

Food & Farming

SFI expands and agricultural transition plan updated

Environment Secretary Steve Barclay MP gave a policy update on the agricultural transition plan for England at this year's Oxford Farming Conference. The policy paper that accompanied the speech set out changes to existing schemes and intentions for 2024 and beyond as well as reviewing existing work to date. The paper is the first since the end of the Basic Payment Scheme and associated cross compliance in England and, as such, it gives insight into Defra's new approach to regulatory baselines and the integration of current and future land management schemes. The paper also explains how these will deliver against targets for food production, decarbonisation, nature recovery and water quality.

Central to the announcement were plans for the Sustainable Farming Incentive (SFI) in 2024. Around 50 new SFI actions were announced and a single application service will provide access to 180 Countryside Stewardship and SFI revenue actions from summer 2024. Payment rates have been increased by an average of 10% and premium payment actions introduced to encourage the adoption of those which will have the biggest environmental impact, for instance, £1,409 per hectare is available for raising the water level in cropped or arable peat soils to near the surface. There will be new options launched for agroforestry paying up to £849 per hectare for the highest density agroforestry. 2024 also sees precision farming practices encouraged by the SFI such as no-till farming (£73 per hectare) and variable rate fertiliser spreading (£27 per hectare). The grassland offer has been simplified, and upland farms will benefit from more moorland options including low and limited grazing payments of £53 per hectare and £66 per hectare respectively. 16 more actions are available at the three-year duration, to benefit tenant farmers.

The increased payment rates will be automatically applied to existing agreements where applicable. Farmers with existing SFI agreements will be able to add to it or start an additional agreement in 2024. For more information about the announcements see our [briefing note](#). If you would like to discuss the SFI and CS schemes please contact [Georgina Sweeting](#).

Wales: Latest on the Sustainable Farming Scheme

The Welsh government has published its final consultation on the Sustainable Farming Scheme (SFS) ahead of its expected rollout in 2025. The 90-page paper describes in detail the 17 universal actions that all farms must comply with to receive scheme payments. These place ambitious and challenging expectations on farmers in Wales and include benchmarking, continued professional development and soil management, plus tree cover and habitat targets. The Welsh government remains committed to the message that this level of action across the whole farm is needed to meet national goals for sustainable food and environmental outcomes. For further information and analysis of the scheme see our [briefing note](#).

Smaller abattoir fund

A £4 million fund has been announced to support small abattoirs in England. Through the Smaller Abattoir Fund, grants of between £2,000 and £60,000 will be available at a 40% intervention rate. Due to the nature of smaller abattoirs' cash flow, applicants can make up to three applications for a combined total of £60,000. The application deadline is 30 September 2024 and abattoirs processing up to 10,000 farmed livestock units per annum or 500,000 birds are eligible.

New penalties for animal health and welfare offences

From 1 January 2024, it became possible for fixed penalty notices of up to £5,000 to be issued for a range of animal welfare offences. These include keeping animals in a poor environment, repeated overdue bovine TB testing and unlicensed animal breeding. Advice and guidance will remain the primary enforcement tool for early intervention, however, the new penalties will help to enforce the law if corrective action is not taken.

How can fairness in the fresh produce supply chain be improved?

Defra is consulting on contractual relations within the UK fresh produce industry supply chain. It aims to gain insight into how the sector currently functions, the nature of relationships across the fresh produce supply chain and thoughts on how they could be improved. The [consultation](#) is running until 22 February 2024.

All hands on deck for regen ag

Wildlife charity WWF has called for an “all-hands-on-deck” approach to regenerative agricultural practices in England. In a [new report](#) titled “A roadmap for financing a regenerative agriculture transition in England”, the WWF calls for government intervention to support regenerative food production in England. The report, sponsored by NatWest, also states regenerative farming practices, if focused on boosting biodiversity and nature, would create a simultaneous and unified response to climate and nature breakdown and worsening food security.

Policy

Decarbonising farm machinery

If the government’s net zero ambitions are going to be achieved, thought must be given to how non-road mobile machinery (NRMM) could be decarbonised. NRMM refers to a category of mobile machine that is not designed for transporting goods or passengers on public roads and includes agricultural machinery. To inform the government’s approach a [consultation](#) is seeking answers to these questions:

- How NRMM is currently used across the economy
- The decarbonisation options available
- Opportunities and barriers to deploying decarbonisation options
- Whether existing policies are sufficient.

Savills Rural Research previously analysed the pros and cons of sustainable alternative energy sources for tractors in our Market in Minutes on the [Future of Farm Fuels](#).

Environment & Natural Capital

Polluters will pay

Companies polluting the environment can now be hit with unlimited financial penalties from the Environment Agency. The previous cap of £250,000 on Variable Monetary Penalties (VMPs) has been scrapped and VMPs now apply to offences under the environmental permitting regime too. This means a VMP could be charged in response to an illegal discharge to water where there is no permit, such as in the event of agricultural pollution from slurry stores. Penalties will be proportionate to the size of the company and the nature of the offence.

Natural Environment Investment Readiness Fund

Farmers in England can now apply to the Natural Environment Investment Readiness Fund (NEIRF) for individual grants between £10,000 and £100,000. It aims to support projects that align with the Environmental Improvement Plan, assist farmers in trialling new ways of earning from ecosystem services, attract investment and create a scalable investment model for wider adoption by farmers. If you would like to discuss a NEIRF project please contact [Jon Dearsley](#), [applications](#) close on 16 February 2024.

Social and Economic Impacts of Green Land Investment in Rural Scotland

The results of research into the socio-economic impacts of new forms of green land investment in rural Scotland have been [published](#). Commissioned by the Scottish Government, the research identified a diversity of green land investor-owner activities and motivations in rural Scotland, including individual ownership, ownership by corporations, and where corporations provided land management services to private landowners or investors. Importantly, investor-owner motivations fall along a spectrum rather than into discrete categories.

