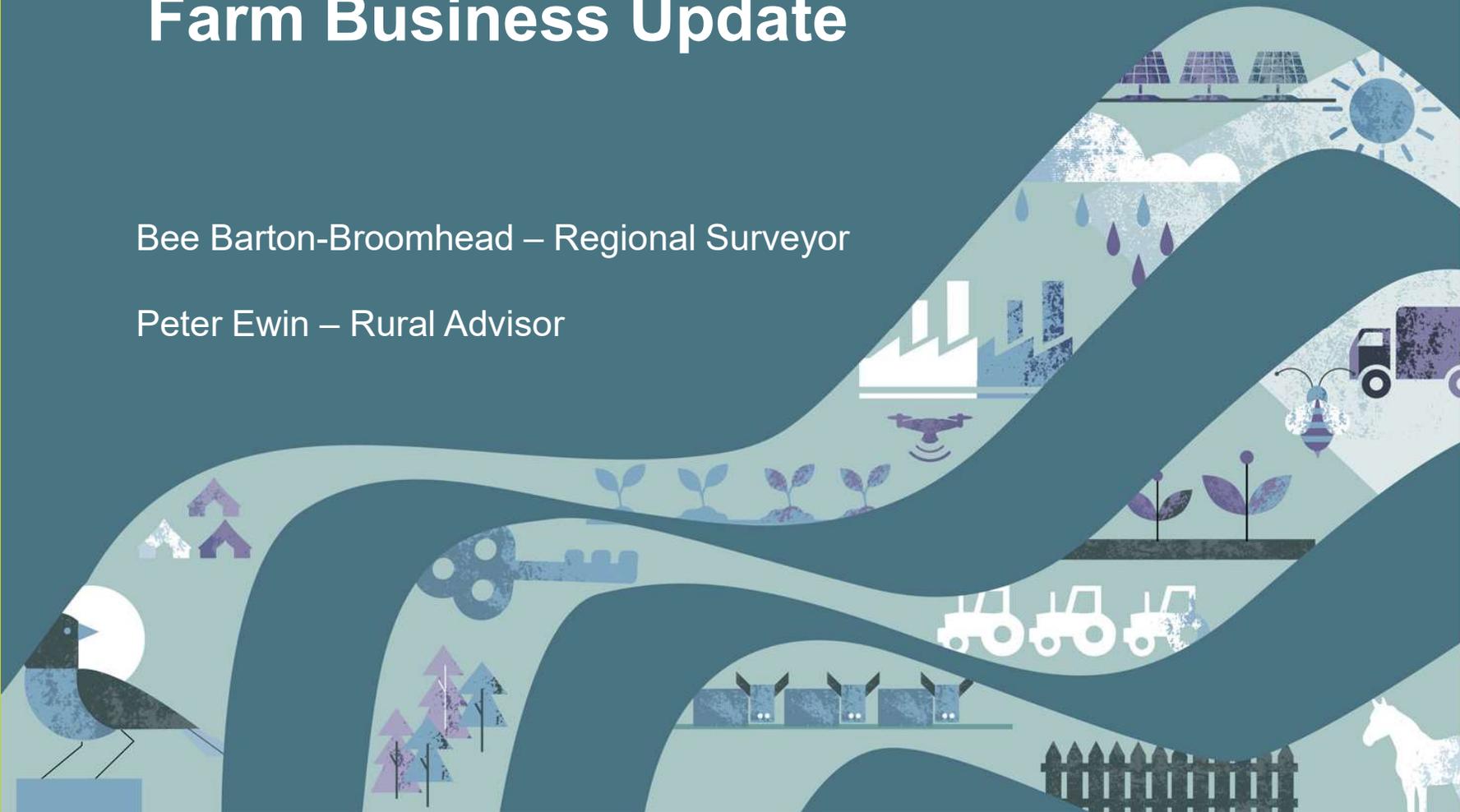


Farm Business Update

Bee Barton-Broomhead – Regional Surveyor

Peter Ewin – Rural Advisor



■ Farm Profitability Review - Overview

- Farming Profitability Review published 18 December
- Led by Baroness Minette Batters
- 57 recommendations
- Aim: strengthen profitability, resilience and domestic food production



