

Food & Farming

Scotland: New deal for agriculture

Speaking at the NFU Scotland annual conference, First Minister John Swinney announced farmers and crofters in Scotland would benefit from £20 million in additional capital support this year and £26 million next year. At least £14 million of this funding will be allocated to the Future Farming Investment Scheme, which provides flexible capital grants to drive efficiency and support nature and climate-friendly farming.

Other announcements included:

- £7 million will be allocated in 2025 through the Agri-environment Climate Scheme (AECS) to support activities that promote nature, climate and biodiversity alongside food production.
- A new entrants' summit will be hosted to find solutions for attracting more people into farming.
- A three-year national land Lidar laser scanning programme will be conducted to map terrain accurately.
- £75,000 will be provided to RSABl to offer mental health support for farmers and crofters.
- Further details on how the route map for implementing a new framework of agriculture support will work.
- Ultra-high frequency electronic identification for cows will be used to improve traceability.

Farmers and crofters can continue to access the 'Preparing for Sustainable Farming' payments, which were due to end in March. This funding helps farmers and crofters to meet the requirements of the Whole Farm Plan, including financial support for soil analysis and £500 towards the completion of a carbon audit. Support is also available for animal health and welfare interventions, with £750 for first-time claimants and £500 for those who have benefited in previous years. Since 2022, over 8,500 claims have been received.

Half of farmers consider leaving the sector

According to a survey by McCain, half of UK farmers are reconsidering their future in the industry. Around a third of farmers said increasing energy costs (35%) and fertiliser costs (32%) were significant contributory factors. Environmental threats (36%) and climate change have made arable farming less viable, with more than two-thirds of farmers reporting that climate change has impacted yields and increased costs due to additional irrigation and drainage costs. 55% of respondents said financial stress was a primary concern.

In response, McCain has launched a support package for its farmers, equating to an additional £30 million over the next three years. The package includes adjusting the price paid for potatoes to reflect the increasing risk of yield variation and providing 20% of the contract's value as an advanced payment to help with cash flow.

AI to help farming and nature

Artificial intelligence (AI) is being utilised to reduce greenhouse gas emissions from livestock farming and land use. By analysing real-world farming data, machine learning models can estimate methane emissions from livestock, ammonia emissions from dairy farms, predict milk productivity and assess how land use influences methane emissions. This information is intended to help farmers make informed decisions to reduce their environmental impact and support the UK's goal of achieving net zero emissions by 2050. Loughborough University computer scientists created the tools as part of research funded by UK Research and Innovation, and the Engineering and Physical Sciences Research Council.

The government is employing AI and technology to improve public services, including through satellite habitat mapping. Natural England is using satellite images and machine learning to create a detailed map of "Living England," showing the current extent of habitats. Instead of manual surveys, changes to English habitats will now be tracked more efficiently, expediting decisions related to planning and land use while preserving nature. Information about the project is being released along with 13 other examples of how AI and algorithmic tools are applied to speed up decision-making and enhance public services.

The perfect pesticide?

A new pesticide offers a promising solution to the varroa mite problem, which devastates honeybee colonies by weakening bees and causing colony collapse. This innovative pesticide is RNA-based, allowing it to target a specific gene in the mite while sparing bees and the wider ecosystem. It has been developed by GreenLight Biosciences, which is seeking its approval in America. The concept of RNA-based pesticides has the potential to revolutionise pest control by balancing the need for food production and environmental protection. They could significantly improve the sustainability of agriculture by reducing the reliance on broad-spectrum insecticides.

Policy

Inheritance tax plan is fair, say ministers

Representatives from the CLA, NFU, TFA, CAAV and various farming unions from all devolved nations convened in Whitehall to engage in discussions with ministers from the Treasury and Defra regarding the proposed changes to Agricultural Property Relief (APR) and Business Property Relief (BPR), which [Savills research](#) indicates will impact 88% of farmland across the United Kingdom. During the meeting, the representative organisations put forward an alternative proposal involving a "clawback" mechanism. Their proposal would generate a similar amount of revenue and allow individuals inheriting land and agricultural businesses to maintain 100% relief from inheritance tax. Instead, inheritance tax would only be paid if any of the inherited assets were sold within a defined period following the owner's death.

