

# Land Business Update

Week commencing 23<sup>rd</sup> January 2023

## Farming and land use

### Countryside Stewardship Scheme payment increases clarified but still inequitable for existing agreements

Defra has clarified who will receive the new payment rates that were announced at the Oxford Farming Conference on 5<sup>th</sup> January:

- Management options – most have increased, by an average of 10%, and will apply to all new and existing Mid and Higher Tier agreements from 1 January 2023.
- Capital items - most have increased, some very significantly, and will only apply to new agreements that started on or after 1<sup>st</sup> January 2023. i.e., NOT existing agreements.

While this is a fairer decision, we do not think it is fair that existing agreement holders won't get the new capital item rates.

### Making the most out of England's land – a call for a land use framework

Another body has made the case for a land use strategy or framework for England. This time it is the House of Lord's Land Use in England Committee. It says that the Government has set itself a range of targets that will require changes to how land is used and that there is no overarching framework across England or formal advisory or coordinating body that helps make the most appropriate decisions for land. Based on evidence that the Committee received, it said that the value of a land use framework is in:

- its ability to bring together national targets, objectives and funding streams
- showing the "line of sight" from national strategy to local plans to individual holdings
- considering resourcing needs
- taking advantage of new growth and investment opportunities
- being flexible and adaptive at every level.

The concept of co-ordinating or planning land uses is not a new one at all. Indeed Scotland has a land use strategy and a Land Commission that provides advice and guidance on strategic land use issues. One of the concerning pieces of evidence that the Committee heard was from George Eustice, the previous DEFRA Secretary of State, who supported DEFRA's commitment to develop a land use framework by 2023 but said that he saw the scope as being limited to tree planting, peatland restoration and food production, so very narrow. S&P comment: to be useful and to break down silos between government departments and policies, a framework should be much broader and include planning, energy, timber production and wider environmental targets.

### Grant funding available for Welsh farmers to plant new hedgerow

Up to £7,500 grant per farm holding is available to farmers under the [Small Grants – Environment scheme](#), under which Hedgerow Creation is one of four themes. For this round, the main grant funded capital work is 'E900: Plan New Hedgerows for Pollinators', at £4.50/m. Other supportive funded items include timber field gates (hardwood) at £236 each and water troughs at £118 each. The grant closes for applications on 17<sup>th</sup> February 2023. Applications can only be made online through Rural Payments Wales (RPW). Please contact [Dan Jones](#) or [Marie Charles](#) if you would like help with putting together an application.

### Antibiotic resistance, commercial farming and agricultural river pollution

Testing of water in rivers in England and Wales by Fera Science and the Alliance to Save our Antibiotics has found indicators of antibiotic resistance in the water samples. Signs of resistance were higher downstream than upstream of five of eight intensive farms, which could implicate the antibiotics in use on those farms. By comparison, tests showed no difference either upstream or downstream from four free-range or organic farms. The findings may now put increased focus on the use of antibiotics on those intensive farms. Although their use fell to its lowest level ever in the 2021, there are calls to stop the preventative use of antibiotics (before animals show signs of illness) in order to reduce the risks of antibiotic resistance. Infections caused by resistant bacteria could kill 35,000 people a year in the EU, according to the European Centre for Disease Prevention and Control. The EU has already banned preventative use. NB The testing was only done on a small number of sites, possibly with selection bias, so more research is needed. However, concern about this subject is not new and the 1969 Swann Report warned about resistant bacteria developing. Research from Rothamsted Research also showed that agricultural river pollution worsened dramatically during the winter of 2019-20, which was the fifth-wettest on record. Soil washing off farmland increased 20-fold and nitrate pollution

quadrupled compared with the annual average between 2016-19. The researchers were very critical of the Environment Agency's lack of monitoring of these issues.

## Net Zero

### **The Skidmore Review of net zero - "The growth opportunity of the 21st Century"**

This review was commissioned by former Prime Minister Liz Truss to review the government's delivery of net zero, to ensure it was "pro-growth and pro-business". It was chaired by Chris Skidmore MP, who is considered to be environmentally-aware and was an energy minister. The report concludes that, "investing in net zero today will be cheaper than delaying, as well as increasing the economic and climate benefits." It states that the average household could save £400 - 6,000 a year through the move to net zero, mostly through switching to electric cars and with people also swapping boilers for heat pumps.

