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NAVIGATING THE NEW GRANT FUNDING OPTIONS

With so many new grant funding options now on the table, it can be difficult to navigate which schemes to apply for. Here, we give a comprehensive update of the major funding options now available for UK farmers.

Sustainable Farming Incentive

Defra's new funding mechanisms are finally starting to take shape with the first of its new Environmental Land Management schemes, the Sustainable Farming Incentive (SFI) launched this summer.

Farmers will be able to take advantage of an open-ended application window to apply to SFI when they feel the time is right, rather than being held to a single annual deadline as with previous schemes.

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The new remit of SFI is to provide farmers with payments to manage their land in a way that improves food production and is environmentally sustainable, under the "public money for public goods" remit, which we are now familiar with. Farmers who are eligible for the Basic Payment Scheme (BPS) will also be eligible for SFI and will be able to choose from a menu of standards, each aimed at achieving a different outcome. The first standards available in 2022 will be aimed at soil health and animal health and welfare.

The SFI will continue to be rolled out in future years with other standards expected to include nutrient management, hedgerow management, integrated pest management, watercourse buffering and woodland. Each standard will carry its own set of payment rates, with farmers able to choose whether they activate the standard at an introductory, intermediate, or advanced level.

For many farmers in the Eastern region, the standard for soil health will form the starting point for SFI in 2022. This will consist of introductory (£22 per ha) and intermediate (£40 per ha) levels. An advanced level, which is to be confirmed, is due to be added in 2023. While these payment rates do not look hugely attractive on their own, it should be noted that SFI is designed to be relatively easy to access and there will be a cumulative effect of adding more standards, and hence payments, as time progresses.

The first range of standards released in 2022 will form the foundations on which to build and expand an SFI agreement. Essentially, they form a starting point.

SFI agreements will last for three years with an opportunity every 12 months to review the agreement and add more land or more standards. This ability for farmers to periodically adjust SFI agreements is a welcome shift in mind set, with flexibility being key for many farm businesses.

Early adopters of this new easy access scheme will take advantage of the income it provides from the outset, at a time when new income streams will need to be explored. However, we do advise farmers to first weigh up the cost of implementing the different SFI standards where actions such as testing for soil organic matter and establishing cover crops are not current practice.

Basic Payment Scheme – the Lump Sum Exit scheme and Delinked Payments

Defra is offering those who wish to retire from the farming sector an opportunity to take an upfront sum in lieu of their future BPS payments. In return, applicants to the Lump Sum Exit scheme will need to surrender their entitlements and either sell, let, gift or surrender the tenancy for most of their land.

Indications are that the lump sum will appeal only to a limited audience, and only those who are on the cusp of retirement and whose plans will fit with the timetabling laid out under the scheme. The Lump Sum Exit scheme opened to applications on 12th April and is due to close on 30th September 2022, so potential claimants will need to act quickly whilst carefully weighing up their options.

Many of our farming clients are now aware that Defra intends to 'delink' BPS payments in 2024 until final payments are made in 2027. Quite simply this means that entitlements will be extinguished, and claimants will be eligible to receive their BPS payment even if they cease farming altogether. This will in one sense offer more freedom to farm businesses, but conversely, comes as the BPS payment is being incrementally reduced.

Countryside Stewardship

There continues to be strong uptake of Countryside Stewardship schemes, with another application window open this year until 29th July 2022. Thereafter, a final round will open in 2023 before Countryside Stewardship is superseded by the second of Defra's new Environmental Land Management schemes, the Local Nature Recovery.

As well as the Higher Tier and Mid-Tier schemes, there is now a Countryside Stewardship Capital Grant scheme which is more widely available than before. This contains 67 different capital items which are grant-aided for farm boundaries, water quality and air quality. These grants are available to farmers already in Mid-Tier or Environmental Stewardship schemes which is a real step change from previous years when existing Stewardship agreement holders have been prevented from tapping into this extra funding.

Farming Equipment and Technology Fund

This grant scheme, launched last November, proved to be popular with those of our farming clients seeking to update certain pieces of farm kit, or wishing to invest in equipment to enable the business to adopt new practices. Defra subsequently awarded over £48.5 million to 4,376 successful applicants.

