

Food & Farming

Enforcing the Farming Rules for Water

Defra published statutory guidance on 18 June on Enforcing the Farming Rules for Water in England. This guidance does not amend the legislation of the Farming Rules for Water; it provides clearer guidance for the Environment Agency (EA) about the criteria it needs to consider when assessing if enforcement action should be taken under the legislation. Funding for EA farm inspections is doubling to help reduce agricultural pollution. It is said, the EA will continue to provide an ‘advice-led’ approach to inspections.

The Farming Rules for Water were introduced to reduce and prevent diffuse water pollution from agricultural sources. A report, the State of the Water Environment in England, published on 22 May 2025, stated that only 14% of rivers in England are at good ecological status; therefore, there continues to be a focus on ensuring our rivers and waterways are protected.

Multiple herds are now eligible for vet visit funding

Farmers in England can receive a funded veterinary visit (also known as the Animal Health and Welfare Review) for each of their herds or flocks of the same species. Many farms manage more than one group of the same species, such as sheep flocks with different lambing cycles or cattle herds in different parts of a holding. Until now, farmers could only get one funded vet visit per species, forcing them to choose between herds or pay for additional vet visits. Each vet visit includes:

- Testing for endemic diseases
- A tailored health and welfare discussion
- Practical advice to support productivity, animal welfare and business.

Small abattoirs win reprieve

The 47 small abattoirs remaining in England and Wales will continue to receive a discount for veterinary services and inspection charges, following a decision by the Food Standards Agency (FSA). The Association of Independent Meat Suppliers indicated that up to 40% of small abattoirs could face closure if the discount was phased out, as it helps these businesses remain financially viable amid rising operational costs. Research also shows 43% of farmers would be unable to sell meat locally if the abattoir they currently use were to close, while 29% would have to close their business entirely. The FSA board had considered proposals to phase out the discount, which constitutes about 10% of the agency’s annual budget, as part of broader government cost-cutting measures. However, the decision to maintain the discount follows input from the industry, emphasising the important role small abattoirs play in local food systems, animal welfare and rural economies. This decision has been welcomed by various stakeholders, including farmers, butchers and proponents of sustainable, small-scale meat production.

Policy

Scotland: Highland Show announcements and climate budget

Rural Affairs Secretary Mairi Gougeon announced a range of measures to support a more sustainable future for Scottish agriculture at the Royal Highland Show. One of the main announcements was the launch of the Future Farming Investment Scheme, which will open on 14 July with a total funding pot of £14 million. The scheme will offer capital grants of up to £20,000 at a 100% grant rate to cover new capital investments. This funding is intended to help farmers invest in practices and technologies that are climate-friendly, efficient and sustainable. Active farmers and crofters who declared more than three hectares of eligible land on their 2025 Single Application Form will be eligible, though priority will be given to young farmers, new entrants, small farms and tenant farmers, who the Scottish Governments see as “leading innovation and positive change in the sector”. The application period ends on 22 August 2025. Successful applicants must complete investments within nine months and retain funded assets for at least six years.

Ms Gougeon also announced changes to the Scottish Suckler Beef Support Scheme, which the National Farmers Union Scotland welcomed. From 2026, small suckler herds with 10 calves or fewer will be exempt from the

calving-interval condition. Additionally, a new Code of Practice on Sustainable and Regenerative Agriculture was launched to guide farmers in adopting more environmentally responsible practices.

The Secretary also addressed recent recommendations from the UK Climate Change Committee, which had suggested Scotland reduce its livestock numbers by 27% by 2040 to meet net-zero targets. Ms Gougeon confirmed that while the Scottish Government accepts the Committee's proposed carbon budget levels, it will not adopt the specific policy recommendations. She said the government has no policy and will not introduce any policy to cut livestock numbers. She emphasised the goal remains to reach net zero, but not at the expense of the agricultural sector or rural communities. If you would like to discuss agricultural support in Scotland, please contact [Hamish Logan](#).

