

## Land Business Update

Week commencing 6 July 2026

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### Farming & food

#### SFI26 update – very strong demand with around 50% of window 1 budget allocated after three days

As expected, a lot of applications were submitted as soon as the application window opened. Defra says that demand has now levelled out but our advice remains to submit an application as soon as possible. If you would like any assistance in preparing an application, please contact your local farming team.

#### Farming Roadmap 2050 Growing England's Future

The government has published this long-awaited document and, although it has been criticised by some for not setting out spending plans, it should be read as part of a strategy that includes the Land Use Framework and the food strategy. It establishes a clear direction of travel for both farmers and the government. In many ways, it is a blueprint for a new agricultural philosophy. It sets out a vision for the sector where commercial resilience and environmental stewardship are not competing interests, but mutual drivers of success. We have written [a blog](#) on the Roadmap and selected key points from it below:

##### The role of government and farmers

- The most resilient farms are profitable precisely because they work with the environment, not against it.
- Most farm income will come from the market, supported by diverse and resilient business models, while public funding will focus on outcomes that markets alone do not reward.
- Government support will help farmers test and adopt new practices and deliver outcomes that markets alone do not reward, but this support will not replace long-term commercial viability [underlining added by S&P].
- Farmers need to consider risk management, business change and long-term planning as a core part of running viable businesses. This requires greater use of tools such as insurance, diversification, collaboration and benchmarking, alongside more active long-term planning and investment decisions.

##### The expected evolution of government support, regulation and ELM schemes

- Beyond 2030, a greater role for regulation, private funding, supply chains and best practice in delivering outcomes, with [some] SFI and grant funded practices moving into regulation after 2030 where appropriate, supported by clear transition arrangements.
- A gradual transition towards greater targeting of some actions in areas that deliver the most increased benefits, supporting delivery of statutory targets.
- Creating a new service with the ambition to bring together Defra farming services in one place, including livestock records, grants, environmental schemes, compliance information and advice, making it easier for farmers and land managers to manage responsibilities, access support and plan.
- Replacing multiple agreements with one agreement per farm, and one compliance process.
- Delivering one clear and itemised payment per farm, updated automatically when agreements change.

It does raise lots of questions. How will the outcomes be delivered? What support will land managers receive during this major transition to nature and climate-friendly practices? How significant will the role of the private sector and markets be? If you would like to discuss the Roadmap, please contact [Natalie Gaibani](#), our head of farming, [Jason Beedell](#), our head of research, or anyone in our farming team.

**Capital Grants opening at end of July so prepare your supporting evidence now**

This is one of the main grants available to land managers for a wide range of projects, from hedgerows and planting trees to water efficiency investments. Demand is expected to exceed the funding available and last year some applications were not funded as they did not provide the evidence required by the RPA (and it is required within 10 days of an application being made). The evidence includes up-to-date maps to show where an item will be located, proof of funds from an accountant, Catchment Sensitive Farming support for certain items, landlord's agreement, and proof of advice or consent from English Heritage for works affecting historic or archaeological features. If you would like any assistance in preparing an application, please contact your local office.

**National Insect Week**

This event, organised by the British Entomological Society, took place in late June, with the aim of increasing everyone's awareness of the importance of insects. The Society states that 1 in 3 mouthfuls of food depends on insect pollination and that if insects disappeared, our food supply and ecosystems would suffer. Coinciding with Insect Week, the [latest annual report](#) from the UK Pollinator Monitoring Scheme (PoMS) has been published. PoMS, a citizen science initiative run by the UK Centre for Ecology & Hydrology and the Joint Nature Conservation Committee, is helping to build a long-term picture of pollinator populations across the UK. It is a fascinating and important read and the report highlights the importance of supporting a wide range of plants and habitats to provide essential feeding and sheltering for pollinating insects. This means anyone with access to land, a garden or growing space can help increase biodiversity and boost beneficial insect populations, anywhere.

**Countryside Stewardship Higher Tier to be available to wider range of applicants**

Previously the scheme was by invitation only but now a wider range of land managers can apply although the new procedure can feel complicated.