Those who missed out on this funding can look out for a new application round expected to be launched in autumn/winter 2022. The Farming Equipment and Technology Fund provides investment towards specific items of farming, horticultural and forestry equipment. It offers grants between £2,000 and £25,000. The scheme is open to contractors as well as farmers.

Anyone looking for advice on grant funding should contact Cheffins Rural Professionals department on 01223 213777 camb.agric@cheffins.co.uk (Cambridge) or 01353 662405 ely.agric@cheffins.co.uk (Ely).

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Current vacancies

Fancy taking your career to the next level with Cheffins Rural Professionals? We are actively recruiting for a number of positions within our team. We're proud of our people and the work that they do for our clients across East Anglia and we support every individual to be the best version of themselves they can possibly be in the work place.

Our current vacancies include an Environment and Farm Business Advisor, a Rural Practice Chartered Surveyor and a Graduate Rural Practice Surveyor. We have offices in Ely and Cambridge and flexible working practices to suit the best individual for the role.

Please visit our website for more details: cheffins.co.uk/work-for-cheffins or contact Simon Gooderham (01223 271952) or Jonathan Stiff (01353 654915) for a preliminary conversation about the role you are interested in.

Cheffins have acquired PlanSurv

At the end of 2021, we were delighted to announce that we had successfully acquired PlanSurv, an independent planning firm based in Ely.

Cheffins has a long history of providing professional advice to its clients and this acquisition has enabled the firm to enhance the value and increase the knowledge pool of planning expertise for existing and potential clients.

Adam Tuck, Director of PlanSurv, and all six of the staff have remained at their premises on Broad Street in Ely with some of the team splitting their time between Ely and our offices on Clifton Road in Cambridge.

PlanSurv's values-led approach to business and focus on quality advice and exceptional service is exactly what we've been looking for and is an excellent fit for Cheffins.

Clients now benefit from the combined professional planning expertise and extensive knowledge base as well as our ability to offer practical and forward-thinking solutions across the full spectrum of planning matters.

If you require any planning advice, please contact Adam Tuck on 01223 271958 or email adam.tuck@cheffins.co.uk

Nutrient Neutrality: Murky Waters ahead for Rural Development?

> "Natural England has established its Nutrient Neutrality Methodology and outlined various Nutrient Advice Areas across England."

On the 16th March 2022, Natural England issued guidance to Local Planning Authorities (LPAs) about the protection of wetland habitats from nutrient pollution and for securing nutrient neutral development.

The push for nutrient neutrality has already had stark implications for rural development, with the creation of housing, hotels and conversions already being put on hold within the catchment areas for nutrient management. This new planning consideration, whilst potentially cutting off valuable alternative income streams for landowners across East Anglia, also provides an opportunity for farmers in terms of providing land for nutrient offsetting schemes.

Here, we look more closely at nutrient neutrality, and how it might affect Cheffins' rural clients across the region.

What is Nutrient Neutrality?

Excess nutrients, notably nitrates and phosphates, in bodies of water stimulate a process called eutrophication. High concentrations of nitrates and phosphates within bodies of water result in algal bloom – the excess growth of algae. Aside from often being toxic, these blankets of algae cut off the oxygen supply to the aquatic environment below, resulting in the eradication of fish and marine insect populations, and extensive losses in marine biodiversity. To mitigate the risk of eutrophication, state regulators across the world have emphasized the need to monitor and reduce nutrient pollution in wetland habitats.

It has been long established that nutrients from agricultural fertilizer are a primary stimulant of eutrophication. However, a judgement issued by the Court of Justice of the European Union in 2018 made nutrient pollutants an immediate consideration for development activity, particularly developments that increase the population connected to wastewater systems. Since this judgement, Natural England has established its Nutrient Neutrality Methodology and outlined various Nutrient Advice Areas across England.

When did this all start?

As a development consideration, nutrient neutrality was first introduced to 22 LPAs, especially those around the Solent, in late 2021. Now, a total of 74 LPAs have been advised by Natural England that permission cannot legally be granted to applications or development that would result in significant nitrate and phosphate pollution. This advice applies to applications at the reserved matters stage of the planning process, grants for prior approval and applications for certificates of lawfulness.

Are there any catchments for nutrient neutrality locally?

There is a vast catchment area for nutrient management, which has been drawn around the River Wensum Special Area of Conservation, and the Broads Special Area of Conservation and Ramsar site due to the important wetland habitats within these zones.

