

Rural Research Policy Snapshot

Rural – UK – October 2026



Scotland

Our snapshot provides an update on the issues shaping the future of rural estates, agriculture and land management in Scotland. Each topic covers policy commitments and targets, budgets, and other government announcements.

Food and farming	
Farming budget 2026/27	The Scottish Government's 2026–27 Budget provides over £660 million in support for farmers, crofters, land managers and rural communities. On 24 March 2026, the Scottish Government published the first Rural Support Plan (RSP) 2026–2031, required under the Agriculture and Rural Communities (Scotland) Act 2024, which replaces the Agricultural Reform Route Map as the primary reference document. Through the RSP, the Scottish Government has committed to no cliff edges in payment support and to maintaining direct payments to 2031. The RSP details a four-tier framework: Tier 1 (Base) and Tier 2 (Enhanced) cover direct payments, with BPS continuing under Tier 1 and Enhanced Greening payments introduced in 2026 under Tier 2. By 11 September 2026, the government had paid more than £296 million in Tier 1 and Tier 2 support to 81% of anticipated eligible businesses, with the payment window continuing until July 2027. Tiers 3 (Elective) and 4 (Complementary) will be phased in, covering indirect support for targeted environmental action and skills development, respectively. Existing schemes, including the Agri-Environment Climate Scheme, Forestry Grant Scheme and Future Farming Investment Scheme, will continue to deliver support while further Tier 3 measures are developed.
Enhanced Greening	Enhanced Greening has an annual budget of around £142 million and supports approximately 17,000 recipients. Farmers and crofters with over 15 hectares of arable land, including temporary grassland, must designate 5% of their land as Ecological Focus Areas (EFAs) to receive the 30% Greening component of their BPS payment (unless fully organic). This will increase to 7% from 2027. The removal of the previous 75% grassland and temporary grassland exemptions brings an estimated 2,300 additional businesses into scope for the first time, predominantly larger grass-based livestock units. The number of EFA options has increased from seven to eleven, with four new additions: herb and legume-rich pastures, unharvested crop, low-input grassland, and an alternative agroforestry option. Existing options have also been updated; the minimum field margin width has increased from one to three metres, fallow land must now be established as a diverse mix including temporary grassland with at least three flowering species, catch crops have been expanded to include oilseed rape and maize, and green cover can now be grazed once established rather than being retained until 31 December. The requirement to submit an EFA map with the SAF has been removed, but you must retain an up-to-date map for inspection. From 2027, farmers must establish fallow land and field-margin cover by 1 May, herb- and legume-rich pasture by 1 June, and complete planting under the low-density agroforestry option by 1 May.
Agriculture and Rural Communities (Scotland) Act 2024 (ARC Act)	The ARC Act provides the primary statutory framework for designing and delivering agricultural support in Scotland. The Scottish Government published a revised Code of Practice on Sustainable and Regenerative Agriculture under section 29 on 25 March 2026. It is a best-practice guide covering principles such as minimising soil disturbance, maximising crop diversity and integrating livestock. The Code does not generally create legal obligations, although it may have legal effect in some circumstances. The ARC Act requires Scottish Ministers to prepare and publish a Scottish Food Security Statement at least once every three years, with the first due no later than 16 June 2028. This is complementary to the Good Food Nation (Scotland) Act 2022 framework and the UK Government's food security reporting duty.
National Good Food Nation Plan	The Scottish Government published the first National Good Food Nation Plan on 17 December 2025, setting out six outcomes with targets and indicators to measure progress across food environments, the food industry, environmental sustainability and food insecurity. Implementation faces a significant gap: the “have regard” duty under Section 6 of the Good Food Nation (Scotland) Act 2022, which would have required Scottish Ministers to consider the plan when exercising specified functions, was revoked on 15 December 2025, one day before it was due to commence. No replacement commencement date has been set. NFU Scotland previously said the plan missed a key opportunity by failing to require public bodies to prioritise fresh, locally produced Scottish food. On 18 June 2026, the Scottish Government established a Public Sector Food Procurement Taskforce to identify barriers to increasing the use of locally produced food in schools, hospitals and other public-sector settings. The taskforce is to develop recommendations for Scottish Ministers by spring 2027. The statutory Scottish Food Commission was formally launched on 19 March 2026, with £4.4 million allocated in the 2026 Spending Review to support delivery of Scotland's Good Food Nation Plan, including work of the