Despite these discussions and the proposed compromise, the government firmly rejected the suggestion. A spokesperson stated that the reforms are designed to take a "balanced and fair approach" to taxation and public finances. They emphasised the intended outcomes are to "fix the public services we all rely on". The NFU has expressed significant disappointment with the government's response to the farming community's concerns. But assured its members there is still time to review the proposed reforms. Whilst CLA President Victoria Vyvyan said, "The Treasury was simply going through the motions and showed no interest in farming or family businesses, and the economic damage that they are inflicting".

Steve Reed 'rewiring' green quangos

In an interview with The Telegraph, Environment Secretary Steve Reed said that his department will shift away from a "bat by bat" approach to decisions on infrastructure and homes. He mentioned Defra often acted as a barrier to economic growth, and a new "common sense approach" would be adopted for environmental regulations moving forward. This interview came shortly after the announcement of a nature restoration fund for England, designed to expedite planning applications that are typically delayed by environmental mitigation processes. The central fund will allow developers to pay into it, enabling them to begin work before securing the necessary environmental mitigation. The government indicated Natural England will likely oversee the allocation of these funds to projects aimed at enhancing nature.

Tony Juniper, Chairman of Natural England, expressed a similar perspective in an interview with The Times, advocating for a "both/and" approach rather than the extremes of "nature trumps everything" or "nature gets in the way of everything". Whether the new fund will align with this balanced perspective remains to be seen, as specific details are awaited. A consultation regarding the fund's creation has taken place, and a response is expected soon. The fund will be implemented using the Planning and Infrastructure Bill, which is expected to start its legislative journey soon.

Environment & Natural Capital

Ammonia pollution is increasing

Under the National Emissions Ceilings Regulations 2018, the UK must reduce five key air pollutants annually: PM2.5, nitrogen oxides, sulphur dioxide, ammonia and non-methane volatile organic compounds. According to Defra's recent [report](#), the UK has met these commitments however, data shows ammonia emissions rose between 2013 and 2023 (agriculture contributed 87% of emissions in 2023).

Why did ammonia emissions rise? In 2023, the UK submitted an adjusted inventory to the governing United Nations body in which it removed digestate spreading as a source of ammonia emissions. This allowed it to claim the UK had met reduction targets despite the overall increase. The increase is mainly due to a 143% rise in ammonia emissions from digestate spreading during this period. There were successes elsewhere - in the same period; total annual particulate matter emissions (PM2.5 and PM10) decreased by 28% and 21% respectively and, emissions of nitrogen oxides and volatile organic compounds from road transport decreased by 51% and 57% respectively. As emission levels of other key air pollutants drop, the pressure on agriculture to cut ammonia emissions will rise.

Biodiversity Net Gain's first birthday

Biodiversity Net Gain (BNG) requires developers to enhance biodiversity by at least 10%, and it celebrated its first birthday in February. So far, 46 sites are registered on the government's biodiversity gain sites register, including projects managed by Savills. These projects can also be found on the [Savills Environmental Exchange](#), along with projects in development. The exchange helps to match parties who are seeking or providing natural capital offsets. If you would like to discuss BNG projects or units, please contact [Julia Pound](#).

Scotland: Researchers propose reintroducing wolves to hit net zero

Researchers have examined how reintroducing grey wolves to the Scottish Highlands could help control red deer populations and benefit green targets. Deer numbers in Scotland have significantly increased in recent years, with the latest estimates being as high as 400,000—they damage woodlands by eating saplings and stripping bark from older trees. The study, published in *Ecological Solutions and Evidence*, suggests introducing around 170 wolves could reduce deer numbers sufficiently to allow young trees to establish and woodlands to spread. This could result in about a million tonnes of carbon dioxide absorbed annually. Other benefits the researchers identified included reduced deer-related road accidents, Lyme disease and culling costs.

In response to the research, NFU Scotland president Andrew Connon said, "Any proposals to re-introduce predators such as lynx, wolves or bears are wholly unacceptable to Scottish farmers and crofters", and he highlighted the reassurance given by Scotland's first minister that reintroduction of lynx, or any other carnivorous species such as wolves, would not take place under his government.

Property & Development

The Agricultural Land Classification needs an urgent update

A [new report](#) commissioned by the CPRE argues that an urgent review and update of the Agricultural Land Classification (ALC) is needed in England and Wales because the ALC system currently determines the potential productivity of farmland using climate data dating back to 1941, and some soils have degraded since the grades were set in 1988. The resulting land grades play a significant role in the planning system as the National Planning Policy Framework directs local planning authorities to focus development on poorer-quality agricultural land to retain the best and most versatile (BMV) agricultural land for food production – grades 1 to 3a.