Immediate Impacts on the Planning System

Natural England's Nutrient Neutrality Methodology provides a way to calculate a "nutrient budget" for developments that would increase the population that a wastewater system would serve. This includes any development of overnight accommodation (e.g new homes, student accommodation, tourist accommodation and changes allowed under permitted development). Though Natural England has provided generic tools and guidance, many newly included LPAs have been left stumped by the new statutory consideration, particularly in terms of assessing applications for overnight accommodation.

The real challenge for LPAs will be the creation of reasonable nutrient mitigation measures or options for developers to offset the nutrient impacts of development. Natural England's preferred option – for LPAs to adopt Diffuse Water Pollution Plans or Nutrient Management Plans – offers few solutions in the short-to-medium term.

It is no surprise, therefore, that some LPAs impacted by this push for nutrient neutrality have frozen their decision-making on proposals involving overnight accommodation. For example, North Norfolk District Council have warned that "the Council will not be able to grant planning permission for developments comprising overnight accommodation within the affected catchments" until they have agreed local nutrient mitigation policies; similar stances have been adopted by neighbouring authorities, such as Breckland Council and Great Yarmouth Borough Council.

How will this impact rural development within Nutrient Advice Areas?

Unless LPAs introduce clear guidance on nutrient neutrality and highlight reasonable mitigation options for developers, this push for nutrient neutrality may place significant constraints on alternative agricultural land uses in Nutrient Advice Areas. Selling land to housebuilders will become difficult if there is little chance for planning consent to be granted for housing developments. The ramifications are not limited to major housing developments; smaller scale barn conversion projects within Nutrient Advice Areas have also been put on hold for the foreseeable future. As such, farming diversification options would also be limited as holiday accommodation and tourist facilities – the most popular diversification pathway amongst farmers according to the National Farmers' Union's (NFU) Diversification Report 2021 – can also be scrutinised by Natural England's Nutrient Neutrality Methodology.

Yet, there may be opportunities for farmers. LPAs around the Solent and across Kent have allowed developers to offset the impacts of development through the introduction of new wetland habitats either on-site or off-site, after nutrient neutrality first reared its head in 2021. Therefore, farmers may want to reassess the value of land that is conventionally unproductive due to drainage issues.

Such land may well have a use as a wetland habitat that can enable development elsewhere within a Nutrient Advice Area.

Nevertheless, it is imperative that planning policy strives for a concerted balance between the financial stability of rural enterprises and environmental stewardship; it is no secret that Brexit, the Covid-19 Pandemic and recent international conflicts have played havoc on the cost of traditional farming operations. To ensure that rural enterprises are not cut off from important revenue streams, it is vital that LPAs new to the nutrient neutrality scene learn from the 22 LPAs that have had almost a year to engage with this new planning consideration.

Overall, nutrient neutrality seems to be a long way downstream for anybody outside of Natural England's Nutrient Advice Areas, though time will tell if nutrient pollution requirements will encompass all wetland habitats across England. However, for anybody within these Nutrient Advice Areas, the waters will be murky for the development of overnight accommodation, at least in the foreseeable future.

Here at Cheffins Planning, we aim to remain up to date with how Natural England's guidance will affect the planning process to ensure our clients receive accurate planning advice for any project, large or small.

If you would like to discuss nutrient neutrality and development, or anything else to do with rural planning, please contact the Cheffins Planning department on planning@cheffins.co.uk

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Contract Farming Agreements – is it time for a review?

The phasing out of the Basic Payment Scheme, volatility of markets and the push for sustainable farming has meant that many farm businesses have had to review their farming practices, including contract farming agreements. Many of these have not been updated since they were first drawn up, particularly where there has been a good relationship between landowner and contractor. However, this means that agreements may now not provide the level of detail needed for the changes which are sweeping the industry.

In this article, we consider the areas of contract farming agreements which may need to be reviewed.

Expenditure

As costs increase across all areas of the farming industry, different aspects of the contract farming agreement will need closer scrutiny. Although the contracting charges should be clearly set out in the agreement already, the rise in fixed costs could mean that the contracting charge is no longer sufficient to cover the contractor's expenses.

