

# Land Business Update

Week commencing 7 April 2025

## Rural economy & property

### Renters' Rights Bill – time to prepare

The Renters' Rights Bill aims to ensure a fair balance between strengthening the rights of tenants and preserving landlords' ability to manage their properties effectively. The proposed legislation has yet to complete its passage through Parliament, but we are not anticipating any significant changes to the wording, and it is expected to become law within the next few months. The proposals represent a **substantial change for landlords** across three key areas: **rent, length of occupation and increased regulation**. It is important that landlords are prepared so they understand their rights and responsibilities under the new legislation, which will affect both existing and new tenancy agreements. [Read our latest In the Know](#) which answers some key questions on the Bill.

### The Terrorism (Protection of Premises) Act 2025 (or Martyn's Law) passed

The Act aims to make the public safer at publicly accessible locations, including festivals, hotels, pubs and parks among other places. New 'standard duties' include a 'terrorism evaluation' which will apply to venues, including outdoor ones, with a capacity of 200 people or more (up from the original 100). Venues with a capacity of 800 people or more will have to implement 'enhanced duties', which include a terrorism risk assessment, security plan and having to register the premises with the Security Industry Authority (SIA). There is good guidance on the [ProtectUK website](#). There will be an implementation period of at least 24 months before the Act comes into force to allow planning for the new obligations.

### Change to law on burning on deep peat proposed

The Government is consulting on extending the ban on burning of vegetation on deep peat areas. The proposals are to amend the existing legislation – the Heather and Grass etc. Burning (England) Regulations 2021 - by changing the definition of deep peat to 30cm or more of peat depth, from 40cm, and that more deep peat is protected, not just that in SSSIs. The changes will increase the area protected to 368,000 hectares from 222,000, which would protect just over half of England's deep peat area. Burning on deep peat areas will still be permitted, under a licence, where there is a clear demonstrated need, such as to reduce wildfire risk. The Wildlife Trusts has welcomed the changes but called for burning to be banned altogether, as it is in the lowlands. It says that reducing burning is good for air quality, flood management and wildlife, and that burning replaces wetland plant species with heather and sedges, which are more susceptible to wildfire. It also says that peat depth should be replaced as the main measure of the definition, with a functional definition introduced instead based on past ecology and topology. Shooting organisations argue that burning encourages the formation of sphagnum mosses and acts as a fire break.

### Funding for internal drainage boards increased by £16m to £91m

IDBs manage water levels for agricultural and environmental needs on around 10% of land in England. The funding will be distributed to IDBs by the end of April.

## Farming & food

### Terms of Reference for Farming Profitability Review announced

Former NFU president Baroness Minette Batters has been appointed to lead a review looking into farm profitability. The Farming Profitability Review will provide recommendations to the Government and has been asked to report within six months. She has been asked to consider

1. How farmers can reduce barriers to profitability, increase profit and manage their own risk to improve financial resilience, such as through embracing innovation, improving productivity, increasing market access and using risk management tools



2. How the supply chain can support farm profitability such as through greater transparency, cooperation and ensuring a fairer distribution of risks, rewards and responsibilities
3. Whether there are other ancillary activities that farmers can undertake to support profitability and wider economic growth

The review will feed into the development of the food strategy, farming roadmap and the Land Use Framework, and build on other work such as the review of Defra's regulatory landscape led by Dan Corry (see below).

### Potential impact of US tariffs

The UK typically exports £68m of cheese, £23m of pork and £2.9m of fresh and frozen beef to the US each year, according to figures from the AHDB. It says the impact of the US imposing a 10% tariff on all UK exports is difficult to predict until it is seen how various trading partners will react to their own tariffs. In addition to the direct impact of the measures, a key concern is whether food and drink products from other major agricultural exporters, that were destined for the US market, are redirected to the UK. There is a way to go before the longer-term policies are known.

### Valuation Tribunal rulings in favour of rural businesses

Full Agricultural Buildings exemption from Business Rates may now be available for buildings where other farmers' produce is processed, following some recent Valuation Tribunal decisions and an Upper Tribunal (Lands Chamber) ruling. To qualify for Agricultural Buildings exemption from Business Rates, it has been accepted practice since the 1990s that agricultural buildings had to be occupied together with agricultural land and also be used in connection with agricultural operations on that land. A 2003 amendment to the legislation altered the wording to 'on that or other agricultural land'. This amendment was generally accepted to refer to land still owned by the same farmer but was perhaps a few miles away.

A recent case (*Fridays Ltd v Bunyan (VO)* [2024]) involving an egg packing operation concerned buildings used for grading and packing eggs, part-produced on the farm, but also considerable amounts of eggs produced on other farmers' land. This case has seen the Valuation Office lose at the Valuation Tribunal and at the Upper Tribunal, where on both occasions the Agricultural Buildings exemption was granted. The case is now heading to the Court of Appeal. A similar case relating to a potato producer in Wales has also seen the Valuation Office lose. Contact *Simon Reay-Jones* in our Business Rates team if you would like to discuss the implications further at [simon.reay-jones@realestate.bnpparibas](mailto:simon.reay-jones@realestate.bnpparibas)

### Tractor sales fall to 24-year low

Latest figures from the Agricultural Engineers Association (AEA) show that new tractor registrations over the first quarter of 2025 have fallen to their lowest level for 24 years. The AEA says the drop is evidence that farmers are cutting back on investment because of financial pressures and a drop in confidence.

