

Introduction

A new National Planning Policy Framework has been published in England after just 12 weeks of the consultation closing. It has increased house-building targets to help put the country on track to achieve the government's target of building 1.5 million homes during this parliament.

Scotland has allocated over £660 million to its farming budget for 2025-26. Like in England, this is a cut in real terms, but the Scottish government has committed to reinstate £46 million to the agricultural budget over the next two years, funds that were previously deferred.

Defra Secretary Steve Reed has confirmed that a UK-wide food strategy is being developed with the promise it will be cross-departmental and potentially link food and health. This has synergies with Henry Dimbleby's National Food Strategy report for the government in 2021.

Food & Farming

Scotland: £660 million for farming

The Scottish government has allocated over £660 million to its farming budget for 2025-26. This will be distributed via schemes such as the basic payment scheme, greening, less favoured area support and voluntary coupled support. The budget is a real-terms decline in the value offered. However, it does see the reinstatement of £46 million previously deferred from agricultural funding. £20 million is to be returned in 2025-26 for capital expenditure, and the additional £26 million will come a year later. The budget was cautiously welcomed by farming groups, who were happy to see short-term certainty offered but disappointed to see a real-term cut in funding and no long-term announcements.

Countryside Stewardship Higher Tier update

A new and improved Countryside Stewardship Higher Tier (CSHT) scheme will open in England in 2025. It will include new actions for agroforestry and permissive access; many other actions have been updated based on feedback. Sustainable Farming Incentive (SFI) agreement holders can also apply for CSHT. The scheme includes some actions similar to the SFI, but it allows farmers to tailor them more than the SFI does. The scheme will offer:

- Funding for 132 management actions and 151 capital items.
- Quarterly payments through the Rural Payments Agency.
- Monthly agreement start dates.
- An online application process.

In 2025 and 2026, applications will be by invitation on a rolling monthly basis. This will begin on 6 January 2025 with the pre-application process, followed by the first applications submitted in the summer of 2025. Farmers whose existing CSHT agreements expire in 2024 will be offered mirror agreements lasting five or 10 years. Those with Higher Level Stewardship (HLS) agreements expiring in 2024 will be offered two-year extensions, and those expiring in 2025 will be offered one or two-year extensions.

Food Security Report 2024

The second [UK Food Security Report](#) has been released. The reports are published at least once every three years, as required by the Agriculture Act 2020, with the previous report being published in December 2021. The report provides key statistics under five themes: global food availability, UK food supply sources, food supply chain resilience, household food security and consumer confidence and food security. Key points from this latest edition include:

- Globally, there is weak productivity growth - global agricultural total factor productivity growth has fallen across all country income groups.
- The UK's overall balance of trade and production is broadly stable, but it continues to be highly dependent on imports to meet consumer demand for fruit, vegetables, and seafood.
- Russia's invasion of Ukraine caused a spike in input costs - fertiliser costs for UK farms rose from £1.5 billion in 2021 to £2 billion in 2022 before dropping to £1.4 billion in 2023.

- There has been a notable decrease in food-secure households, from 92% in the financial year ending (FYE) 2020 to 90% in FYE 2023.
- There has been an increase in consumers reporting concerns about food prices since 2021 - 72% in England, Wales and Northern Ireland highlighted concerns about food prices.

The whole system view shows food security being impacted by a series of shocks, leading to a trend of high volatility or weakened stability. On the other hand, there is evidence of resilience and consumer confidence remains high. Higher prices and inflation have generally led consumers to respond by prioritising price over other factors.

Bovaer feed additive boycotts

Arla Foods recently announced it would trial the Bovaer feed additive to reduce emissions produced by the cows in its supply chain by up to 27%. Bovaer is the brand name for the additive 3-Nitrooxypropanol. The trial will run across 30 British farms, with Arla working alongside Aldi, Morrisons and Tesco. The announcement triggered a significant backlash on social media, including 13,000 replies and videos of butter being binned and milk poured away. Threats of a boycott followed.

Critics believe Bovaer is toxic and could harm cows, farmers and consumers. In response, Arla said the additive has been proven safe for animals, farmers and consumers by 150 trials worldwide and that 85 articles in peer-reviewed journals support its efficacy. The UK's Food Standards Agency has confirmed it is approved for use in Great Britain and that its assessment concluded the meat or milk produced is safe to consume if Bovaer is used at the approved dose.