The contracting charge will also include fuel costs and as these prices have doubled in recent months, there may not be provision in the agreement for any adjustment to contracting fees. It is therefore prudent to incorporate a fuel adjustment clause in agreements.

It will also be important to make sure that the farm insurance will have sufficient cover for stock on farm; as fertilizer prices have more than tripled in some instances over the last 12 months, the value of inputs in sheds may significantly exceed that which is actually insured.

Sources of Income

As the Basic Payment Scheme reduces, alternative income streams will need to be considered to supplement farm incomes. Whilst the BPS income was easily incorporated into the contracting accounts, other schemes such as Countryside Stewardship need to be agreed between contractor and landowner and consideration should be given to the additional work and income involved.

With existing Countryside Stewardship Schemes some agreements have included the income and input costs within the contract farming agreement and the contractor has been paid a reduced contracting charge where appropriate. In others, the Countryside Stewardship options have been kept out of the agreement with the contractor being paid on a pro-rata basis for establishing and maintaining stewardship options.

As new schemes are introduced, including the Sustainable Farming Incentive, each option should be discussed between landowner and contractor as to how these can be implemented, and whether it will require any adjustment to their current farming practices, such as the addition of organic matter by adding grass or herbal leys into the rotation or a move to no-till farming for more advanced levels that may be available in the future. (For more information on the Sustainable Farming Incentive please see Katie Hilton's article in this publication).

Carbon offsetting

We also expect there to be more opportunities for private funding coming forward especially in relation to carbon offsetting or sequestration, and contract farming agreements may have to include obligations to ensure that the terms of any funding agreement are compliant.

Whilst it is important to remember that any agreements are entered into with the landowner having management control, it is the contractor who will be carrying out the work, therefore regular discussions about the future direction of land management are key to ensure that both parties' objectives are aligned.

For further advice on farm contract agreements, please contact the Cheffins Rural Professionals department on 01223 213777 katie.hilton@cheffins.co.uk (Cambridge clients) or 01353 654900 ralph.knight@cheffins.co.uk (Ely clients).

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Amenity and paddock land reaps rewards for sellers at Cheffins Property Auction

Land at Creeting St Mary, sold for £168,000 in December 2021

Amenity and paddock land has seen price increases at the Cheffins Property Auction in the past 12 months. The post-COVID 'race for space' has led to scores of new buyers looking for land to complement gardens, or as an area to use for leisure purposes. Such has been the spike in demand that pricing such parcels has become increasingly difficult, so the transparent auction bidding process has become the ideal way of allowing the frenetic market to determine value, and to conclude the sale quickly. Values per acre have now hit premium prices, however, there are fluctuations in values throughout different areas of East Anglia.

Recent examples include a small parcel of land measuring 0.74 acres with a dilapidated Nissen hut near Warboys achieving £98,000 at the property auction in March this year, while 17.81 acres (of which five acres was grazing land and the remainder unmanaged woodland) in Creeting St Mary, Suffolk sold for £168,000 in December 2021. Other recent examples saw 2.96 acres of unmanaged woodland in Willingham selling for £83,000, while 1.03 acres of grassland in Fenstanton achieved an impressive £41,000, and 6.38 acres of grass with river frontage in Cottenham was eventually knocked down for £120,000.

> **"Agricultural land is now achieving significant sums per acre and we expect prices to continue to rise..."**

However, it is not only amenity land which has seen significant price uplifts in the auction room. Residential property, which is in high demand the UK over, has also seen fierce competition as buyers try their best to seize opportunities. Often, buyers consider the property auction as a good place to pick up a bargain, however profit margins are now being squeezed as the demand for renovation projects pushes prices higher. A good example of this would be a Grade II listed house in Huntingdon which was sold in the March property auction this year for well over it's pre-sale estimate, at £412,000.

With unpredictability in the wider world and erratic prices on the stock market, property and land is continually sought after as a safe haven for investors and recent results have supported this. Parcels of agricultural land have been in short supply, but with plenty of buyers in the market and lack of supply, prices have been strong. Agricultural land is now achieving significant sums per acre and we expect prices to continue to rise as not only farmers and agribusinesses but also investors and private equity firms turn to farmland for a guaranteed return. In fact, the demand for land has never been stronger, in spite of the uncertainty around subsidies such as the Basic Payment Scheme which is being phased out. And it is not only the large parcels of agricultural land which are sought after, smaller and speculative options are currently also in demand, particularly from developers looking to cash in on the residential market's bull run.