The review states that the UK is missing opportunities and is falling behind other countries due to weaknesses in investment, skills shortages and inconsistent policy commitment. It calls for a new approach to the UK's net zero strategy, which identifies stable 10-year missions that can be established across all sectors. The review sets out long-term goals and also lists 25 actions the government should take in the next two years, which include:

- Create 'gas-free homes' by phasing out gas boilers by 2033, rather than 2035.
- Cheaper electricity to be the main source of energy for buildings, not repurposing gas networks to run hydrogen.
- A ban on the sale of homes that are not improved to energy efficiency band C by 2033.
- 'Eco-labelling' more environmentally friendly foods to lower carbon emissions.
- Scrapping planning rules for solar panels.
- Providing longer-term funding certainty for major net zero projects, including new nuclear power plants.
- Implementing plans this year to increase solar (by 5 times by 2035) and onshore wind generation.
- Ending routine oil and gas flaring by 2025, rather than 2030.

The review has been widely welcomed, particularly the recognition that more action needs to be taken urgently.

## Energy

### **Energy cost support for businesses in the UK cut significantly**

The amount of money the government is spending to reduce energy costs for businesses has been cut significantly, to £5.5bn for the year from April 2023, down from £18bn this winter. The basis of the Energy Bills Discount Scheme will now be a fixed discount from market rates for energy, rather than providing businesses with a fixed price per unit. For example, the support will cut around 2p per kilowatt hour from electricity bills, compared with 25-55p previously. Although energy costs have fallen since December due to the mild winter, analysts expect next winter to be tougher for energy markets.

### **Grants to install electric vehicle charging points at workplaces**

The government's Workplace Charging Scheme grant covers up to 75% of the total costs of the purchase and installation of EV charge points (inclusive of VAT), capped at a maximum of £350 per socket and 40 sockets across all sites per applicant. See [here](#) for details.

## Environment

### **COP15 negotiations produce a global biodiversity framework**

After two weeks of negotiations in Montreal, over 200 countries have agreed a new set of goals and targets to "halt and reverse" biodiversity loss by the end of the decade:

- Four long-term goals and twenty-three targets to protect the natural world by 2050.
- A headline '30-by-30' pledge to protect 30% of the world's land and water by 2030. This is seen as a central pillar of the overall agreement.
- At least £164bn of funding per year by 2030 for biodiversity-related projects.
- Targets to reduce and limit the funding of activities that harm nature, including use of pesticides, food waste and destruction of habitats. On pesticides and fertiliser, the target is to reduce risk and excess nutrients by 50% by 2030.
- Lots of 'decision texts' on more technical issues, including monitoring, funding allocation and areas for future work.

The agreement is seen as a positive step but not as momentous as the Paris Climate Agreement when the world's nations agreed for the first time on a common goal to cut greenhouse gas emissions in 2015. The agreement replaces the Aichi targets, agreed at



COP10 in 2010. Its impact, as for all such agreements, depends on its implementation, which starts now with each country revising their National Biodiversity Strategies and Action Plans (NBSAPs).

## Forestry

### Felling and movement of timber restrictions due to Phytophthora lifted in England

This fungal disease affects a variety of tree species, including western hemlock, Douglas fir, tanoak and several pine species. The felling and movement restrictions have been lifted in all six areas in England where there were controls as updated research shows low risk from those activities. However, authorisation is still needed for any movement of plants for planting within demarcated areas – and this is also the case for the three demarcated areas in Scotland. Also, material from known infected sites continues to be restricted and can only be received by authorised businesses.

## Property

### Cap on residential rent increases in Scotland extended

The Scottish government has confirmed an extension to 30<sup>th</sup> September to the provisions to help reduce the cost of living crisis for tenants. Rents increases in the private sector will continue to be limited to 3% and the moratorium on evictions, except in specified circumstances, extended. Landlords can apply for rent increases of up to 6% to help cover certain increases in costs – however only 12 landlords had applied up until the end of December 2022.

## Telecoms

### Increase in Project Gigabit vouchers value to boost rural digital connectivity

The Government have announced further measures to encourage digital connectivity in rural communities by increasing the value of [Gigabit Broadband vouchers](#) to homes and businesses alike. An OFCOM report from last October showed that only 30% of rural premises in England have a full fibre connection. The benefits of providing a faster, stable connection in rural areas includes better access to friends and family, health and support services for rural communities and businesses can also benefit as transactions can now be made anywhere with a stable network connection. The Gigabit Broadband Voucher scheme now offers support for up to £4,500 for homes and business to upgrade their existing connections to full fibre and we would encourage our rural clients to take up this opportunity if required.

## Rural economy

### UK Shared Prosperity Fund spending is approved

The UK government has confirmed how much different areas of the country will receive, under their Local Investment Plans, from the £2.6bn UK Shared Prosperity Fund. See [here](#) for the list of local authorities. The funding will be spent on three subjects:

- Communities and place: including improving green spaces, sports facilities and access to arts and culture.
- Supporting local business: including support for entrepreneurs and research and development grants.
- People and skills: including basic life skills, digital training and education in English and maths. It will also fund specialist support for people with health conditions facing additional barriers into work.

This fund, and the expenditure under it, has been much delayed.