

UPDATE

CLM
NEWSLETTER
SPRING 2026

OUR SERVICES Farm Business & Estate Management • Planning & Development • Succession
• Land Sales & Acquisition • Biodiversity Net Gain, Ecology & Natural Capital • Diversification
• Residential and Commercial Property Letting & Management • Subsidies & Grants

Summer is the ideal window to complete CS survey work



**ALEX
MACDONALD**
Farm & Environment
Consultant

E alex@c-l-m.co.uk

Undertaking surveys this summer to provide “supporting evidence” is a great way of boosting your chances of making a successful Countryside Stewardship Higher Tier scheme application later this year or in 2027.

June, July and August represent the perfect time to gather data to give your proposal the evidence-based credibility that should ensure it is convincing to – and processed quickly by – Natural England.

The North and South Downs represent some of the finest chalk grasslands in the country so, if you're managing one of these habitats – or indeed any species-rich grassland – evidence of its botanical diversity will go a long way to supporting a new CS HT application.

The more comprehensive and authoritative your application is, the more likely you'll be towards the

front of the pipeline at a sometimes-stretched and under-resourced Natural England.

The higher tier payments for managing priority habitat species-rich grassland (CGS22) is £646/ha – so these are significant, meaningful sums.

A survey completed by a respected firm of experts such as CLM that has strong local knowledge will help your case.

It's worth being aware there is also Defra funding available under its PA1: Implementation Plan to provide £1,200 to cover or support such survey work, so it would make sense to apply for this grant immediately, with a view to conducting the survey in the summer. On chalk grassland, such a survey would catalogue the frequency of iconic species, such as cowslip, devil's-bit scabious, harebell and orchids.

The new CS higher tier will potentially be of interest to five groups of farmers:

- Those in old ELSHLS agreements
- Those in old CS higher tier agreements
- Those in CS mid tier agreements
- Those in SFI agreements due to expire

- Those not currently in any schemes

Looking ahead, if you have a priority habitat such as chalk grassland, lowland meadow, grazing marsh, fen, reedbed or woodland, the higher tier will be the only vehicle for supporting and delivering that financially.

There are, of course, prescriptions on management practices but, given the farming climate, it's hard to say no to £600/ha-plus. And if you've got chalk grassland, the reality is it's not like you can convert it to another use – so this is a gift horse you don't want to look in the mouth.

It's also worth remembering that income from a new higher tier agreement would not count towards the recently announced £100,000 cap on SFI revenue. So think strategically about how you might run the two schemes in parallel – perhaps with priority grassland managed under CS, allowing you to build your SFI application around other actions.

- To hear more about how CLM can undertake a habitat survey for you, please contact alex@c-l-m.co.uk

9 facts landlords should know about the new Renters' Rights Act

Part 1 of the Renters Rights Act (RRA) comes into force on May 1, with far-reaching implications for landlords and tenants. Senior Property Manager Rachel Sly summarises the main changes it will bring

1 Introduction of Assured Periodic Tenancies

All new tenancies and existing tenancies in the private rented sector will become Assured Periodic Tenancies (APT). Tenants will be able to stay in a property for as long as they want or until a landlord serves a valid Section 8 notice. Tenants will be able to end their tenancy by giving two months' notice in writing on the landlord. If there are joint tenants, then notice by one will be effective for all tenants. Any attempt by a landlord to create a fixed term or use a break clause or notice to quit is an offence. A landlord may only terminate the tenancy by serving a Section 8 notice specifying one or more appropriate grounds for possession. Changes have been made with the notice periods so care must be taken prior to serving any Notice. Negligently or wilfully telling a tenant that you intend to rely on a ground or service of a notice that is defective or relies on grounds without foundation is an offence.

2 Abolition of Section 21 notices

Landlords in the private rented sector will no longer be able to serve a Section 21 notice under the Housing Act 1988 to gain possession.

3 No more bidding wars or advance rent demands

Landlords and letting agents will



not be able to ask for, encourage, or accept an offer higher than the advertised rent. All rental adverts must include a specific sum for rent. Landlords and agents will also not be able to request rent in advance payments of more than one-month's rent.

4 Rent Increases

Rent can only be increased by service of a statutory Section 13 notice. Any rent increase clauses in previous agreements to increase the rent are of no effect. The Section 13 notice must specify evidence of the new market rent, with a two-month notice period for the increase to take effect. Landlords will have to follow the revised Section 13 procedure and provide the tenant notice detailing the rent increase, with a two-month notice period and can only be carried out on the anniversary of the rent increase.