There were a range of positive and negative implications identified across a range of case studies. Benefits included:

- Increased accessibility and transparency of estate activities
- Support for education and training, community initiatives and housing
- Increased tourism activity and employment.

Negative impacts included:

- Loss of employment and effects on local services

- A decrease in housing availability
- The potential risks of changes in land use e.g. perceived increased risk of wildfire.

Independent review of protected site management on Dartmoor

This independent review led by David Fursdon focused on Dartmoor's land management and land use in the face of climate change and biodiversity loss. It was commissioned following stakeholder concerns over proposed changes to winter grazing on Dartmoor. Key recommendations include:

- The creation of an independently chaired Dartmoor Land-Use Management Group.
- Actions to support vegetation management including conservation grazing by cattle and ponies and controlled burning.
- Agri-environment schemes that are based on the proposed plan for Dartmoor and support the vision for Landscape Recovery.
- Improved transparency of protected site monitoring and management of these sites in line with proposals in Defra's Nature Recovery Green Paper.
- Increasing Natural England staffing resources and the creation of partnerships to help rebuild trust and confidence on Dartmoor.

Property & Development

Nutrient neutrality is here to stay

The government has formally confirmed it will not be pursuing any further primary legislation regarding nutrient neutrality in this parliament. This follows a failed attempt to use the Levelling Up and Regeneration Bill to relax nutrient neutrality measures and free up stalled developments in England. The announcement means there will be an ongoing role for nature-based solutions to the nutrient neutrality issue.

Later in January, a list will be published of the wastewater treatment works that will be upgraded by 2030. Updates to Natural England's nutrient budget calculator will follow and allow developers to calculate their short and long-term mitigation requirements. If you would like to discuss nutrient neutrality projects and credits please contact [Julia Pound](#).

Planning policy is reformed

Shortly before Christmas, the government published its new National Planning Policy Framework (NPPF) document which sets out how its planning policies for England are expected to be applied. It was consulted on in draft form a year ago and has been revised in response to the Levelling-up and Regeneration Act.

The new NPPF seeks to ensure local plans are produced more quickly and in a form that meets housing and other development needs. In addition, there is a stronger emphasis on building beautiful with local planning authorities having greater power to scrutinise proposals based on their design characteristics, for example, whether a design is too intensive and therefore out of character with the local area.

The framework also requires new development to be planned for in ways that avoid increasing vulnerability to the range of impacts arising from climate change. It promotes renewable energy use too, plans should provide a positive strategy for renewable and low-carbon energy and heat sources that maximises the potential for suitable development and their future re-powering and life extension while ensuring adverse impacts are addressed appropriately.

Greater weight will be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and National Landscapes. Further analysis by Savills planning team is available [here](#).

Support for flood-hit homes and businesses

In eligible areas of England, grants of up to £25,000 are available through the Farming Recovery Fund to farmers who have suffered uninsurable damage to their land. Other schemes are available to provide support to households and small and medium-sized businesses. Further details are available [here](#).

Scotland: Increasing housing availability using the tax system

Councils in Scotland will be able to charge up to double the full rate of council tax on second and empty homes from 1 April 2024. The aim is to prioritise homes for living in and increase housing availability. There are currently 24,287 second homes in Scotland. Second homes are subject to a default 50% discount on council tax although

local authorities have the power to vary the premium and most have already been charging the full rate of council tax on second homes.

Protection has been put in place for new owners of properties that have previously been empty for more than 12 months, they will benefit from a six-month grace period before double the council tax rate could be charged. This also applies to owners who provide evidence of ongoing renovations or repairs aimed at bringing the property back into use.

Energy efficiency drive for historic homes

The government unveiled plans to remove barriers preventing owners of historic homes from improving their energy efficiency. Owners of homes built before 1919 currently pay an average of £428 more annually if their residences lack energy efficiency measures. The aim is to reduce energy bills without compromising the architectural integrity and beauty of these properties. Suggested measures include a new national development policy for historic buildings and exploring the use of Listed Building Consent Orders which would remove the need to submit individual listed building consent applications. There will also be clearer guidance for historic homeowners and a consultation on reforms to improve the accuracy of Energy Performance Certificates.

Business & Economy

Supermarkets sign up to supply chain carbon footprinting

Tesco, M&S, Ocado and Asda along with many major suppliers have announced they will adopt a common carbon footprinting model for scope three emissions across their supply chains. It has been developed by the British Retail Consortium in coalition with AI data company Mondra. The model will use life cycle assessments to analyse products at ingredient level and calculate their carbon footprint. A planned government requirement for major food companies to report scope three emissions has been delayed until after the next election, but this voluntary action suggests farmers should increasingly expect requests for carbon footprint information from their customers.

Other Rural News

Transparency of land ownership involving trusts

The government is consulting on proposals to make the ownership of land in the UK involving trusts more transparent. The intention is to make it possible to find out who controls or derives economic benefit from land. Some of this trust information is already held on government registers but is not currently publicly available or linked to land ownership records. The [consultation](#) relates to both overseas and UK-based trusts.

And finally...

Communities across the UK are being invited to nominate their most cherished traditions to be included in a new register of cultural heritage in the UK. The UK is ratifying the 2003 UNESCO Convention for Safeguarding of the Intangible Cultural Heritage, it protects the traditions that are inherited from our ancestors and passed on to our descendants. Traditions from across the UK including Hogmanay, cheese rolling, 3 am carol singing and modern-day events like bog-snorkelling in Llanwrtyd Wells could all be formally recognised.

If you have queries regarding any of the articles, please get in touch with us.

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