

UK VITICULTURE LAND MARKET REPORT

Summer 2025

AT A GLANCE

LAND



The total area of vineyards in production grew in 2024, albeit more slowly, reaching 9,300 acres. An additional 1,000 acres is expected to come into production in the near term.



The farmland market has slowed in the last quarter, as has demand for planting land. There is now an opportunity for those seeking to acquire good sites in a less competitive buying environment.



Increasingly, we are seeing opportunities to enter joint venture or lease agreements for good quality established vineyards. Most arrangements are taking place off-market.

THE UK SECTOR



Capital investment in the sector fell to £40m in 2024, below the five-year average of £65 million. This may mark a pause in momentum.



The sector expanded by a further 1,560 acres. This contrasts with many of the (larger) wine-producing countries, where vine areas are falling.



Investment in wineries also remained steady in 2024, with the total number rising to 231, up by over a third in the past five years. This is significant capacity building.

INTERNATIONAL COMPARISON



The sector's biggest risk may not be agronomic – but commercial – as many producers struggle to develop clear marketing and sales strategies.

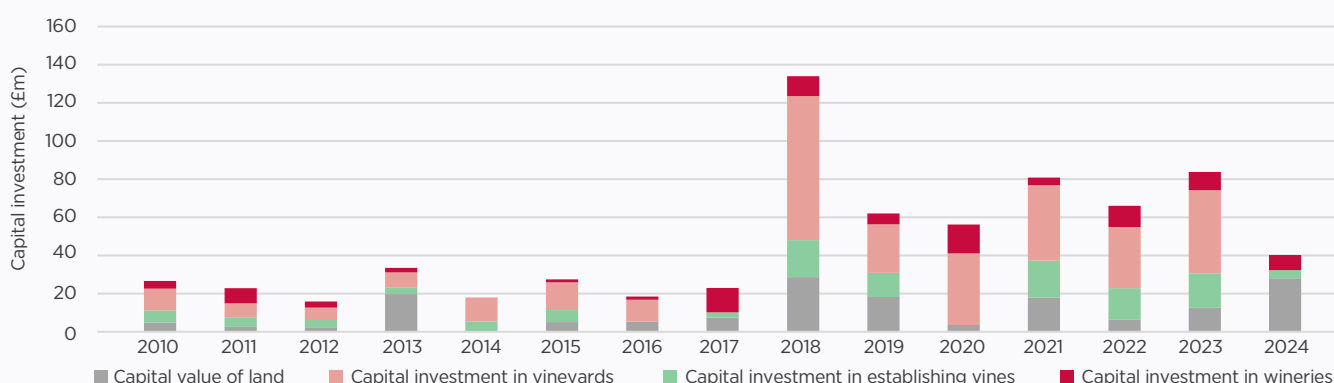


The UK is one of the largest wine-consuming countries in the world and we produce around 0.5% of what we consume, so there should be room for growing our share of the UK domestic market.



Climate change is already affecting the sector and preparing for further change is increasingly important. The CREWS-UK research project identified how businesses can prepare. We have developed it into a climate change checklist (see page five).

Figure 1 Strutt & Parker UK wine sector capital investment tracker



Total capital investment in the UK wine sector fell to £40 million in 2024 – less than half the recorded figure in 2023 and significantly below the five-year average of £65 million. While part of this drop may be due to timing lags in reported data, it marks a pause in momentum.

Land acquisition remained strong, with £28 million invested in 2024 as the sector expanded by a further 1,560 acres. But this hasn't yet filtered through into the next stages of development. Investment in establishing vines fell to £4 million – a significant drop from the

five-year average of £42m million. A 2-3 year delay between land purchases and planting is typical, but this gap is unusually wide.

Wineries present a more stable picture. Investment in processing facilities remained steady at £8 million, just below the five-year average, while the total number of operational wineries rose to 231 – a 35% increase over five years. This suggests producers are continuing to build long-term capacity even as early-stage investment eases off.

OVERVIEW

We've seen the UK wine sector evolve at pace over the past ten years. The 2023 harvest was undoubtedly a milestone: the largest we've had on record, yielding nearly 22 million bottles. This success generated optimism, yet was also a moment to take stock. Bumper harvests are to be celebrated, but they do mean big working capital requirements. Producers have had to put millions of pounds of working capital into bottling and storing this wine and their challenge moving forward is how best to realise its value.

By contrast, the 2024 harvest was marked by heavy rain and lower yields. However, this year, for most growers the weather has been near perfect. Growers should have a good yield of quality fruit, with decent sugars, which bodes well for still wines of the 2025 vintage.