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	commission, local authorities and health boards. Section 10 of the Act, which places a duty on local authorities and health boards to produce their own local Good Food Nation Plan within 12 months of Section 10 commencing, is not yet in force. The Scottish Government has awarded almost £6 million in capital funding through the Food and Drink Processing Scheme to 28 businesses to invest in production, storage, automation and efficiency. On 1 September 2026, the Scottish Government opened consultation on possible legal price caps for essential foods sold by large supermarkets, including bread, milk and eggs. The proposals are intended to improve affordability while protecting farmers and food producers; the consultation closes on 24 November 2026.
Future Farming Investment Scheme (FFIS)	The FFIS provides upfront capital grants of up to 100% of eligible costs to help active farmers and crofters invest in efficiency, environmental performance and climate resilience. A second round will open in winter 2026, with £14.25 million available and grants of up to £20,000. At least 725 farming and crofting businesses are expected to receive support for investments including soil improvement, hedgerow creation and livestock-management infrastructure. New entrants, businesses in the Highlands and Islands, and projects delivering environmental benefits will be eligible for enhanced support rates. The precise opening date and full second-round guidance have not yet been published. Post-award verification for 2025 applications closed 30 September 2026 and may be a reason for the delay in the second-round details being released.
Next Generation Practical Training Fund	The Next Generation Practical Training Fund provides at least £300,000 per year in support for practical and business training for new and prospective entrants to agriculture. Delivered by Lantra Scotland, the fund offers up to £500 per course covering areas including climate adaptation, biodiversity, health and safety, machinery operation and farm business management, with higher-cost courses considered on a case-by-case basis. Applicants must live in Scotland and either have started an agricultural career within the past five years, be studying agriculture, or be seeking to enter the sector. Applications for 2026-27 opened in May 2026, and the fund runs until March 2027. There is no age limit. The fund sits alongside the £1.8 million Land Based Pre-apprenticeship Programme, which has been expanded to take on up to 400 young people over three years. Together, these schemes form the £2 million new entrants package announced by Agriculture Minister Jim Fairlie at the joint NFU Scotland and Scottish Government summit on 21 May 2025; there have been no further updates since the May 2026 election.
Environment	
Natural Environment (Scotland) Act 2026	The Natural Environment (Scotland) Act 2026 received Royal Assent on 12 March 2026. It establishes a framework for legally binding biodiversity targets, modernises National Park legislation and reforms deer management. Environmental Standards Scotland will independently review government reports on progress towards the biodiversity targets. The Act also requires ministers to introduce building regulations for swift nest boxes where reasonably practicable and appropriate, and to make regulations strengthening the protection of Ramsar wetlands. These are enabling duties rather than requirements already operating in practice: the relevant regulations have not yet been made. The Act also amends the Marine (Scotland) Act 2010 to strengthen consideration of climate adaptation when designating nature conservation marine protected areas. The core biodiversity-target provisions remain outstanding. Once section 1 is commenced, draft regulations setting at least one target for habitat condition or extent, species status and the environmental conditions for nature regeneration must be laid within 12 months. For further information, see our briefing note.
Natural Capital Market Framework (2024)	Progress on the Natural Capital Market Framework (2024) has been mixed. The Nature Investment Partnership was a practical delivery initiative and a partnership between NatureScot and Aberdeen. The original 2023 woodland pilot was described as having the potential to mobilise £2 billion of private investment. Following reporting in April 2026 that investment manager Aberdeen had withdrawn from the partnership, the Scottish Government published an Environmental Information request and response on 20 May. NatureScot has since revised its approach and, from 2026 onwards, will focus on carbon streaming, debt finance, and smaller project-level equity investments rather than a central investment fund. The Scottish Government and NatureScot published the Ecosystem Restoration Code Competent Model on 25 March 2026, following stakeholder engagement held between April and July 2025. The Competent Model provides the template for further testing and development through 2026 but is not yet a functioning certification or crediting mechanism. Nature30, Scotland's voluntary contribution to the 30by30 commitment, comprises a growing number of recognised sites and further nominations remain open. Sites are non-statutory and require landowner or manager consent, positive biodiversity outcomes and assurance that management will continue for at least 25 years.
Statutory Planning Biodiversity Metric (SPBM)	NatureScot launched consultation on the draft SPBM on 31 August 2026. It runs until 30 November 2026 and covers the calculation tool, user guide, habitat-condition assessment sheets and the proposed Field-based Rapid Assessment Tool for peatland habitats. Following consultation and testing, Version 1 is expected in spring 2027. For reference, SPBM aims to provide a consistent, best-practice quantitative tool to evidence biodiversity enhancement under NPF4 Policy 3b, which requires national, major, and EIA developments to leave nature in a "demonstrably better state" than without intervention. SPBM will inform the decision-maker's professional judgement rather than operate as a mandatory pass/fail threshold. The metric will adapt the English statutory biodiversity metric, using the UK Habitat Classification (UKHab) as the underlying basis, tailored to Scottish habitats and conditions.