Policy

Inheritance tax changes debated on Opposition Day

The Conservative Party used its Opposition Day to table a motion against the government's proposed changes to inheritance tax reliefs. The motion aimed to scrap plans to change agricultural property relief (APR) and business property relief (BPR). Ultimately, the motion was defeated, with 339 votes against and 181 in favour. While the motion failed, some Labour MPs, such as Markus Campbell-Savours, who represents Penrith and Solway, voiced clear support for their farming constituents during the preceding debate.

Since the vote, the streets of Westminster have again provided a stage for farmers protesting. Hundreds of tractors descended on London, travelling from across the country to voice their opposition to changes in APR and BPR. On the same day, the Prime Minister responded to questions on the controversial tax measure. Sticking to the narrative that few farmers would actually be affected by the change, the Prime Minister said the industry's fear had been sparked by "fearmongering" from the Conservative party.

Shortly after PMQs, the Environment, Food and Rural Affairs Committee enquiry heard evidence for its enquiry into the Future of Farming. Tom Bradshaw, NFU president, was moved to tears whilst giving evidence, saying the consequences of the changes to APR and BPR were dire, leaving those without time to plan for succession in an "awful, awful, unacceptable position". He said the changes to APR and BPR should have been properly consulted on and said that the NFU had offered to work with the government in discussions before the Autumn Budget, but the treasury was "unsure of the question it was asking itself".

Food strategy coming in 2025

In the last edition of Landscape, we reported on the delayed launch of the National Food Strategy due to fears the recent farming protests would overshadow the proposals. Defra Secretary Steve Reed has now announced that the UK government will create a food strategy in the first half of 2025 with business and industry help. The strategy will work to:

- Provide healthier food to tackle obesity.
- Maintain food security and build resilience.
- Drive investment and innovation to realise economic growth.
- Support the Farming Roadmap to decarbonise food production.

New speech revisits old promises

Kier Starmer and Angela Rayner delivered a speech outlining the Government's "Plan for change" with six milestones for the country:

- Higher living standards
- Building 1.5 million homes
- Safer streets

- Best start in life for children
- Clean power by 2030
- Cutting NHS waiting lists

The speech and its accompanying document largely lacked new information - instead, they reiterated promises made in the Labour manifesto and post-election speeches. On housing targets, the Prime Minister said his government would try to streamline processes, pinning the forthcoming Planning and Infrastructure Bill as a key player in this mission – for which an initial policy paper has been launched. The speech did, however, host a new announcement: 150 major infrastructure projects to be set underway over the course of parliament. This is driven by the need for quick approval on major infrastructure projects to support the creation of GB energy and progress towards achieving “clean power by 2030”.

Environment & Natural Capital

£1.1 million allocated for nature recovery in Scotland

NatureScot has been awarded £1.1 million of funding to support nature recovery projects in Scotland. The funding has come from the Scottish Nature Restoration Fund, which hit the headlines in August when £5 million was redirected into settling pay disputes among council workers in Scotland. At the time, RSPB Scotland said that this was “desperately bad news” and that the effects of the funding cut would be felt “both now and into the future”. Four months later, RSPB Scotland has been a beneficiary of the fund, with NatureScot awarding the charity over £46,500 towards improving quality and connection in species-rich grasslands and hedgerows. It is hoped that these actions will encourage the populations of house sparrows to increase: the species has experienced a 90% decline since the 1970s.

Other funding given as part of this award includes over £60,000 to Northbay Innovations for restoring native oyster beds in the Bay of Firth and over £225,000 to the British Dragonfly Society to restore nature and biodiversity in peatlands and bogs. Since the inception of NatureScot’s Nature Recovery Fund in 2021, the organisation has provided £55 million worth of funding to 230 projects.

Can nature be reduced to a unit?

The Royal Society has discussed the “deep uncertainties” of standardised units of biodiversity, asking if quantifying nature outweighs the harm to biodiversity. According to its paper, credits can only be “biodiversity positive” if strictly regulated; however, to achieve market regulation “substantial industry generated will” is needed, which the paper admits is rare. The paper discusses that it is difficult to demonstrate that outcomes from biodiversity schemes and initiatives designed to offset nature depletion are additional. It explains that many schemes have “broad” outcomes and allow for additional top-up investments, which don’t necessarily ensure positive biodiversity outcomes.