For anyone looking to sell property or land through the Cheffins property auction, contact the property auction team on 01223 213777, property.auctions@cheffins.co.uk

Next Property Auction – Wednesday 15th June.

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Sell development land now to cash in on mass demand

Demand for residential building land has continued to outstrip supply over the past year, resulting in unprecedented price increases throughout the region. With the market driven by appetite from housebuilders looking to replenish land banks following record levels of completions throughout 2021 and the first half of 2022, values have continued to rise.

Cheffins has been involved in a series of major land sales throughout Cambridgeshire and the region in the past 12 months, ranging in size from 10 units up to 285 units, and these have generated significant interest from both national and local housebuilders, with premium prices being paid across the board. These sales have demonstrated how increases in land values have been underpinned by extraordinary house price growth in the area. However, it is unclear how long prices will continue to rise.

From Covid to the conflict in Ukraine - it feels like we have stepped out of one crisis and straight into another. This has brought with it a surge in the cost of living, with the prices of oil and gas now at record levels, and housebuilders will also be feeling the effects of significant increases in the cost of building materials. The combination of already stretched affordability, along with interest rate rises, may well limit the capacity for future growth in house prices, and consequently, land values.

New building regulations designed to increase the energy efficiency required of new homes and reduce carbon emissions will come into effect in June 2022. This, in addition to the introduction of Biodiversity Net Gain, will add significant costs to residential development. It is unlikely that these costs will be fully offset by house prices, and we can therefore assume that land values may start to level off as these new directives come into force.

With this in mind, it is difficult to predict how long the development land market will continue its bull run, and we would encourage landowners with land which is already consented, or which will shortly receive planning consent, to consider launching it to the market sooner rather than later. There are a number of housebuilders currently seeking out development opportunities throughout the eastern region, ranging from some of the largest national operators to smaller, locally based companies, and there is now a significant opportunity for landowners to cash in before the market starts to turn.

For advice on the market, or if you have land which has potential for development, please contact the Cheffins Strategic Land department on 01223 213777, maxwell.fahie@cheffins.co.uk (Cambridge) or 01353 654900, jonathan.stiff@cheffins.co.uk (Ely).

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"...increases in land values have been underpinned by extraordinary house price growth"

Lack of stock and focus on UK food security ensures farmland values continue to rise

The value of UK farmland has been on the rise for the past few years driven by a combination of lack of stock and continued demand from a diverse range of buyers and global events. In fact, UK farmland has seen average values across the eastern region increase by over ten per cent in comparison with 12 months ago, with sales of unequipped Grade 2 arable land now regularly achieving values in excess of £9,000 per acre, and additional premiums being paid for privately negotiated off-market sales.

As the war in Ukraine rages on and imports from the EU continue to be thwarted, there has been an increased focus on UK food security. This has contributed to the rise in freehold values for farmland, whilst also ensuring that farm rental prices remain firm, particularly on arable holdings, in spite of the reduction in Basic Payment Scheme subsidies.

The latest DEFRA Farm Income Survey shows a significant increase in 2021/2022 incomes from general cropping and cereal farms and although overall input prices are predicted to be up to 20 per cent higher this year - due to high fuel and fertilizer costs - these are being offset by the current market prices for cereals and oilseeds.

With limited information being released regarding the UK's Agricultural Transition Plan following Brexit and the reduction in Basic Payment Scheme funding, many predicted that the market for farmland may well start to decline. However, the combination of world events, coupled with consistent demand has ensured that it continues to be a go-to investment vehicle, both for existing landowners and new investors.

We have seen increased appetite from the environmental sector with buyers looking to lock in to biodiversity and carbon offsetting opportunities, as well as investing in land with established natural capital assets. There continues to be robust demand from buyers with development rollover funds with many looking beyond their established location. This, combined with supply of land in the first quarter of 2022 being down 50 per cent in comparison with 2021, has resulted in increased prices with the gap in values between prime arable and secondary quality land starting to close. Marginal arable land and pasture in the eastern region is now regularly achieving values of £8,000 per acre.

"The amenity and lifestyle buyers... are prepared to pay significant sums for the right opportunity."

