

Outlook

CURRENT NEWS AND VIEWS ON ISSUES AFFECTING LAND & PROPERTY

SPRING 2026

Family Farm Tax Update

In a surprise pre-Christmas announcement on 23rd December The Government announced that the Inheritance tax reliefs threshold is to rise.

The increase will be £2.5m for farmers and businesses from £1m Agricultural and Business Property Reliefs threshold to an increased £2.5m from April 2026 – allowing spouses or civil partners to pass on up to £5m in qualifying agricultural or business assets between them.

It is claimed that the increased rate will halve the number of estates claiming APR and BPR, to support family farms, implying only larger businesses will be impacted.

Clearly this is not the case, as even with an increased threshold of £5million, when that includes land, a farmhouse, farm buildings, machinery and livestock, it's hardly the Dysons of this world that are exempt.

In an Order made on 19th January the High Court has granted an urgent hearing of Judicial Review in February or March brought by



farming Claimants arguing that the government acted unlawfully by consulting only narrowly and technically on the changes, despite their far-reaching impact.

A positive ruling doesn't necessarily mean a full Government U-Turn, but could force a wider consultation.

For updates and to discuss your farm and estate planning needs, contact our Valuation Team.



Vicky Hutton-Squire
Director
01233 506201

In this edition



What is your farm or land worth?

The land market in the South East performed particularly well last year



Prepare yourself for 2026 grant funding

SFI and Capital Grants



Farm Diversification & the Role of Permitted Development Rights

Farm diversification continues to be a vital strategy for rural businesses



Property
Consultants

What is your farm or land worth?

The land market in the South East performed particularly well last year.

This was due to a diverse mix of buyer types competing for farms and land which remain at below historic levels. Supply in the first quarter of the year was subdued, but momentum picked up as we moved towards the Spring and Summer months.

Land values remain highly variable. Better quality, well located land continues to achieve strong prices for Grade I and II land with up to £15,000 per acre being achieved, particularly where there is competition from neighbouring farmers and landowners - an indication of the confidence in prime agricultural land.

Highlights included the sale of Harrison Farmland, a 100-acre block of Grade II arable land located on the outskirts of Charing village which, after competitive bidding, sold in excess of £16,000 per acre and Harlakenden and Coleham Farms, a 390-acre block of arable land on the outskirts of Woodchurch, which is close to exchange around the £3,750,000 guide price.

This year we have some excellent instructions in the pipeline to kick off the Spring market to include an arable farm in east Kent comprising a mix of traditional and modern farm buildings with potential (subject to planning), period farmhouse, holiday cottage and arable land extending to approximately 200 acres, a Georgian farmhouse with 100 acres of parkland within proximity of Ashford and a Grassland farm with modern farmhouse, buildings and around 110 acres of pasture close to Keston and the M25.

Agents are often asked; 'what is the price of land?' Gone are the days where you can give a broad-brush answer, with sales being achieved



Land at Harlakenden and Coleham Farms. Sale Agreed with a guide price of £3,750,000

at sometimes surprising levels. Stick a pin anywhere within the South East and you will see an extreme variance within just a five-mile radius.

Selling a farm is a complex process involving multiple factors that affect its value and advice at an early stage is essential. From land and planning appraisals to marketing strategies, each step plays a crucial part in ensuring you get the best possible price and achieve a timely sale.

We cover the whole spectrum, from estates and farms to small paddocks and development opportunities.

For farmers and landowners considering a potential sale, early expert advice is key. If you are considering a sale, we would be delighted to visit you to advise on a marketing strategy and values.

Please get in touch.



Matthew Sawdon
Director
01233 506201

Meet the Team

In this issue we meet...



Grace Edmunds

Graduate Planner

We are delighted to welcome Grace Edmunds to the Hobbs Parker Property Consultants LLP team. Grace will work alongside our existing planners, Steve Davies, Elizabeth Welch and Isabelle Adaway.

Joining us as a Graduate Planner, Grace brings over two years of valuable experience gained within the public sector at a Kent-based Local Planning Authority.

During her time there, she rotated through key departments – Enforcement, Development Management, Planning Policy, and Strategic Applications – building up extensive local knowledge and honing her skills on diverse projects such as residential, commercial, and heritage schemes.

She will be a valued addition to the team.

Away from work, Grace is an active individual who enjoys spending time with family and friends, swimming and supporting her local rugby club.