The CPRE recommends that the government should:

- Update the ALC using up-to-date climate data.
- Re-survey lowland peatlands, which are highly productive but particularly vulnerable to degradation.
- Strengthen planning system protections for BMV land.
- Incorporate the updated ALC into the broader Land Use Framework.

As highlighted by the CPRE, the existing ALC framework falls short in serving planners and farmers effectively. Some years ago, [we proposed](#) that agriculture needs its own measure of soil quality because soils with polar opposite characteristics, such as a Cotswold brash or a heavy Lincolnshire clay, can be classified as the same grade. Under the ALC, both have limiting factors and are commonly grade 3, but the cost of establishing a crop on them and yield potential will be very different. In addition, soil quality measures for agriculture must consider soil health and production potential.

Plans for the next generation of new towns

The UK government announced an ambitious plan to create the next generation of new towns, which is expected to be the largest house-building programme since the post-war era. Over 100 sites across England have been proposed, each expected to deliver at least 10,000 homes. These new towns intend to provide well-designed, attractive communities with affordable housing, schools, GP surgeries and public transport.

Through the New Homes Accelerator programme, which resolves planning delays, the government has already unblocked 20,000 homes and aims to unblock 700,000 more across 350 sites. Additional funding and planning reforms are being introduced to support this initiative, aiming to build 1.5 million new homes and improve living standards for working people and families.

Making home buying cheaper and quicker

The government plans to modernise and digitalise the home-buying process, saving time and money. The reforms aim to speed up the legal process, which can take up to five months. In comparison, Norway completes

transactions in about a month. Currently, one in three transactions fall through, costing £400 million annually and leading to four million lost workdays for conveyancers and estate agents, equating to £1 billion.

Key property information will become more accessible to trusted professionals, and digital identity services will speed up transactions. A 12-week project will design and implement agreed data-sharing rules for conveyancers, lenders and others involved in transactions. Additionally, changes to improve the lives of leaseholders will be introduced on 3 March, empowering them to take control of their buildings more easily and potentially saving them significant legal fees.

Business & Economy

Stalled energy projects face fee to speed up connections

Developers with stalled energy projects in the grid connections queue could face rising charges unless they move forward or exit. Initially set at £2,500 per megawatt, the charge would increase by the same amount every six months, reaching up to £10,000 per megawatt if a project lingers too long without progress. This system is designed to push developers to review the viability of their projects before applying for planning consent and, therefore, avoid delays in the grid connections process. The National Energy System Operator proposed the fee.

New [research](#) by Savills says there is around 37 GW of available grid capacity. Despite this available capacity, a queue of projects is waiting to connect to the grid and start consuming power. The Energy Networks Association estimates that these projects will require a total of 27 GW of power. The research outlines several reasons why this mismatch exists, including:

- Power will be allocated to projects that have actively applied for a connection during the planning process but have not yet been constructed or connected.
- Research focused on primary distribution substations, but capacity here must be matched across the infrastructure to move power from generation to consumption.
- Capacity within a local authority is dispersed across several substations, meaning there is often no single point with sufficient capacity for larger projects.

The report concludes, while reforms in connections are forthcoming, developers must persist with the current procedures to establish a connection. They need to focus on improving project design and enhancing site selection in accordance with grid availability.

Will UK commercial, residential & rural property recover as predicted in 2025?

In the latest episode of Savills [Real Estates Insights](#) podcast, Savills heads of commercial, residential, and rural research discuss their outlook for UK property this year. Mat Oakley, Lucian Cook and Kelly Hewson-Fisher discuss if the markets are, so far, behaving how they predicted, the impact of government policy changes, and how the global economic outlook and geopolitical environment may affect UK investor confidence.

Other Rural News

And finally... Rare daffodils hiding in plain sight

This Easter, why not add a twist to your egg hunt and join the quest to find rare British daffodils hiding in our gardens and parks? With around 30,000 different shapes, sizes and colours, daffodils are a welcomed sign of spring; however, a few long-lost variants like the “Mrs R O Backhouse”, “Sussex Bonfire”, and “Mrs William Copeland” have not been seen in many years and need to be rediscovered and cared for to avoid extinction. Plant Heritage and the Royal Horticultural Society are calling on the public to help track down these elusive blooms. Finding them could preserve important genes for future plant breeding and allow how the plants respond to the changing climate to be studied.

If you have queries about any of the articles, please contact us.

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