Market leakage is also explored - for example, if crop production ceases in one area for biodiversity credit creation, another area of land must be cropped or farmed more intensively to take up the slack for the loss of food production capacity. This feeds into the current discourse of balancing land use demands in the UK, which we expect the forthcoming land use framework to explore. The paper concludes that progress towards halting biodiversity loss relies on comprehensive actions across all areas of society. While nature markets play an essential role in sourcing funding for biodiversity recovery, they are only one piece of the puzzle, and significant investment into nature is required from both public and private sectors.

Property & Development

Major update of England’s planning policy

The government has released an updated version of the [National Planning Policy Framework](#) (NPPF). Which is now in effect in England and contains several key changes:

- Increased housing targets for local planning authorities, including a 5% buffer to ensure competition in the market for land, and a target of up to 20% in some circumstances such as persistent under-delivery.
- Councils must review their green belt boundaries where housing needs cannot be met but should prioritise development on brownfield land and then grey belt land over other green belt locations.
- “Golden rules” for green belt development, which outline that if green belt land is built on or released, sites will be required to provide 50% affordable housing (or 15% over the local target, subject to a 50% cap), improvements to local or national infrastructure, and access to “good quality” green space which are “a short walk away” from residents homes.

- Councils and developers must also now consider local needs, such as the provision of socially rented property, and ensure that developments deliver a variety of tenure types, creating accessible housing.

The NPPF consultation also contained a proposal to introduce compulsory purchase powers for green belt land that was not voluntarily put forward for development. In its consultation response, the government says releasing green belt land provides an “excellent opportunity for landowners to sell their land at a fair price”. It added it was “keen to make greater use of local authorities’ compulsory purchase powers”. Therefore, the intention remains, but it is unclear to what extent the government will intervene nationally. Reforms to the compulsory purchase process and compensation framework are set to be included in the upcoming Planning and Infrastructure Bill.

The consultation asked what measures could be considered to better support and increase rural housing, no tangible changes have been made to the NPPF to reflect this. In its consultation response, the government said it was “aware of higher delivery costs in rural areas” and wants “to see more affordable housing in these areas as part of its ambition to deliver the biggest increase in social and affordable housebuilding in a generation”. It said it would consider further how policy can promote rural affordable housing as part of a set of national policies for decision-making due in 2025. For more information see this [article](#).

Consultation on energy performance regime

A new consultation on how Energy Performance Certificates (EPCs) will be calculated in England and Wales has been launched. The Energy Performance of Buildings regime was introduced in phases from 2007, to improve the energy efficiency of buildings. Since then, the EPC has become a key measurement tool for assessing energy efficiency. The consultation proposes moving away from the current single metric and towards four headline metrics:

- Fabric performance, concerned with thermal efficiency
- Heating system, its efficiency and environmental impact
- Smart readiness, the potential for smart technology integration
- Energy cost

Carbon emissions, overall energy use and other additional metrics would serve as secondary information.

Any revised EPC metrics for dwellings will be introduced with the transition to a new Home Energy Model in the second half of 2026. The Home Energy Model methodology for producing EPCs will also be consulted on in 2025. The reforms propose reducing the validity period of EPCs to between two and seven years. EPCs are currently valid for 10 years, so assessments would be required more frequently under these proposals. Properties would also need a valid EPC before being marketed for sale or let, removing the current 28-day grace period. Exemptions for heritage buildings could also be removed. The [consultation](#) runs until 26 February 2025.

Business & Economy

China’s Covid-era restrictions end

China’s Covid-era restrictions on UK unprocessed pork exports have ended, opening up its market to UK exports. The industry estimates this could boost annual revenues by around £80 million, with China already buying £180 million worth of processed pigmeat in 2023, making it the UK’s biggest non-EU customer. The development comes after the Foreign Secretary’s recent visit to China.

Other Rural News

And finally... The oldest known wild bird lays an egg

Wisdom, a Laysan albatross and the world’s oldest known wild bird, laid an egg at the approximate age of 74. Members of the species usually live for 12-40 years, and biologists are unaware of any other birds even close to her age, the oldest being 30 years younger. Wisdom was tagged in 1956 when she was about five years old and is thought to have had more than 30 chicks since then (the species are not known to breed before age five). Her last chick made headlines when it hatched in 2021. This year, Wisdom has a new partner too. The species generally mates for life, but her previous partner Akeakamai has not been seen for years, and she is already thought to have outlived three mates. There is believed to be a 70-80% chance of the egg hatching, at which point the albatross parents will share parenting duties.

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