■ Key Government Actions

- New Farming & Food Partnership Board
- Focus on productivity, profitability and food security
- Early action on supply chain fairness, planning reform and export support



■ CLA Priorities & Contributions

- Immediate need: policy clarity for 2026–29 budget
- CLA proposals included in the review:
 - Agribusiness Growth Hubs
 - Supportive, stable tax regime
 - Streamlined planning & growth packages



■ Main Themes & Issues

- Strong alignment with CLA priorities:
Financial certainty, fair supply chains,
labour availability, planning reform
- Concern: Active Farmer Principle risks
excluding diverse business models
- Emphasis on building on existing
successful schemes



■ What This Means Going Forward

- No immediate changes, but strong momentum for reform
- Government buy-in to explore recommendations
- Will feed into:
 - 25-year farming roadmap
 - Land use framework
 - Food strategy



■ Natural Capital Overview

- Markets that pay landowners for environmental outcomes
- Examples: carbon credits, BNG units, water quality improvements
- Growing demand from Government, businesses, and investors
- Opportunity for long-term, diversified income



■ Natural Capital – How To Get Started

- Assess your natural capital baseline
- Identify suitable markets
- Match opportunities to land type and business goals



■ Making Projects Work in Practice

- Stack and blend income
- Work with trusted and experienced advisors
- Understand implications of long-term commitments
- Look for local schemes



■ Key Considerations and Next Steps

- Start small
- Be aware of risks
- Natural capital can strengthen business resilience
- Next step: baseline assessment + explore local opportunities



■ Planning & Infrastructure Bill 2026/NPPF: What's Changing

- Faster compulsory purchase process
- Reduced opportunities to challenge schemes
- Greater powers for acquiring authorities.
- Opportunities?



What This Means for Landowners - Key risks and considerations:

- Less time and leverage – Infrastructure
- Potential impact on compensation – Infrastructure
- Loss of control over land use – Infrastructure
- Clear, suitably located presumption for rural business development - Planning
- Economic benefits to carry substantial weight for farm modernisation - Planning
- BNG relief and simplification for smaller sites - Planning



■ The CLA Perspective....

- Strong concerns over compulsory purchase reform
- Calls for stronger safeguards – Code of Practice
- A win for rural advocacy under the “Rural Powerhouse” campaign
- Clarification of “suitably located” development through policies S4 & S5
- Improve planning officer expertise on rural issues



Renters' Rights Act 2025: Core Reforms

Big changes to private renting from May 2026

- **End of “no-fault” evictions**
Section 21 notices are abolished; landlords must use specific legal grounds to evict.
- **New tenancy structure**
Fixed-term assured short hold tenancies are replaced by assured periodic tenancies; tenants can leave with two months' notice.
- **Rent regulation & fairness rules**
Limits on rent increases (once per year with notice), ban on rental bidding wars, and limits on rent in advance.
- **Anti-discrimination & tenant requests**
Illegal to discriminate against benefits recipients or families with children; landlords must consider pet requests reasonably.



Enforcement & Wider Sector Changes Implementation phases & longer-term reforms

- **Phased rollout**
Core tenancy and rent reforms take effect 1 May 2026; enforcement powers and sanctions begin late 2026.
- **Stronger enforcement**
Local authorities to have expanded investigatory powers; rent repayment and civil penalties reinforced.
- **New sector support structures**
A Private Rented Sector database and PRS Landlord Ombudsman will follow, providing compliance tracking and dispute resolution.
- **Housing quality standards**
Plans to introduce Decent Homes Standard and extend protections like Awaab's Law into the private sector via later regulations.



■ Main Topics the CLA Advise On

Landownership & Property Rights

- Rights and responsibilities of rural landowners
- Access, rights of way, boundary issues
- Wayleaves and easements (e.g., utilities crossing land)
- Landlord–tenant matters for agricultural and residential property

Farming & Agricultural Policy

- Updates on agricultural transition schemes
- Farming profitability and business resilience
- Support navigating government farming schemes
- Guidance on diversification (e.g., tourism, renewable energy)

Planning & Development

- Rural planning rules and opportunities
- Advice on planning applications and land use changes
- Housing development in rural areas

Taxation & Succession

- Inheritance tax (IHT) and succession planning
- Capital Gains Tax and reliefs
- Tax implications of land sales, gifts, or diversification

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