Peatland ACTION	Peatland ACTION is a Scottish Government-led partnership delivered by NatureScot, Cairngorms National Park Authority, Loch Lomond & The Trossachs National Park Authority, Scottish Water and Forestry and Land Scotland. The 2025 Spending Review confirmed at least £110 million of funding over four years, including £28 million for 2026–27. The current NatureScot funding deadline was 30 September 2026 for projects starting after April 2027. The Peatland ACTION Annual Review 2025–26 (June 2026) reported a record 15,448 hectares of degraded peatland restored - 3,448 hectares above the annual target of 12,000 hectares, bringing the cumulative total since 2012 to over 81,000 hectares. This included: NatureScot's grant programme, which delivered 10,352 hectares across 67 projects; Cairngorms National Park Authority (CNPA), restoring 1,900 hectares; Forestry and Land Scotland (FLS), 1,821 hectares; Loch Lomond & The Trossachs National Park Authority (LL&TNPA), 954 hectares; and Scottish Water, 421 hectares. The Scottish Government's Peatland ACTION five-year partnership plan 2025–2030 sets the programme strategy through 2030 and confirms a target to restore more than 400,000 hectares of peatland by 2040. The Peatland ACTION partnership delivers the plan. The Project Development Support Scheme is a NatureScot Peatland Action fund offering project development support. It is now closed, and NatureScot expects to reopen expressions of interest in April 2027. NatureScot's public consultation on Scotland's Peatland Standard closed on 28 August 2026. Responses are being analysed, and the first version of the Standard is due to be published at the end of 2026. The standard is intended to provide a common technical framework for protecting, managing and restoring Scotland's peatlands.
Climate Change Plan (CCP)	The CCP was published alongside Scotland's first Environment Strategy and Circular Economy Strategy on 24 March 2026. It contains more than 150 actions intended to deliver the first three carbon budgets between 2026 and 2040. The Scottish Government published the Plan's strategic environmental assessment post-adoption statement on 20 July 2026. The Scottish Government established a third Just Transition Commission on 26 August 2026. The 15-member Commission will run until 2031 and supports the development and implementation of the CCP and Scottish National Adaptation Plan. The Commission will focus on climate adaptation, while continuing to advise on the effects of decarbonisation on workers, industries and communities.
Voluntary carbon and nature markets consultation	The UK Government's formal response to the 2025 consultation on establishing a framework for voluntary carbon and nature market integrity remains outstanding. Although it was expected in summer 2026, no update has been provided on when the formal response will be published. The consultation closed on 10 July 2025, and the Scottish Government published a summary of the 200 responses on 26 March 2026, identifying broad support for improving market integrity alongside calls for internationally aligned expectations, robust credit-quality requirements, transparent reporting, and proportionate assurance and enforcement.
Planning	
National Planning Framework 4 (NPF4)	NPF4, adopted in February 2023, is Scotland's long-term spatial strategy to 2045 and forms part of the statutory development plan alongside local development plans (LDPs). Delivery Programme Version 4, published on 8 January 2026, was issued against the backdrop of the ongoing housing emergency and the Cabinet Secretary for Housing's new Emergency Action Plan. Housing delivery remains a major delivery challenge: Policy 16(f) allows housing on unallocated land only in specified circumstances, increasing the importance of progressing up-to-date LDPs. All authorities must adopt new NPF4-compliant LDPs by May 2028. A growing number of authorities have passed the gate check (a quality control checkpoint an authority must pass before producing the LDP), some are still progressing, and others are expected to miss the May 2028 adoption target. For landowners, this is important as sites can not be promoted (generally) through the LDP until the gate check has been passed. Scottish Ministers are operating a Notification Direction to actively monitor the application of Policy 16 (Quality Homes), intervene where necessary, and inform the preparation of new NPF4-compliant LDPs. The National Planning Hub (established in April 2025 and a partnership between Scottish Government and the Improvement Service) completed its first full year in March 2026. A major part of its work has been supporting local authorities in progressing their new LDPs through the gate check. The Hub has no defined end date.
Land Reform (Scotland) Act 2025	Implementation of the Land Reform (Scotland) Act 2025 is in its early stages. The first Commencement Order came into force on 16 March 2026, expanding the Land Commissioners' functions to cover the effects of natural capital markets and requiring Ministers to publish a model lease for hutting within three years. The hutting model lease will apply to public land. The duty to publish a model lease for environmental purposes is also in force, with a two-year deadline (December 2027). The official implementation timetable for the principal land-management, community-engagement and transfer provisions has not been announced. The current legislation records those provisions as forthcoming, while the Scottish Land Commission's Business Plan indicates that preparatory work will continue during 2026–27 ahead of the Commissioner's appointment. For further information, see our briefing note.