5 Stronger protections for families and pet owners

There will be a new requirement for landlords to consider tenant requests to rent with a pet. Landlords will have an initial 28 days to consider and respond to this request. Properties may be advertised as being unavailable for pets but, in accordance with the Equality Act, service animals must be permitted. However, landlords may not unreasonably refuse a tenant request to keep a pet once the tenancy has begun. Tenants can complain to the redress scheme and defend any attempt to evict them for having a pet on the basis that the refusal was unreasonable.

6 Tenancy terms completely changed

Landlords must provide to their existing tenants by May 31, 2026 a tenant Information Sheet which has been published by the government. Existing tenants will not need their tenancy agreements replaced. Entering new tenancy agreements, all tenants must be issued with the written statement of terms either separately or embodied with the new Assured Periodic Tenancy Template.

7 Real enforcement powers to be handed to councils

Through the strengthening of local council enforcement and rent →

repayment orders, civil penalties will be expanded, and there will be a new requirement for local councils to report on enforcement activity. Rent repayment orders will be extended to the person who owns the property (also known as a superior or head landlords), the maximum penalty will be doubled and repeat offenders required to pay the maximum amount.

8 Discrimination

A landlord and agent may not discriminate against, or withhold information from, prospective tenants on the basis that: they might or will have children living at the property, or they are or might be in receipt of benefits.



9 Database and redress completely changed

During Phase 2, the government will introduce the Private Rented Sector Database and the landlord Ombudsman. This will be mandatory for all landlords to join. Details will be published at a later date.

- If you would like to know how the RRA will impact your rental property or portfolio, please email CLM's property team on propertymanagement@c-l-m.co.uk or call 01892 770339.

It's time for fresh thinking to make CFAs fit for purpose

OLI PILBEAM
Director

oli@c-l-m.co.uk



Taking a new approach to Contract Farming Agreements (CFAs) based on long-term thinking, more collaboration and transparency could benefit landowners and contractors.

Many existing agreements are being terminated or renegotiated, with low commodity prices often cited as the reason, but it is the disappearance of BPS rendering them unfit for purpose.

Many agreements have been left to roll on annually since BPS reductions started in the hope that policy or prices might help fill the gap (perhaps 'crater' would be a better word) left by its disappearance. Whilst this seemed sensible at the time, it seems unlikely any changes are imminent. This, combined with the lack of certainty and confidence, means now is the time to proactively shape agreements for the longer-term, with both parties working in hand together to find a happy medium.

Contractors and landowners have both been feeling the pain. Contractors' costs continue to rise with ever-increasing machinery prices, labour costs, and now extreme fuel price fluctuations.

Landowners have the pressure of providing working capital to run such agreements. Their first charges are also being questioned. These were typically similar to BPS levels, but landowners are now relating them to SFI income or looking for this within the CFA 'pot' which depletes already-under-pressure profits and can leave the agreement with no surplus – or even a negative one.

Ultimately, though, both parties want an agreement that works and gives them security. Now there isn't the same amount of money to be split, it calls for a new structure. Many agreements have traditionally been a 50-50 profit share after the landowners 'retention' and the contractors 'first charge' (the latter of which is typically set below the cost of production).

Now is the time to look at tiered structures, reducing the exposure to perilously low divisible surpluses. The contractor gets a proportion of the first tier to cover their costs and reduce their risk exposure. There is a middle tier from which the profits are shared appropriately. Then there is a third tier from which if wheat prices returned, for example, to the dizzy heights of £250/t, the landowner would take a larger share of the benefit.

If you're in a CFA that isn't working for you, you should be having a conversation about whether you can renegotiate the terms. Don't be afraid of



a significant restructure and, if you're a landowner, don't feel you necessarily need to go back to the market via a re-tendering exercise. With careful planning, transparency and a flexible mindset, well-structured agreements will share both profit and risk. Both parties can 'get by' in the challenging years (albeit it merely as a cost-covering exercise) and, in the better years, both are rewarded.

I'm currently drawing up many agreements along these lines, which work now and will remain suitable if and when the economics of agriculture change. Having worked with as many contractors as landowners – and also providing agronomy services – I've represented both sides, and am determined to change the 'us and them' narrative.

