

Land Business Update

Week commencing 25th April 2022

Energy

UK Energy Strategy

This long-awaited plan aims to boost UK energy independence and tackle rising prices. It mainly focuses on energy generation and not on energy efficiency. It includes a revised nuclear programme, which will take considerable time to start generating energy, another review of fracking, supporting the production of domestic oil and gas, and an energy advice offering for smaller businesses. Opportunities for clients include:

- Solar - the rules for installing solar panels on homes, commercial buildings and agricultural land may be simplified. This is likely to be the quickest way to increase energy generation.
- Heat pumps – this is still a preferred option but current installations are less than 10% of needed levels. The £30 million Heat Pump Investment Accelerator Competition to support UK manufacturing jobs is welcome.
- Onshore wind – this would have been one of the quicker ways to generate more energy. However targets for new onshore wind turbines were dropped due to ministers' fears about local opposition. This is despite nearly three-quarters of people recently polled by YouGov saying they would support a wind farm near their home. Therefore, the opportunity for new wind farms is limited, and it depends on partnerships with 'supportive communities', in exchange for guaranteed lower energy bills.

The Strategy has been heavily criticised for not including more on energy efficiency, which would reduce energy demand. Most of Britain's 29 million homes will need to be improved. The UK Green Building Council said that the government's claim that they already have an 'ambitious strategy' on energy efficiency is 'concerning', as 'energy efficiency installations have collapsed by 70% over the last nine years'.

Please contact [Lauren Gibson Green](#) for advice on opportunities to link to the energy grid and [Tom Charles](#) if you would like us to run your land through our [renewable energy opportunity mapping tool](#).

Farming

Lump Sum Exit Scheme now open for applications in England

The Scheme aims to encourage land managers to retire or hand on land to successors by giving them a 'lump sum' of the Basic Payments that they would have received until 2027. The lump sum payment is 2.35 times the average Basic Payments received in 2019 – 2021, up to a maximum of £100,000. Deciding to retire or pass land on is a complex and sensitive decision, and is likely to include other factors such as housing, pensions and roles in a business. The Scheme is only open until September so we recommend that anyone considering this starts now. We have updated our Basic Payment calculator to include a lump sum calculation. Please contact your local farming team or [Jonty Armitage](#), our head of farming, if you would like to discuss this.

UK register of users of plant protection products (PPPs)

The aim of the UK-wide register is to enable the government to enforce pesticides regulations, which include how they are stored and used. Any person or business using PPPs and adjuvants as part of their work must be registered with Defra. This includes farmer, forester and amenity users of PPPs. The registration requires an estimate of the amount of PPPs used annually. We expect users to have to update the register but there is no indication from Defra on how often this may happen. Registration must be completed by 22nd June 2022. Please contact your local farming team if you have any questions.

Sustainable Agriculture Capital Grant Scheme now open in Scotland

The [Scheme](#) funds equipment to store and / or spread slurry or digestate, with the aim of reducing harmful ammonia emissions and reducing adverse impacts on water quality. Funding covers up to 40% of total item costs, up to £20,000 per farming business. Applicants will need to carry out a carbon audit of their farm or have a nutrient management plan in place. S&P comment: with tighter regulations on slurry storage and nutrient management coming, farmers are encouraged to think about how this grant could improve their slurry systems. Application must be made by 1st July. Contact [Mary Munro](#) if you are interested in this scheme.



Property

Scottish rural land market insights report published by the Scottish Land Commission

The [report](#) was commissioned in order to improve reporting of land market transactions in Scotland. It was produced by Scotland's Rural College, SRUC, and Strutt and Parker was a partner in its production. It shows that carbon and natural capital value is an increasing influence, but other drivers, particularly timber prices and forestry values remain significant. It cites data from S&P's [Scottish Estate Market Review](#) which found that nearly half of all estates purchased in Scotland in 2021 sold to corporate bodies, investment funds or charitable trusts – often motivated by the potential for carbon offsetting and environmental improvement. Please contact [Rob McCulloch](#) to discuss the Scottish land market.

Land-based disputes and conflicts – take part in a confidential survey

This research by Harper Adams University postgraduates aims to improve best practices in land-based dispute resolution. The [survey is a multiple-choice on-line questionnaire](#) that takes about 10 minutes to complete. If you would like to take part, you should have experience of disputes or conflicts, as either a landowner, investor or professional adviser. The survey closes at the end of April.

Telecoms

5G Testbeds and Trials (5GTT) programme highlights some of the benefits of mobile coverage

We thought it would be nice to highlight some of the positives of telecoms, rather than focus on the problems legislation is causing for landlords. The 5GTT programme is part of the government's Future Telecoms Infrastructure Review. Its aim is to support the development of the 5G network across the UK. There are a number of applications of 5G in rural areas which demonstrate its use, including providing temporary coverage where there is usually poor or no coverage. One application of this is to enable data to be recorded in relation to crop fertiliser needs; better coverage means that data can be used in real-time and fertiliser applications adjusted. Another trial is looking at how 5G, with its lower latency than 4G, could be used by, for example, a river level sensor picking up a rise above a set threshold and then sending a command to close a floodgate or open a sluice. Please contact [James Hill](#) in our telecoms team if you would like to discuss this.

Property and rural economy

Rental market hitting record high, as demand outweighs supply around the UK

Residential rents have increased by over 10% in the last year – possibly the fastest increase on record - according to Rightmove. A combination of an increase in tenant demand (up by 6% compared with this time last year); an undersupplied market (with 50% fewer properties on the market than this time last year) and longer leases being signed are factors. More properties are now coming onto the market, which is encouraging news for tenants. The RICS is also reporting that there is an increase in houses for sale.

Failures of the current regulatory of the residential renting sector

The Public Accounts Committee has [said](#) that too many privately rented properties (13% of the total) fail to provide safe and secure homes for tenants, posing a serious threat to their health and safety and costing the NHS an estimated £340 million each year. The Committee says that local authorities are not carrying out enough checks to ensure that landlords met legal minimum standards and that tenants struggle to navigate the complex regulatory framework. It says further reform to the sector is required to address the issues raised.

Right to roam review scrapped

The government has cancelled a review into the right to roam in England. Campaigners were hoping that the right to roam would be extended to more land, including rivers, woods and green belt land. Arguments for this included that public funding is being used for new woodland plantations, but the public is unable to access them. On hearing the news, CPRE, the countryside charity, highlighted that access to the countryside, national parks and even local parks in urban areas should be encouraged and opening green belts for the enjoyment of the British population could be part of the solution.