Prepare yourself for 2026 grant funding

SFI

In January, at the Oxford Farming Conference, Emma Reynolds announced that the 2026 Sustainable Farming Incentive (SFI) offer will open later this year.

There will be two application windows, with the first opening in June and the second opening in September.

The first application window will only be open to those with 'small farms' (to be defined) and 'those without existing environmental land management agreements'.

The second application window, in September, will then be open to all farmers.

The 2026 offer will contain fewer actions available than in previous years.

A proposed reform includes reducing the amount of land that can be entered into

certain actions, specifically those that take land out of production. Payment rates for these actions where uptake has been previously high are also under review.

Whilst this provides more clarity, there is still uncertainty around the scheme details, payment rates and potential caps. Learning from experience, application windows can open and close without warning, and preparation remains key.

Capital Grants

The standalone capital grant scheme is likely to open later this year.

Based on historic grant items, consider what your holding is likely to need and begin administrative preparation early.

This may include fencing, hedging, or infrastructure works.

Getting maps and draft applications prepared in advance (such as boundary feature plans) will put you in a strong position to submit quickly when the Capital Grant window opens.

In an environment where certainty remains limited, preparation is your strongest asset.

Taking proactive steps now will ensure you are well placed to act when the 2026 SFI and other environmental funding opportunities open.



Anna Coombs
Apprentice Rural Surveyor
01233 506201



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KENT COUNTY AGRICULTURAL SOCIETY

Come and say hello!

Visit us on the Hobbs Parker stand at Farm Expo 2026, Wednesday 4th March at the Kent Showground, Maidstone, Kent ME14 3JF. You will find us in the Brachers Building.

Show open from 9am to 4pm.

Register online for your free Farm Expo show tickets.

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Farm Diversification and the Role of Permitted Development Rights



Farm diversification continues to be a vital strategy for rural businesses looking to remain resilient in a changing agricultural landscape.

With fluctuating commodity prices, rising input costs and increasing pressure on traditional farming models, many farmers are exploring new income streams. Fortunately, recent changes to Permitted Development Rights (PDRs) offer greater scope to adapt existing buildings and land without the need for a full planning application.

One of the most significant tools available is Class R, which allows agricultural buildings to be converted to a flexible commercial use. This can include everything from farm shops and cafés to offices, storage, and even certain leisure uses.

For many farmers, Class R provides a relatively straightforward route to repurposing underused buildings, helping to unlock new revenue while retaining the agricultural character of the holding.

Class Q remains another popular option, enabling the conversion of agricultural buildings

into residential dwellings. While not suitable for every site, Class Q can support long term diversification by creating rental properties, accommodation for rural workers, or homes for family succession. The criteria are strict, and not all buildings will qualify, but where the conditions are met it can be a powerful mechanism for adding value.

More recently, the Government has expanded PDRs to support on farm processing and selling of produce, recognising the growing demand for local food networks.

This includes greater flexibility for temporary uses, pop up events and small scale processing activities, all of which can help farmers diversify without committing to major development from the outset.

However, while PDRs offer valuable opportunities, they are not without complexity. Each class has specific limitations, floorspace thresholds and prior approval requirements. Matters such as access, noise, transport impacts, contamination and structural integrity still need to be addressed. For many farmers, the key to a successful diversification project is

understanding which route is most appropriate and where a full planning application may ultimately provide a more robust and future proof solution.

At Hobbs Parker, we work closely with farmers across the South East to identify diversification opportunities that are both commercially viable and planning compliant.

Whether you are considering a farm shop, holiday accommodation, commercial units or a new rural enterprise, early advice can help you navigate the regulations and make the most of the freedoms PDRs provide.



Grace Edmunds
Graduate Planner
01233 506201

Meet the team at:
Heathfield Show
Saturday 23rd May
Come and say hello.

The articles in this edition should not be relied upon or regarded as a substitute for advice. Hobbs Parker Property Consultants LLP would be pleased to provide further information or advice on any particular issue.

Outlook is brought to you by Hobbs Parker Property Consultants - a team of experienced Rural Chartered Surveyors and Planning Consultants dedicated to providing professional advice and services to farmers and property owners. Part of the Hobbs Parker Group of companies proudly serving the people of the south east since 1850.



01233 506201
www.hobbsparker.co.uk

Hobbs Parker Property Consultants LLP
Romney House, Orbital Park, Ashford, Kent TN24 0HB
Email: consultants@hobbsparker.co.uk



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