### Farming on the edge – CPRE argues for protection of urban fringe farms

The new report estimates that more than 1,700 farms covering 56,000 hectares of farmland have disappeared from the edges of towns and cities since 2010. Put annually, this is around 3,700 hectares a year. CPRE argues that these farms contribute to food security and are also essential green buffers that support local ecosystems. It argues for a more planned approach to land use, led by local authorities through strategic land use plans, for large-scale landscape enhancement in urban fringe areas.



## Natural capital & environment

### Delivering economic growth and nature recovery – The Corry Review

The Government has published the independent review, led by Dan Corry, of the Defra-family organisations' role as regulators and in helping achieve the nation's environmental and economic targets. It concludes that the regulatory system is not working as well as it should to support either nature recovery or economic growth.

Perhaps one of the most significant, and contentious, findings is that, 'protecting the status-quo of nature as it exists now, site by site (S&P's emphasis by underlining), is unlikely to deliver... nature recovery ... and it slows down development.'. This is contentious as it moves regulation from the current, largely, site-by-site basis to considering how to deliver outcomes at scale. This could mean lowering protection of some sites, if they do not materially contribute to nature recovery but it is not clear how this could work in practice. There is also an interesting line that says that while environmental regulation may slow down growth, the Review only rarely heard of examples where it alone stopped development.

The Review makes 29 recommendations, many of which are significant in terms of how Defra, Natural England, the RPA and other organisations will operate and interact with land managers and rural businesses; if implemented, it would lead to a fundamental change in how regulation and regulators operate. The recommendations are organised under five headings and we have picked out some of the ones that we feel are most significant for land managers:

1. **Focus on outcomes, scale and proportionality, with constrained discretion** – this includes a refreshed set of outcomes for regulators, linked to the Environmental Improvement Plan, with a clear accountability and more discretion. The emerging Local Nature Recovery Strategies will be used as a basis for embedding 'local Environmental Improvement Plans (EIPs)' which cover all elements of the national EIP.
2. **Untangle and tidy 'green tape' to ensure process-light and adaptive regulation** - Defra should swiftly develop plans to reform slurry application and storage to help address diffuse water pollution from agricultural sources, and aim for a single set of regulations which farmers can understand and comply with.
3. **Deploy a fair and consistent 'thin green line' on regulatory compliance, with trusted partners earning autonomy** - Defra should rapidly rewrite its compliance guidance to remove duplication, inconsistency and ensure it is fit for purpose. Monitoring should be more frequent and be based on risk.
4. **Unlock the flow of private sector green finance to support nature restoration whilst better targeting public sector finance** - Defra needs to 'quickly evaluate and improve the current compliance nature market schemes (including biodiversity net gain (BNG) and nutrients credits) ... to maximise their delivery'. Defra should also use the forthcoming 25-year farming roadmap to set out publicly how grants and payments can be used by land managers, with green finance, to balance food production and nature outcomes.
5. **Shift regulators to be more digital, more real-time and more innovative with partners.**

The Government has said that it will implement nine of the recommendations as soon as possible, including reviewing environmental compliance guidance to ensure it is fit for purpose. It will also adopt the recommendation for a single lead regulator to oversee each major infrastructure project.

### Carbon Budget Delivery Plan – Government gets an extension to produce revised plan by November

Last year the High Court ruled that the existing climate plan, introduced in 2023 by the previous Government, was unlawful. The revised plan was due to be published by May but has now got an extension. It will set out the policies needed to meet the UK's carbon budgets for the period up to 2037.

### EU considering allowing forestry carbon credits to count towards 2040 climate goals

The European Commission may allow member states to use carbon that forests or technology can remove from the air to count towards the goal of cutting greenhouse gas emissions by 90% by 2040. If allowed, this could transform the scale of the forest carbon credits markets in the EU. The change – which is one of a number being considered - is an attempt to make the increasingly unpopular goal more politically palatable. However, civic groups have warned that it will weaken the EU's overall efforts on climate change.

### River rescue kit

River Action has produced [this kit](#) which includes advice on how to work out what is polluting a river or water course and then how to take action to reduce the pollution. It is a very clear website and contains lots of useful links, data and case studies.



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**UK bumblebee numbers fell to lowest on record in 2024**

Bumblebee numbers were almost a quarter lower than the 2010-2023 average, according to the Bumblebee Conservation Trust, probably due to the cold and wet spring. There are 24 species of bumblebee in Britain and they play an important role in pollinating crops and wildflowers. For me, one of the sounds of summer is the drone – and stop – and drone – and stop – of a bumblebee. There are some good articles on how to support bumblebees, and other species, [here](#).

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