- Opening soon – open to any land managers - apply for agroforestry, woodland, and new single-focus agreements for species-rich grassland actions and scheduled monument management.
- Later in the year - open to any land managers – apply for a single-focus agreement for managing wet grassland for wintering waders and wildfowl, and managing and creating traditional orchards.
- Later in the year – for commoners - there will be a new process for common land applications.
- Open now – preparing to make an application - PA1 Implementation plan and PA2 Feasibility study grants are available all year round to help identify the works needed to create or restore habitats or help threatened species recover. This includes for lowland and upland peat, lowland heaths, wetland habitats, rivers and wet floodplains, lakes and larger bodies of water, and coastal habitats.

At least £50m will be available for new agreements in 2026/27.

## Natural capital & environment

**UK should plan for increasing frequency of flash flood events**

The UK is already experiencing rapid dry-to-wet and wet-to-dry shifts, making 'hydroclimatic whiplash' or flash floods a significant concern, according to research by the University of East Anglia. The researchers found that in some catchments, the number of these events could rise from about four over a 30-year period, in the 1981-2010 baseline, to up to nine under a 4C warming scenario, so about one every three years. The greatest increases are estimated to occur in south Wales, Northern Ireland, northern and western England and parts of south-east England. The researchers make the point that these events are challenging to deal with using traditional approaches to flood and drought planning, and that planning is needed to cope with sequences of extremes, not just a single event.

**Heat waves have major economic impacts – climate change deniers be aware!**



Allianz has produced some fascinating and scary estimates of the economic impact. Previous heatwaves reduced Europe's annual GDP by as much as 0.5% and by more than 1% in southern regions. However, the one just happened could be even greater as the impacts / losses increase sharply after a "critical threshold around 30C". For every degree of temperature increase between 30 - 35C:

- Labour output per hour decreases by about 3%.
- Energy consumption rises by around 1.2%, increasing costs.

Extreme heat events are getting more common. To give a sense of that, Allianz says that heat waves each year for five years would result in cumulative GDP losses of between 5 – 7% in France, Germany, Italy and Spain, so very significant. NB This is based on using the five hottest years between 2014 and 2024 for the modelling.

## Rural economy & property

### MEES for privately rented commercial buildings over 1000m<sup>2</sup> will need to reach EPC B by 2031

The Minimum Energy Efficiency Standards have finally been confirmed and has taken three governments and four ministers to do it. The UK Green Building Council welcomed the announcement as giving the market clear direction and recognising the importance of better building performance for both landlords and occupiers.

### House selling reform proposals

The government has proposed that vendors produce a 'sales pack', including details of the property's condition, local authority searches, any leasehold costs and its status in a chain. Agreements will be made binding at an earlier stage in the buying process. The aim is to speed up the transaction process and make it more certain; currently one in three transactions fail before completion and those that do complete take over half a year from an offer being accepted to completion, up 60% since 2007. This is very slow. For example, the FT quotes the live tracking system in the Netherlands leading to an average completion time of 20 days. The reforms may be applied differently across the UK, depending on the consultation.

### Renters Rights' Act implementation – up to £7,000 fines for poor conditions

The fines will apply to 21 types of hazards that are found to be serious, which are 'Category 1' level (now called 'High') under the Housing Health and Safety Rating System (HHSRS). They include freezing conditions, faulty electrics, fire hazards, structural issues and unsafe layouts. Around 10% of private rented homes are estimated to have at least one of these health and safety problems classified as serious. The fines are in addition to existing powers that councils have, such as carrying out emergency works and recovering costs from landlords who fail to act.

The government is also updating the HHSRS for the first time in 20 years. The number of prescribed hazard descriptions will be reduced from 29 to 21 by combining some into broader categories. The existing A to J hazard bands will be replaced by three bands: High, Medium and Low. High hazards will broadly replace the previous Category 1 bands. This should make it easier for everyone to understand the seriousness of a hazard. The four classes of harm will also be renamed, to extreme, severe, serious and moderate. The definition of a prescribed fire hazard will also be expanded. Please contact [Sarah Roberts](#) if you would like to discuss any of the above.



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