Commercial property	
Energy efficiency – Buildings and Heat Networks Bill	The Scottish Government published a draft Buildings (Heating and Energy Performance) and Heat Networks (Scotland) Bill on 18 November 2025, proposing a statutory target to decarbonise heating and reach the net zero target by 2045 by improving energy performance standards and expanding heat network provisions. On 1 September 2026, the Scottish Government included the Bill in its Year 1 legislative programme. Its primary purpose is to reduce direct emissions from heating Scotland's buildings, although the introduction date has not yet been confirmed. A consultation on heat network licensing ran until 5 June 2026. It proposed shifting from mandatory licensing to an opt-in model that reflects the GB-wide authorisation regime now administered by Ofgem. The proposed Scottish licence would allow heat-network organisations to obtain statutory rights and powers needed to install and maintain infrastructure, without duplicating Ofgem's consumer-protection regime. The consultation has closed, but the Scottish Government has not yet published its response; the licensing provisions are expected to be progressed through the forthcoming Bill.
Residential property	
Minimum Energy Efficiency Standard (MEES)	Scotland currently has no minimum energy efficiency standard in force for domestic private rented or owner-occupied homes, although energy-efficiency standards already apply in the social rented sector. The Scottish Government consulted in 2025 on draft regulations that would require private rented homes to achieve a Heat Retention Rating (HRR) of Band C on the reformed Energy Performance Certificate, as far as reasonably possible. The proposals envisaged the standard applying to new tenancies from 2028 and to all private rented homes by the end of 2033, subject to exemptions and a proposed £10,000 cost cap. The timetable for EPC reform was confirmed in August. After the March delay, the Scottish Government now intends the outstanding provisions of the Energy Performance of Buildings (Scotland) Regulations 2025 to come into force on 30 April 2028 for both domestic and non-domestic buildings. The majority of the 2008 Regulations and the existing EPC system will remain in place until spring 2028. The reformed domestic EPC will introduce separate measures of building performance, including the Heat Retention Rating proposed as the basis for private rented sector MEES. EPC validity will also be reduced from ten to five years. The Scottish Government is continuing work on the new EPC Register, calculation methodology, audit regime and accreditation arrangements ahead of the April 2028 implementation date. For further information, see our briefing note. There have been no recent developments on non-domestic MEES in Scotland; this briefing note summarises the current position.
Housing (Scotland) Act 2025	The Housing (Scotland) Act 2025 was introduced to strengthen tenants' rights, improve housing quality, and support homelessness prevention, as part of the Scottish Government's "New Deal for Tenants". The Act includes provisions for rent control mechanisms, enhanced regulation of the private rented sector and a statutory duty on public bodies to prevent homelessness. The timeline is as follows: 1 April 2026 • Scottish Ministers and local authorities can ask landlords and tenants for information about rented properties and the rent charged. • Regulations specifying that build-to-rent and mid-market rent properties are exempt from rent control provisions come into effect. • Pets and alterations (commenced only for regulation-making purposes). • Ending joint tenancy (commenced only for regulation-making purposes). • Changes as to how letting agents are assessed and monitored under the letting agent registration requirements came into effect. 1 May 2026 • It became an offence to discriminate against tenants with children or those receiving benefits. 6 October 2026 • Increase in award for wrongful termination claims (applies where a private residential tenancy has been brought to an end on or after 6 October 2026). The level of compensation increased to between three and 36 times the monthly rent. Where a low rent is paid, a minimum of £840 is used in place of the actual monthly rent if that amount is lower. • Under Private Residential Tenancies, the time a qualifying person must have lived in a property to succeed to a tenancy after the tenant's death reduced from 12 months to 6 months (applies where the tenant's death occurs on or after 6 October 2026). • Landlords must investigate reports of damp and mould and start any repairs needed within set timescales. The Scottish Government published final Awaab's Law guidance on 4 September 2026. From 6 October, social and private landlords must arrange an investigation within 10 working days of becoming aware of damp or mould, provide a written summary within three working days after the investigation concludes and, where substantial damp or mould is found, begin necessary repairs within five working days. Social landlords must complete the work within 20 working days of it starting, while private landlords must complete it within a reasonable period. • Scottish Ministers must publish an assessment of the Act's impact on rural and island communities by 6 November 2026, one year after Royal Assent.