This highlights how climate change can be a double-edged sword. On the one hand it is the UK wine industry's greatest advantage; on the other, its greatest test. In terms of the quality of our wines, climate change means our best years probably lie ahead of us. But at the same time, we are seeing much greater volatility during the growing season. Encouragingly, many growers are already evolving their management practices to meet these challenges head-on, which bodes well for the long-term resilience of the sector.

As the industry matures, so does the need for professional business planning. Producing wine is a long-term endeavour – success requires an attention to detail in terms of managing cash flow and planning for seasonal variability.

Crucially, the narrative has shifted. It's no longer a question of whether we can grow quality fruit and make world-class wines – that has been proven. Now it is about how we define, position and promote English wine both domestically and on the global

stage. There is a growing awareness that success in this sector not only requires viticultural and winemaking expertise, but a clear brand identity, a targeted audience, and consistent visibility.

However, the sector remains fragmented, often characterised by small producers with limited marketing resources and reach, and few larger producers with the marketing budget and expertise to reach consumers consistently. A coordinated national campaign could play a critical role in building consumer awareness, loyalty and demand. Shared investment and cooperation – as we have already seen in the Surrey Hills – will be essential, echoing the long-adopted approach by many established wine regions.

Our costs are comparable to those of traditional wine-producing countries, but, with our yields lower, our strategy must be to lead with quality, not quantity. We have the right building blocks in place: skilled producers, growing acclaim and a generation of consumers eager for something home-grown and distinctive.

The opportunity is clear. With a joined-up approach to marketing and a sharp focus on professional business management, the sector can continue to grow. The standout businesses will be those who understand not just what to grow – but how to sell it.



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UK VINEYARDS AND PRODUCTION¹

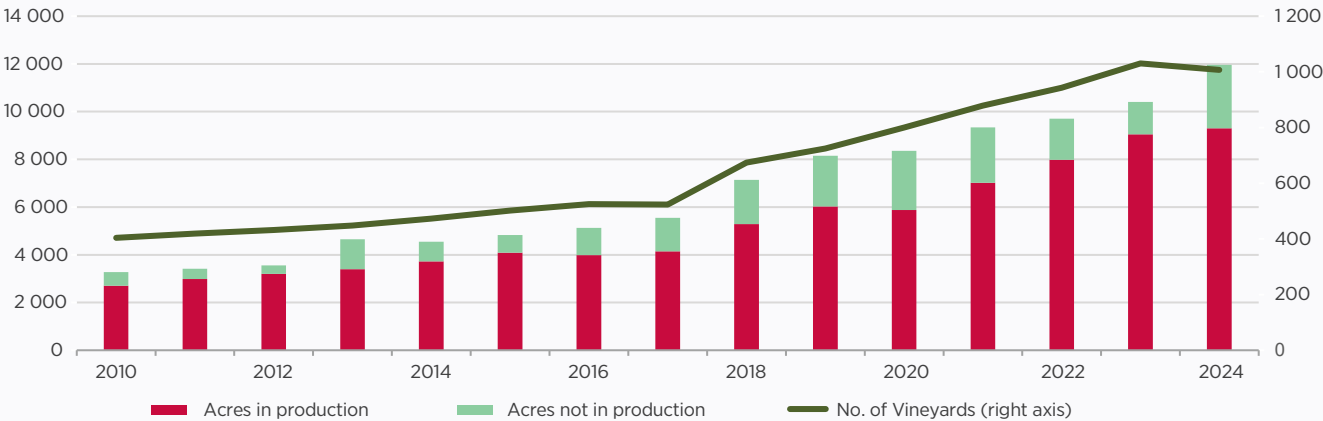
The total area of vineyards in production continued to grow in 2024, albeit at a slower pace, reaching 9,300 acres. An additional 1,000 acres is expected to come into production in the near term, either newly planted or recently established – a positive indicator for future output.

The number of vineyards in operation has dipped slightly. It is not yet clear whether this represents a genuine contraction in the sector, mergers, or a result of data lag.

Production volume has returned to more normal levels, following the record-breaking harvest of 2022/23. In 2024, 10.7 million bottles were produced, down from 21.6 million recorded the previous year. Nevertheless, the past five years remain the period of greatest growth in production in the past 35 years.

¹ Source: Wine GB, Wine Standards Branch of the Food Standards Agency and English Wines. Particular thanks to Stephen Skelton MW of English Wines.