Water companies face new requirements

New regulations under the Water (Special Measures) Act now require England's water companies to publish yearly Pollution Incident Reduction Plans. These plans will detail how companies intend to identify, respond to and reduce sewage pollution incidents within their networks. Actions may include increasing monitoring, investing in technology and infrastructure and conducting awareness campaigns for customers. The first plans are to be published by 1 April 2026 and will be reviewed by the Environment Agency.

The same Act now requires the water companies to consider nature-based solutions within their statutory Drainage and Wastewater Management Plans. Companies must specifically explain whether and how they use nature-based solutions within their networks, the benefits of these systems and the rationale behind their choices. Nature-based solutions may involve constructing wetlands to treat sewage effluent before it is released into the environment, rather than relying on wastewater recycling centres. Another example could be riparian buffers, which are strips of vegetation located next to a watercourse and intended to improve water quality, provide habitats and reduce erosion.

Separately, the government has announced it will allocate more than £100 million from water company fines levied since October 2023 to support local environmental improvement projects. The Water Restoration Fund was established under the previous government to direct money from water company fines into nature restoration projects. However, there had been speculation that money from these fines would be redirected to unrelated purposes. Defra has now confirmed the money will be ringfenced for environmental restoration.

Environment & Natural Capital

Delay to Scottish muirburn licensing rollout

The Scottish Government's introduction of a muirburn licensing scheme has been delayed until the 2026/27 season. This decision follows feedback from the British Association for Shooting and Conservation (BASC), land managers and other rural organisations regarding the readiness and practical application of the scheme ahead of the start of the new muirburn season on 15 September. Stakeholders have raised concerns about:

- Unclear guidance on measuring peatland depth
- The lack of distinction between legal obligations and best practice recommendations
- Restrictions on burning on sloped terrain

BASC indicated that a rushed implementation could negatively impact upland management, biodiversity and public trust, noting past issues with the grouse shoot licensing as a cautionary example. It has emphasised the need for clear, workable regulations before any future licensing is introduced.

Property & Development

Landlord and Tenant Act: another consultation

Following a consultation, the Law Commission has concluded the English and Welsh model of security of tenure in commercial leases should remain in place, and the existing mechanism for "contracting out" of renewal rights should be retained. The commission has, however, recommended that the threshold for excluding short-term tenancies from the 1954 Act be raised from six months to two years. A further consultation will be conducted on this potential change.

Scotland: Minimum Energy Efficiency Standards

After a prolonged delay, the Scottish Government has launched a consultation on the application of Minimum Energy Efficiency Standards (MEES) to the Scottish private residential rented sector. The headline proposal would see Energy Performance Certificate (EPC) C required for all new tenancies from as early as 2028 and

existing tenancies by 2033, unless exemptions apply. The new minimum standard is to be based on the Heat Retention Rating (HRR) that will be introduced as part of the reformed Scottish EPC system. The HRR reflects how well the dwelling retains heat, based on its insulation level and other characteristics. The [consultation](#) on MEES closes on 29 August 2025.

England and Wales: EPC methodology overhauled

The methodology behind the Energy Performance Certificate (EPC) has been updated. The Reduced Data Standard Assessment Procedure (RdSAP) is the simplified approach used for generating EPCs for existing dwellings. The current procedure relies on assumptions regarding building construction and occupancy to determine an energy efficiency rating for a property. RdSAP 10 introduces new data inputs, revised assumptions, and structural changes to enhance the accuracy of EPCs.

Assessors are now required to detail specific property attributes such as glazing types, heating system efficiency, and smart heating controls. Updates include refined calculations for floor area and insulation, potentially improving the accuracy of heat retention and energy use assessments. Furthermore, the new procedure revises heat loss calculations for flats and terraced homes, which may result in improved EPC ratings for these properties.