A common cause of friction

between parties are the costs that sit within the CFA, such as the landowner's agent/professional fees. So why not have a consultant who understands the businesses on both sides of the fence, rather than one acting on behalf of one party? This will allow the middle ground to be found that's acceptable to both parties and ensures they enter an agreement that feels fair to both sides and

“
IF YOU'RE IN A CFA
THAT ISN'T WORKING
FOR YOU, YOU
SHOULD BE HAVING
A CONVERSATION
ABOUT WHETHER YOU
CAN RENEGOTIATE
THE TERMS.”

OLI PILBEAM

is sustainable in the long term. True collaborative thinking avoids conflict and short-termism; it also requires transparency and ongoing monitoring.

For landowners, the answer is not always a review of the market, as there's usually someone who will do it for a penny less. Instead, try a review of the nuts and bolts of the agreement.

What's beneficial is a stronger landowner and contactor relationship, and making sure the right consultant is in the middle acting in the interest for both parties. Yes, there is of course a cost to this, but it's a cost both parties see the value of.

In this way, a real relationship of partnership and commitment can be established, and CFAs will continue to be the right vehicle for many, in good and bad times alike.



Capital Grants offer is great opportunity – but plan for cashflow considerations

July is the month when the 2026 Capital Grants offer should open for applications, according to Defra.

The money is available to help farmers, land managers and rural businesses make improvements that deliver wider environmental gains.

Funding limits will apply to four of the six groups in the offer: £25,000 for the water quality, air quality, and natural flood management groups; and £35,000 for the boundaries, trees and orchards group.

Defra, which has allocated £225m to the scheme, expects interest to be “strong”, which suggests the available money could be allocated soon after the scheme opens. In such a ‘first-come-first-served’ situation – and with the likelihood of applications exceeding available funding – it’s worth submitting your paperwork as soon as possible after the go-live date, if you’re intending to apply.

According to Defra, many applications last year also required “follow-up” for missing evidence, which slowed decisions and, in some cases, led to rejections where evidence was not provided in time.

Supporting evidence can include maps, proof you have sufficient funds (because you’ll need to pay for the work before you claim the money back) and, in some instances, you may need Catchment Sensitive Farming support already in place.

The Capital Grants offer represents a fantastic source of cash for a lot of farmers, but bear in mind you’ll have to bear the cost of the works up-front before the grant is paid and that the grant might well not cover the full cost.

If you’d got a contractor to erect 1,500m of sheep fencing last year, for example, the payment was £7.47/m, but the charge might have been £11.25/m, so you would have only got back just over £11,000 of the £16,875. And if the work involved cutting back and clearing in readiness for the fencing, the charge could have risen to £16/m. It’s important, therefore, to think about cashflow, potentially softening the impact by buying some of the materials well ahead of the work to stagger the spending.

As with all grants, it’s also important to identify a clear “business need” before applying and avoid getting seduced solely by the headline payment. Try to see it in the bigger revenue-cost picture.

There are parallels with Countryside Stewardship options. People say some of the payments are brilliant, which they can be but, when you consider the cost of seed, cultivations and mowing time, you might spend £500/ha in the first year establishing flower rich grassland margins and plots before the payment arrives. That needs to be averaged out over the lifespan of the agreement and bear in mind, if the drilling fails you are required to re-establish the plots.

That said, the Capital Grants offer will be a not-to-be-missed opportunity for many, so it’s worth considering and, if you intend to apply, begin planning now so you can do so as soon as the window opens.

- To discuss whether the Capital Grant offer could benefit your business, please email Jonathan Morris on jonathan@c-l-m.co.uk



CLM is a land, business and property management consultancy.

It helps clients protect and grow their income and assets, improve their quality of life and create sustainable legacies. The team includes land agents, business consultants, planners, valuers, environmental experts, agriculturalists, ecologists and property experts. From its headquarters in East Sussex, it supports clients nationwide as varied as family farms, landed estates, property developers and international investors. It offers a range of services relating to BNG and natural capital. As experts on the ecosystem services market and environmental schemes, the knowledge and insight of its consultants is frequently sought by journals such as Farmers Weekly, the Financial Times, Property Week and Inside Housing.

CONTACT US

Sackville House
Sackville Lane, Hartfield
East Sussex
TN7 4AW

Tel: 01892 770339

Email: info@c-l-m.co.uk
www.c-l-m.co.uk



@CLM_consultancy



See a two-minute video about CLM and how we can help you.