Figure 2 Area and number of vineyards in the UK

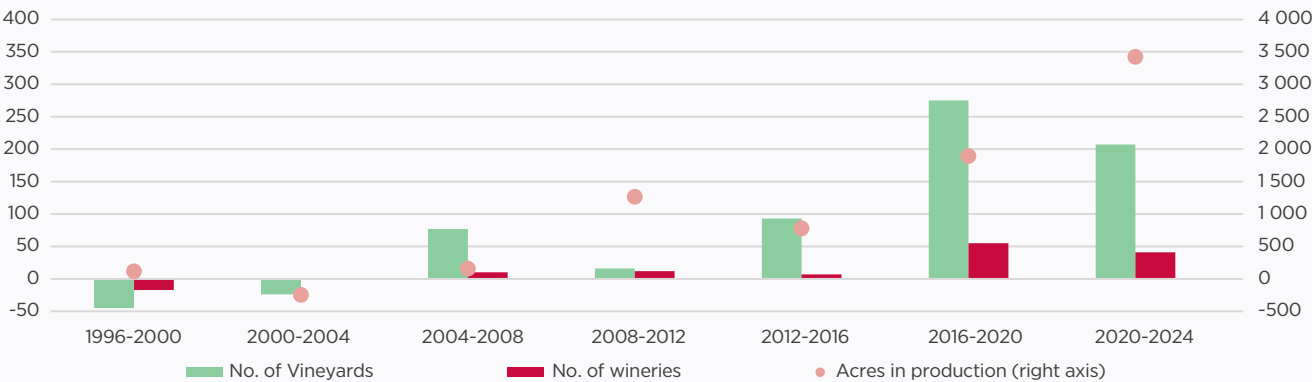


¹ NB This figure also includes land converted into vineyards, not just acquired for them.

Figure 3 Number of wineries and bottles produced in the UK



Figure 4 Change in the number of vineyards and wineries in the UK by five-year periods



VALUE OF ESTABLISHED VINEYARDS

We have seen a wide variation in prices paid for established vineyards. Buyers are becoming more cautious and discerning as to location, quality and variety of planting, track record of yield and quality, and the climatic conditions of the site, reflecting the increased sophistication of UK viticulture.

The prevailing macro-economic environment and the current economic challenges faced by the industry are weighing on demand. At the same time supply of vineyards for sale on and off-market has increased, resulting in a wide spread of prices achieved, ranging from £20,000/acre to £45,000/planted acre for the very best.

A GLOBAL PERSPECTIVE

Shifting conditions across the wine industry

The UK wine sector's 2024 performance sits within a wider context of global adjustment. According to BNP Paribas Wealth Management's Agrifrance report, global wine production fell to 226 million hectolitres – the lowest level since 1961 – with France, the largest producer, recording a 23.5% drop. Output was 36.1 million hectolitres, nearly 18% below the five-year average, as hail, heavy rainfall and mildew led to widespread yield losses.

Land values in France responded accordingly. The average price fell slightly to £60,400/acre (-1%), with more pronounced declines in Bordeaux (-9%) and outside Champagne (-4%). Yet premium subregions like Bourgogne Grands Crus continued to command record prices – a reminder that perceived quality remains a key driver of value.

Global wine consumption also declined, down 3.3%. This was shaped by shifting consumer behaviours, from rising health awareness to economic

caution. But these pressures also present opportunity – a space for repositioning, product innovation and stronger brand narratives.

Despite the challenges of 2024, international appetite for wine remains strong, particularly at the premium end of the market. For the UK, this provides a point of contrast as well as potential. We are a cool-climate region with growing consumer interest, and the opportunity to define our identity on the global stage.



MARKETING AND CONSUMER BEHAVIOUR

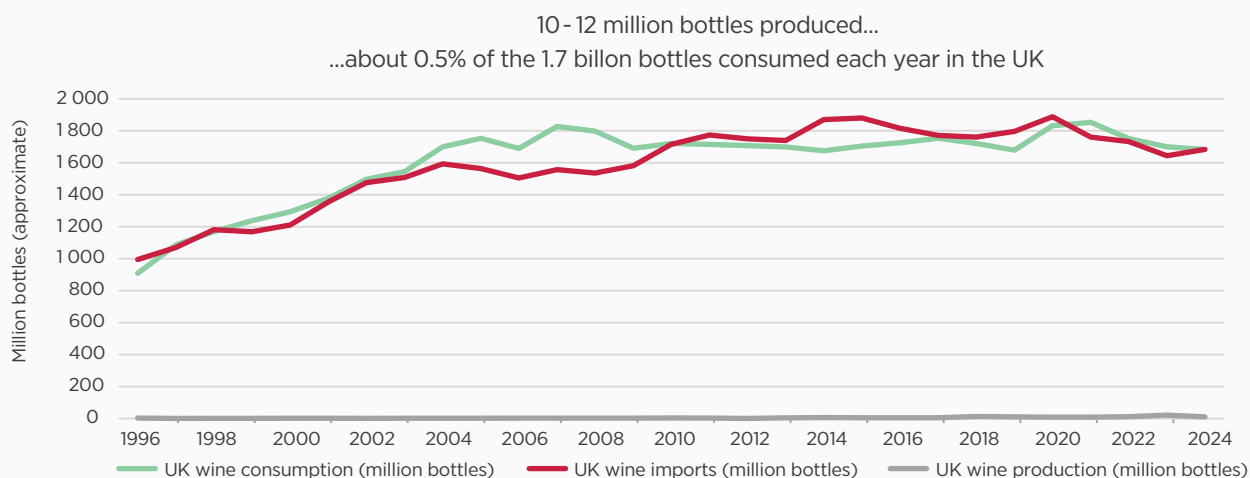
The UK is one of the largest wine-consuming countries in the world, and we produce around 0.5% of what we consume. This gap highlights an opportunity to grow our domestic market share, particularly given the UK's reputation for producing high-quality sparkling wines and the fact we import over £1 billion of sparkling wine each year.

