

Land Business Update

Week commencing 3rd May 2021

Economy

NICRE publishes its first 'state of the art' review

The new National Innovation Centre for the Rural Economy or NICRE is planning to publish a range of reports that summarise and analyse the 'state of the art' on subjects affecting rural economies. The [first one](#) has been written by Professor Neil Ward of the University of East Anglia. It is well worth reading. In it he states that most of the population of the UK live outside the main metropolitan areas, and around a fifth are in areas classified as rural. In order to 'Level Up' and 'Build Back Better', a more geographically sophisticated approach to sub-national economic development will be required. An inclusive vision for Levelling Up will need to ensure that intra-regional gaps are not deepened by a crude and simplistic approach to addressing inter-regional imbalances. Such a vision would need to recognise the substantial and active contribution that rural firms and local rural economies can make to local and regional development across the UK. This contribution is not just a function of the number of firms and employees based in such areas, but also because of their significant unrealised potential and particular aptitude for innovation. He concludes that forty years of a strongly city-centric approach to sub-national economic development has not addressed Britain's geographical imbalances, and if anything, they have worsened.

Environment

Nature for Climate Peatland Grant Scheme opens in England

This scheme funds peatland restoration in upland and lowland England. It is a competitive grant scheme that will run until 2025, with the objective of funding the restoration of 35,000ha of degraded peatland. Two types of grant are available: the restoration grant funds up to 75% (85% in exceptional circumstances) of the project costs of landscape-scale restoration. The discovery grant funds 100% of the cost of gathering information to make a restoration grant application. Peat can be a large store of carbon but because many of England's peatlands are currently highly degraded, they are emitting @ 11mt of carbon dioxide equivalent a year, which is equivalent to 24% of emissions reported for the UK's agriculture sector in 2017.

Defra still does not have a carbon emissions plan, according to leaked memo

The memo, reported in The Times, says that Defra does not have a plan despite all departments being required to produce one and despite agriculture being responsible for a tenth of the total UK emissions. The memo says that Defra intends to create a "tiger team" of officials to produce a plan and bring cuts in emissions back on track. Predictably, and understandably, environmental groups have said that Defra has got a lot of work to do.

Farming

Countryside Productivity Small Grant – submit your claim as soon as possible

Only a third of claims had been submitted to the RPA by the end of April, so the RPA is urging people who had been awarded a grant to submit their claim as soon as possible before the 31st May claim deadline. Claimants should provide all the invoices, bank statements and photos required – see Annex 5 of the handbook. Please contact our farming team if you need any assistance in submitting a claim.

Pros and cons of Countryside Stewardship 'mirror agreements'

Many farmers with a CS agreement that expires at the end of 2021 have been offered a new five-year mirror agreement. Defra is offering these longer mirror agreements, rather than annual extensions, as they are simpler for them to administer and they say they allow farmers an easier transition to the Environmental Land Management (ELM) scheme when it becomes available.

Pros

- It's quick and easy. The agreement will be based upon a farm's existing options.
- Farmers can secure ongoing payments for the next five years without needing to make a new CS application. Remember CS is a competitive scheme, so there is no guarantee that a new application will be accepted. While most applications have been accepted in the past, if the number of applications rises this year there is a risk that not all will be successful.
- Farmers can terminate their agreement at the end of a calendar year, without penalty, if offered an ELM agreement.



Cons

- Farmers will only be offered the options they already have in place – so can't include new capital items or woodland options, or add or remove parcels or options from their agreement.
- Farmers are only being given 20 working days from the receipt of their invitation to respond to the Rural Payments Agency.

Finally, many CS agreements do not cover a large proportion of the farmed area of a farm, despite the terms and conditions being whole farm. If agri-environment agreements are going to replace as much of the cut in Basic Payments as possible, agreements are going to have to be more comprehensive and include management options that cover much greater proportions of the farmed area. But this brings some additional costs and reductions in farming income, so therefore careful consideration is required. Please call your local farming team if you would like to discuss this in detail.

Forestry

Accelerating Woodland Conference II, 26th and 27th May

Strutt & Parker is delighted to be sponsoring this [online interactive conference](#) and for Ed Daniels, Head of Forestry at John Clegg & Co, to be a keynote speaker. The theme of the conference is to tackle the challenges of how to significantly increase woodland creation and management in England and Wales. Please call Ed Daniels if you would like to discuss the conference or woodland creation.

Property and planning

Are Minimum Energy Efficiency Standards for residential property being enforced?

The answer is not at the moment (to any great degree) but the government has recognised this and has consulted on several ways to increase enforcement:

- establishing a national compliance and exemptions database to make it easier for local authorities to check compliance
- requiring all properties to have a valid EPC before marketing starts (i.e., removing the current window to obtain one)
- placing new requirements on letting agents not to market a non-compliant property
- increasing the level of fines
- giving local authorities powers to inspect premises to check compliance
- requiring property owners to obtain a post-works EPC to prove the increase in energy efficiency
- requiring a valid EPC to be in place throughout the tenancy (closing the loophole when a 10 year EPC expires and does not need to be renewed until the next trigger event)

We will provide an update on the government's response to the consultation.

Development in Areas of Outstanding Natural Beauty has doubled

The amount of greenfield land opened up for development in Areas of Outstanding Natural Beauty has doubled. Permission has been granted for an average of 294 acres of greenfield development per year within England's 34 AONBs since 2017, up from a previous five-year average of 128 acres. Research commissioned by CPRE said that land was being 'lost to build more executive homes', with a relatively small proportion of affordable homes.

Neighbourhood planning support programme

Year four of this [programme](#), which is run by Locality and helps groups prepare neighbourhood plans, is now open. There are two new elements of support: support for groups wanting to bring forward schemes to regenerate high streets or provide useful social infrastructure; and support to help groups assess whether development plans they have for particular sites are financially viable or not.