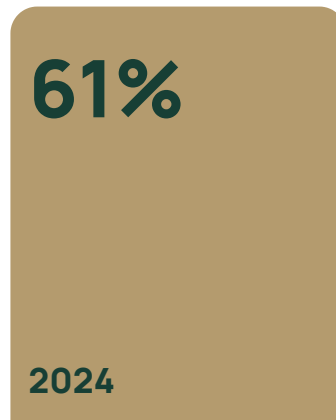
WHAT THIS MEANS FOR PROJECTS:

- Commission early transport technical reporting, speed surveys, and swept-path analysis.
- Model trip generation against peak hours and seasonal demand.
- Prepare a Construction Traffic Management Plan from the outset.
- Package proportionate and transport consultant supported mitigations such as passing places, visibility improvements, surfacing, or access rearrangements.
- Build in sustainability into transport arrangements. Co-ordinate with local public transport, provide EV charging, secure cycle parking, clear wayfinding to walking and cycling links, consolidated deliveries, and a monitored Travel Plan with visitor and staff travel information.

**BOTTOM LINE: HIGHWAYS AND SITE TRIP
INTENSIFICATION REMAIN A CRITICAL CONSTRAINT TO
MANY RURAL SITES, REQUIRING SOLUTIONS.**

NATURAL BEAUTY OF SITE

In 2025, 71% of respondents described the natural beauty of their site as high, up from 61% in 2024. This confirms strong awareness of landscape value and an ongoing belief that scenery can underpin tourism, leisure and hospitality enterprises.



This also reflects the lessons from the bullish glamping and camping market since the Covid 19 pandemic, with more landowners understanding the potential in their site. However, without a clear USP, or strong marketing, generating strong returns is increasingly challenging as the market becomes more saturated.

WHAT THIS MEANS FOR PROJECTS:

- Turn the landscape into a proposition, not just a backdrop, leveraging it for curated experiences and marketing opportunities.
- Add a draw: on-farm activities, food and drink, wellness, or guided access.
- Invest in brand, high-quality photography, and targeted digital ads.
- Build packages and itineraries with local partners to extend stays and spend.
- Plan for seasonality with events, shoulder-season offers, and price bands.



ASSET UTILISATION AND INVESTMENT APPETITE

In 2024, 35% reported an investment budget of £50,000 to £100,000 and 10% were prepared to invest £500,000 or more. In 2025, appetite in the £50,000 to £100,000 range appears similar, while 7% are prepared to invest £500,000 or more.

78%
believe their
land and built
assets are
under-utilised

When the question was reframed to diagnose capacity for investment, 78% of respondents believed their land and built assets to be under-utilised. This aligns with the claim made by the Country Land & Business Association (CLA), that “The rural economy is 16 % less productive than the national average. If you close that gap, up to £43 bn could be added to the Gross Value Added (GVA) of England alone.”, highlighting significant scope for reuse, reconfiguration and partnerships for rural diversification.

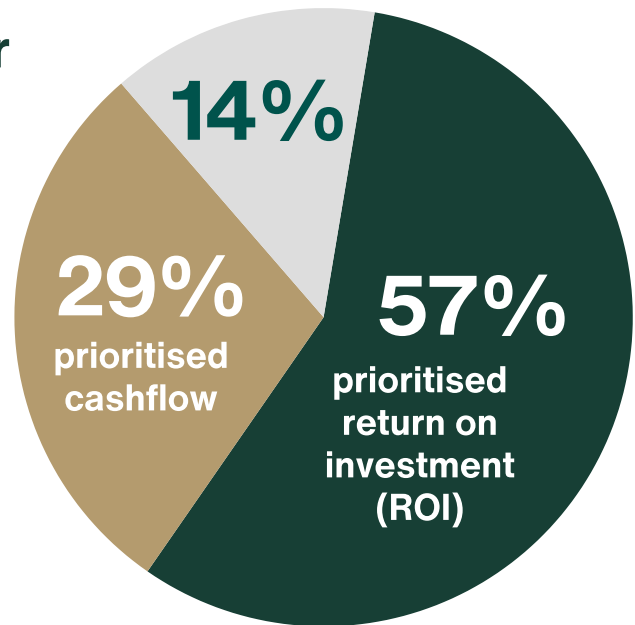
WHAT THIS MEANS FOR PROJECTS:

- Start with an asset audit to locate underused buildings, yards, utilities, and existing permissions.
- Match concepts to budget tiers: £50k to £100k for conversions, glamping, small renewables, or farm retail; £500k+ for multi-unit conversions, larger renewables, or mixed-use hubs.
- Prioritise quick wins that raise utilisation before heavy capex, for example flexible lets, and seasonal pop-ups.
- Use phased business plans that prove cash flow early, then reinvest into higher value schemes.
- Pair surplus space with demand-led operators or tenants, sharing risk and bringing in missing skills.
- Underpin cases with clear productivity and occupancy metrics so schemes are fundable and trackable.

INVESTMENT IN DIVERSIFICATION

When asked: "What is your primary financial concern related to diversification?"

57% prioritised return on investment (ROI) and 29% prioritised cashflow. In practice, the binding constraint is finance cost: access to capital at around 14% is the bigger challenge, meaning even seemingly viable projects can see margins erased without a smart funding plan from day one.

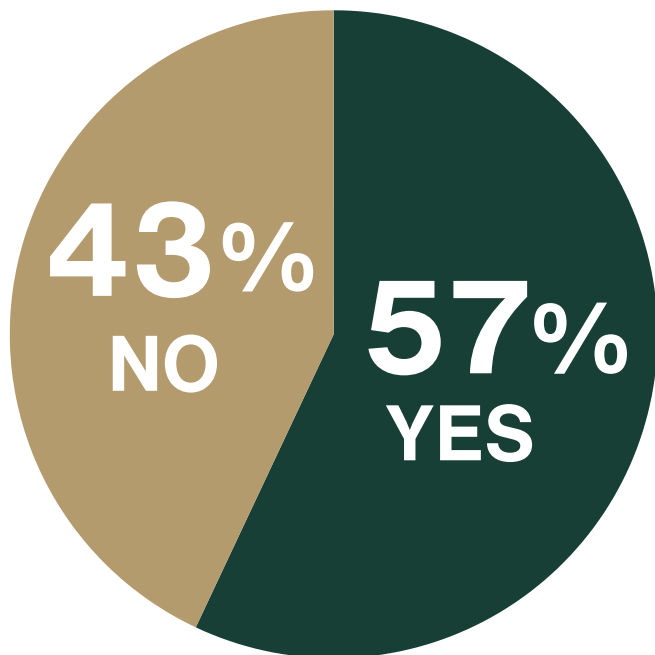


WHAT THIS MEANS FOR PROJECTS:

- Model both ROI and cashflow: build 24–36 month cashflows with Debt Service Coverage Ratio (DSCR) and interest-rate sensitivities at 12–16%.
- Stage the capex: start with capex-light pilots and phase upgrades once revenue is proven to cut interest exposure.
- Blend funding: mix owner equity, retained cash, partner/JV capital, and only as much debt as the project can service.
- Reduce risk for lenders: professional project management, secure pre-lets/pre-bookings, operator agreements, or offtake/PPAs to lower pricing and improve terms.
- Plan the refinance: target a step-down to cheaper debt after stabilisation (e.g., 12–18 months) with covenants you can meet.
- Lock in efficiency: design for low operating cost (energy, staffing, maintenance) and dynamic pricing to protect margins.
- Factor in contingency to your budgets.



INHERITANCE TAX & DECISION-MAKING



When asked: “Is Inheritance Tax is a key concern among stakeholders and does it affect decisions?”

57% said yes. This indicates that succession planning is now a central driver for diversification choices, corporate structuring, and the timing of investment.



WHAT THIS MEANS FOR PROJECTS:

- Start with a light-touch succession review alongside the business plan.
- Map projects against APR and BPR criteria early and avoid unintended relief erosion.
- Choose entity/lease/operating models that preserve trading status where appropriate; avoid creeping into a mainly investment profile that could jeopardise BPR.
- Prioritise income streams that improve liquidity for future inheritance events.
- Use phased development so timing can align with family milestones and tax planning windows.
- Document governance, roles, and beneficiary objectives to reduce dispute risk.
- Work with professional advisers and keep records evidencing active trading.



GET IN TOUCH

Looking to get your diversification project started?

Contact us today for your free consultation to see how we can help you realise your aspirations!



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