The sector's biggest challenge may not be agronomic – but commercial. Many producers find themselves caught in what we

call the “marketing bermuda triangle” – pulled between direct-to-consumer sales, wholesale distribution and tourism-based experiences, often without a clear long-term strategy.

A coordinated national campaign could help shift English wine from niche to recognised category, improving visibility, supporting price strength, and creating the consumer loyalty needed for long-term success.

Figure 5 UK wine consumption and production



Research suggests consumers' wine consumption habits are evolving. Younger generations are drinking wine less frequently, but when they do, they place more value on quality and are prepared to spend more per bottle.

This trend suggests price is becoming less of a barrier and supports quality over quantity. It presents an opportunity for UK producers – especially those with a great story to tell, quality wine to offer, and a robust marketing strategy.

CLIMATE CHANGE

Climate change is already having a measurable impact on the UK wine industry. While some of these changes – such as warmer temperatures – have enabled new grape varieties and wine styles to emerge, the sector also faces significant risks. More variable weather is expected to result in inconsistent yields and fluctuating quality, creating challenges for producers aiming for stability.

So, what can be done?

In response to these issues, the CREWS-UK (Climate Resilience in the UK Wine Sector) project has researched how the industry can adapt. As part of this work, the project modelled anticipated changes in growing season temperatures and identified practical actions wine businesses can take – both now and over the next thirty years – to build resilience.

We think the actions identified by CREWS-UK are an insightful business tool for all wine businesses to use. We have summarised some of them into a climate change checklist for businesses to ask themselves:



What can I produce reliably and how?

- What types of wine will I be able to produce reliably?
- Will I still be able to produce sparkling?
- Should I manage my soil differently to adapt to greater chances of drought or flooding?



Where to do it and what to grow?

- How will my site be affected by climate change?
- What does detailed climate information of current and expected conditions tell me?



Marketing climate credentials

- Can my actions support a sustainability story?
- Should I use eco-friendly packaging or certifications?



Building flexibility into wine making

- Have I got the right range of grape varieties to produce enough juice reliably each year? Even in 'good' and 'bad' climate years?
- Could I adopt non-vintage models, producing consistent blended wines?



Strengthening supply chains

- Are my relationships and contracts with my suppliers and buyers strong enough to cope with good and bad years (including credit and financing)?
- Do I hold enough stocks of critical, and climate sensitive, inputs, such as cork?
- Could I benefit from sharing knowledge with others? For example, climate resilience training.



Experimenting and monitoring

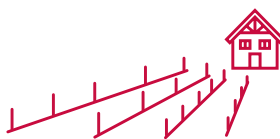
- Am I recording weather and vine data consistently to learn how to cope with the changing climate?
- Should I test new production techniques? How can I share what I learn with others in the sector?

Source: Gannon et al., (2023) Adapting to climate change risk and opportunity in the UK wine sector, Grantham Research Institute on Climate Change and the Environment, London School of Economics. The CREWS-UK project is funded by the UK Natural Environment Research Council, as part of the UK Climate- Resilience Programme.

HOW STRUTT & PARKER CAN HELP



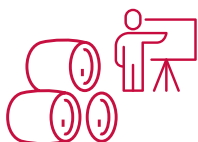
Identifying and securing land suitable for vines through purchases, long leases and joint ventures



Sales and purchase of existing vineyards and wineries



Valuations of wine businesses and specialist rating advice



Vineyard and winery business management advice, including financial planning



Planning, development and project management work for wineries and visitor centres



Grant applications for agri-environment and business development schemes



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