Repairing Standard	From 28 March 2027, the Repairing Standard will expand to houses let under specified agricultural, crofting, and small land-holding tenancies. It is a legal obligation for private landlords in Scotland to ensure that a property is wind- and watertight and structurally sound. Its structure and exterior, and installations for water, gas, electricity, sanitation and heating, must be in a reasonable state of repair and proper working order. The property must also meet the Tolerable Standard and satisfy requirements covering matters including fixed heating, electrical safety, fire and carbon-monoxide detection, kitchens and the safety of any relevant common parts. Where a qualifying tenancy agreement makes the tenant responsible for particular work, that work may fall outside the landlord's duty.
Energy and infrastructure	
Scottish infrastructure strategy and pipeline	The Scottish Government published the draft Infrastructure Strategy 2027–2037 and the accompanying Infrastructure Delivery Pipeline 2026 on 13 January 2026, alongside the draft Scottish Budget 2026–27 and Scottish Spending Review, setting out how it plans to use public assets, placemaking, and private investment to support net zero and environmental sustainability, inclusive economic growth, and resilient and sustainable places. The Pipeline covers the four financial years from April 2026 to March 2030. It includes projects worth over £5 million and programmes worth over £20 million, each with an agreed outline business case (or equivalent) and funding. It will be updated as further investment decisions are agreed, with delivery progress reported every six months. Consultation on the draft Strategy closed on 5 May 2026. The final Strategy and consultation analysis have not yet been published. Once finalised, the Strategy will provide the longer-term framework for Scottish public infrastructure investment.
Energy consenting	The consenting process for electricity infrastructure is being reformed. In October 2026, the Scottish Government published responses to its consultation on raising the 50 MW threshold above which Scottish Ministers determine applications for onshore electricity-generating stations under section 36 of the Electricity Act 1989, rather than the relevant planning authority. The consultation considered thresholds of 50 MW, 100 MW and 150 MW and whether a single threshold should continue to apply across different generating technologies, including onshore wind, solar and battery storage. Most planning authorities responding supported increasing the threshold to either 100 MW or 150 MW, while most respondents overall supported 150 MW or higher. However, most respondents from the development, property, land management and agent sector favoured retaining the existing 50 MW threshold. The Scottish Government has not yet confirmed whether the threshold will change and says it will take any amendment forward alongside its wider package of reforms to Electricity Act consenting.
Grid	Investment in Scotland's electricity network is increasing to accommodate new renewable generation and demand. Ofgem's RIIO-3 network price-control period began on 1 April 2026 and runs to 31 March 2031, providing the regulatory framework for electricity-transmission investment by operators.
Contracts for Difference	The UK Government's eighth Contracts for Difference allocation round also applies in Scotland and incorporates changes intended to align eligibility more closely with wider grid-connection reforms. Projects holding only an indicative Gate 1 connection agreement are generally excluded, while projects meeting the final connection requirements, principally those with Gate 2 status, remain eligible, subject to limited exceptions. The National Energy System Operator has also been given greater scope to correct certain administrative errors and to consider additional evidence during Tier 1 appeals where a non-material error or omission has resulted in a project being deemed non-qualifying. AR8 Administrative Strike Prices are expressed in 2024 prices and include £113/MWh for offshore wind, £271/MWh for floating offshore wind, £92/MWh for onshore wind and £75/MWh for solar PV. These are maximum bid prices rather than guaranteed revenues. The round closed on 7 August and is now progressing through assessment and allocation.



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