EPCs will now rely on the documentation provided by homeowners, landlords, and agents. Default assumptions were previously used when details of a heating system could not be verified, often leading to an underestimation of its efficiency. The introduction of RdSAP 10 establishes a hierarchy that prioritises evidence over assumptions. In the absence of documentation, the system's efficiency may be rated lower, potentially affecting the final EPC score. If you would like to discuss residential energy efficiency projects please contact [Michael Fountain](#).

Business & Economy

The Industrial Strategy

Agri-tech and precision breeding have been included within the new [Modern Industrial Strategy](#). The 160-page plan recognises agri-tech as a “frontier industry” within the advanced manufacturing sector, while precision breeding is recognised as part of engineering biology within the digital & technology sector. The strategy commits £200 million to the Farming Innovation Programme between now and 2030. An Agri-Tech Export Accelerator Programme has also been launched to help UK-based agri-tech firms enter and expand in global markets. £5 million will be invested in the Farming Innovation Investor Partnerships competition, with the aim of matching it with £10 million of private investment.

The strategy aims to provide targeted support for areas of the country and economy with the greatest potential for growth, while introducing reforms that will make it easier for all businesses to succeed. The strategy targets eight key sectors and technologies that can drive economic growth, including digital & technology and advanced manufacturing, as well as defence, clean energy industries, and life sciences.

Other significant announcements include initiatives to lower energy costs for major energy consumers. The government has announced the introduction of a “British industrial competitiveness scheme” starting in 2027, which will exempt companies in manufacturing sectors such as automotive, aerospace, and chemicals from paying for the renewables obligation, feed-in tariffs, and the capacity market. For more information, please refer to this [blog](#). Additionally, the strategy aims to enhance exports and highlights a new package agreed upon with the EU that will foster cooperation in security and defence, agri-food trade, emissions trading, and electricity trading as an example of successful collaboration.

The Infrastructure Strategy

A new 10-Year [Infrastructure Strategy](#) has been published, promising £725 billion of public funding. It marks the first time the UK has set out a long-term strategy that brings together economic infrastructure, such as transport, energy, and water, with housing and social infrastructure, including hospitals, schools, and prisons. The creation of a new body to coordinate infrastructure delivery was also announced: the National Infrastructure and Service Transformation Authority. However, the strategy does not cover so-called megaprojects, which cost more than £10 billion and take more than 10 years to deliver, including HS2 and the Sizewell C nuclear plant.

Nearly 200 million tonnes extracted from the UK landmass

In 2023, approximately 176.3 million tonnes of minerals were extracted from the UK landmass. Of this total, 69% was in the form of crushed rock for industrial and construction purposes, while 21% was sand and gravel. These statistics were published in the British Geological Survey's UK Minerals Yearbook. Despite the significant quantities, economic uncertainty and reduced demand from the construction sector led to a decrease in the

production of most minerals in 2023 compared to 2022. A notable exception was natural gypsum, where the end of coal-fired power generation in the UK resulted in the loss of desulphogypsum production, thereby increasing the demand for natural gypsum. Additionally, 82.6 million tonnes were extracted from the UK Continental Shelf, primarily consisting of oil, gas, and marine-dredged sand and gravel.

Other Rural News

And finally... Using AI to fight slugs

Farmers are turning to artificial intelligence to outsmart slugs. Using data gathered from slug monitoring over a two-year period, as well as detailed soil mapping and testing, researchers at Harper Adams University have developed a model to predict slug hotspots. The research is part of the wider Strategies Leading to Improved Management and Enhanced Resilience against Slugs (SLIMERS) research programme, a clear example of a name designed to fit the acronym. SLIMERS is a three-year, £2.6 million project which involves over 100 farms and seven partners. Using the model, 20 farmers, known as “Slug Sleuths”, are applying slug pellets selectively according to the recommendations of the model, rather than blanket spreading. The project is being led by the British On-Farm Innovation Network (BOFIN), another example of a name seemingly created to fit the acronym.

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