

FARMING AND PROPERTY BULLETIN ISSUE 3 - 2024

SFI Expanded Offer for 2024 and the 25% Cap



The SFI expanded offer has just been released for 2024 by DEFRA and is planned to open to applicants in July this year. The offer comprises 102 actions with 20 payments supporting sustainable food production, payments for precision farming and agroforestry. The new actions are designed to reduce input costs and boost yields. There is support for flood 'preparedness' to support businesses to face the challenges of climate change.

The new SFI offer has taken 50 actions from the Mid-Tier Countryside Stewardship to try to ease the application process for farmers. Some of the action's timelines have been reduced from 5 to 3 years to benefit tenant farmers. The government has also introduced the 'Find Funding for Land or Farms' tool which aims to sign post customers towards the correct funding avenue.

Previously, during the Oxford Farming Conference earlier this year, the government committed to increase the SFI and Countryside Stewardship payment rates by 10% and introduce premium payments for actions they believe to be of the greatest benefit to the environment.

More options in the 25% Cap

In March, DEFRA announced six actions that are now capped to 25% of the total farm area. This has now been extended to also include: In-field grass strips, unharvested cereal headland, Bumblebird mix and cultivated areas for arable plants. DEFRA have said they will keep consulting with the sector and will keep actions that are capped under review.

The full list of actions that are now affected by the cap are:

- IGL1** Take improved grassland field corners or blocks out of management
- IGL2** Winter bird food on improved grassland
- AHL1** Pollen and nectar flower mix
- AHL2** Winter bird food on arable and horticultural land
- AHL3** Grassy field corners and blocks
- IPM2** Flower-rich grass margins, blocks, or in-field strips
- WBD3** In-field grass strips
- AHW9** Unharvested cereal headland
- AHW1** Bumblebird mix
- AHW11** Cultivated areas for arable plants



These caps do not affect those SFI's that were submitted before the cap announcement or any previously agreed plans.

Agricultural Landlord and Tenant Code of Practice

This code was born out of the 2022 Rock Review which brought to light the impact of certain actions by Landlords and their Agents have on the mental health of Tenant Farmers.

The 12-page code of practice was introduced in April 2024 and was written involving professionals across the tenanted sector. It provides a guidance for Tenants, Landlords and Agents on how to behave in agreements.

The document has been endorsed by the Tenant Farmers Association (TFA) in which George Dunn the Chief Executive said, "we would like to see the code referred to in tenancy agreements, letters of instruction and in other important agreements". The code is a voluntary guidance on conduct however, if both parties sign an agreement which states they will abide by the code, then it becomes legally binding.

There is a strong balance within the code so that both the Tenant and the Landlord have reasonable responsibility.

CLA president Victoria Vyvyan said, “This code sets out all the ways to avoid getting to the point of arbitration, which is a waste of everyone’s time and money”. The hope is the code will bring about more regular discussion between Tenants, their Landlords and Agents.

The code’s key points are as follows:

- New tenancy agreements should not use blanket bans on applying for environmental schemes and other opportunities.
- Sets standards expected of Landlords and Tenants on grant of a tenancy, in rent reviews, when considering new business opportunities, during repairs and improvements discussions, and on termination and renewal.
- Repairs and improvements should be a regular topic for discussion in routine meetings and at rent reviews.
- Incoming Tenants should not be obliged to share professional representation with the Landlord where there are negotiations with an outgoing Tenant over improvements and dilapidations.

‘Clarkson’s Law’ Planning Law Changes

Planning permission on disused farm buildings has become remarkably easier to obtain as of May this year. The change in the planning law, which is said to have been influenced by Jeremy Clarkson’s Farm, allows for disused farm buildings to be converted into a range of commercial ventures.

The changes which took place on the 21st of May are to Class Q and Class R.

Class Q allows the change of a buildings use to dwellinghouses:



- There has been an increase in the total number of dwellings from 5 to 10.
- There has been an increase in the total maximum floorspace that can change use, from 865sqm to 1,000sqm.
- The barn does not have to be in agricultural use to qualify any more. It can have previously been used for non-agricultural purposes, or have been empty, as long as it was in agricultural use on 24th July 2023.
- It is now possible to extend a barn via a rear extension, no more than 4m from the rear wall, as long as it is over existing hard standing (that hard standing must have been there in July 2023).
- A maximum individual dwelling size of 150sqm (previously 465sqm) has been introduced.
- It is also now possible to protrude by up to 0.2m to allow for windows, doors, roofs, exterior walls, services etc. This is currently not possible under Class Q.
- All dwellings must meet National Space Standards.

The idea is that it creates more rural housing, but most agree that it is not financially viable to divide a barn into ten small dwellings. The ability to now extend and protrude is very good for potential properties as it allows for the development of the outside of the property. This was not possible under the old planning laws.

Class R changes allow for the agricultural building to be changed into flexible business use. This includes:

- Class B2 - General Industrial
- Class B8 - Storage or Distribution
- C1 - Hotels
- Class E - Commercial, Business or Service
- Class F2(c) - Outdoor Sport or Recreation
- Agricultural training



These uses no longer require a full planning application. However, there is still a requirement to apply to the council for approval, but this comes with less requirements compared to a full planning application.

If you have any questions or queries with regard to any of the topics covered in this Issue please contact Adkin on (01235) 862888