The amenity and lifestyle buyers which so dominated the market after the first wave of coronavirus are still out in force. Looking to acquire paddocks, woodlands and parcels with high amenity value, these purchasers are prepared to pay significant premiums for the right opportunity.

When it comes to commercial farmland, there appears to be limited take up for the Lump Sum Exit Scheme with many producers choosing to stay put and making the most of the improved profits to be had from traditional farming incomes. Whilst the past decade has had a focus on diversification, as prices for cereals continue to rise farmers are now showing a renewed confidence in the sector with many looking to increase their holdings with the purchase of additional land. We are seeing that both new and established Farm Business Tenancies are being negotiated with tenants looking to secure longer term agreements to give them confidence to invest in their business and capitalize on the Government's emerging Environmental Land Management schemes.

With the shortage of supply, strong demand and attractive capital tax regime, now could be an opportune time for landowners who are considering a sale to take advantage of the seller's market with land values projected to remain firm over the next few years.

At Cheffins, we have been involved in the sale, purchase and valuation of over 15,000 acres of farmland in the eastern region over the past 12 months. Our team would be delighted to speak to you should you be thinking about selling or letting land. Contact the Rural Professional team on 01223 213777 (camb.agric@cheffins.co.uk) (Cambridge clients) or 01353 662405 (ely.agric@cheffins.co.uk) (Ely clients).

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Reduction in rental income for telephone masts poses issues for landowners

> "...there is now a backlog of mast sites with leases that have rolled on beyond their term date and are now awaiting new agreements."

Almost four and half years have passed since the Electronic Communications Code was introduced in December 2017 as part of the Digital Economy Act, with the aim of making it quicker, simpler, and cheaper for operators to maintain their existing portfolio of telephone masts and expand mobile coverage by adding new sites to operators' networks. It's fair to say that these objectives have not been achieved as network operators have been at loggerheads with many of their landlords since the introduction of the new code, with more cases taken to tribunal in the last four years than in the previous 30 years!

The raft of tribunal hearings and appeals have meant that many landlords have been reluctant to agree new terms until further clarity has been given by the Courts. And by equal measures, many tenants have been prepared to make only meagre rent offers in the interim, meaning that there is now a backlog of mast sites with leases that have rolled on beyond their term date and are now awaiting new agreements.

By looking at some of the cases which have been taken to tribunal, it is clear that landowners need to be wary of the magnitude of the reduction in rents for rural telephone masts. When entering into lease negotiations or granting operators access, landowners need to carefully consider whether the compensation is enough to justify the impact on their farming operation. Similarly, those who already have an agreement in place with an operator, ought to take professional advice when it comes to negotiating new lease terms to ensure a level playing field.

One example, which we look at below, was the case of One Tower UK Limited vs J.H. and F.W. Green Limited 2020 (Dale Park). This was one of the earliest cases heard in relation to the assessment of rent for a rural telephone mast. The tribunal adopted a three-stage approach in its decision on rent.

Stage 1 – Value of Alternative Uses

In this case, the site was woodland and deemed to have an alternative use value of £100 per annum, however, sites such as yards or carparks would be deemed to have a higher value.

Stage 2 – Value of Additional Benefits to the Tenant

The agreement conferred beneficial rights on the tenant, such as allowing the tenant access to the landowners' adjoining land for carrying out works such as trimming trees and to allow the emergency installation of a generator. The tenant also benefitted from a rolling annual break clause after year five. The tribunal assessed the value of the additional benefits to be £600 per annum.

This highlights the importance of settling specific lease terms when agreeing the site payment. They should not be considered separately as alternative lease terms should result in different payments at this stage.

Stage 3 – Value Adverse Effects on the Landowner

The telecom mast in question was in the middle of a rural estate and had considerable effects on nearby dwellings due to the use of generators, upgrading the mast itself, access during unsociable hours and the loss of amenity. The tribunal awarded £500 per annum for these impacts. It is important to note that other sites may vary.

In this scenario, the three-stage approach resulted in a rental value of £1200 per annum, considerably below the previous rent received by the landlord.

This is just one example in many where a landlord has seen a reduction in rent for a telephone mast. It is critical that landlords seek professional advice in these types of scenarios, not only to ensure the landowner gets the best rent possible but also to ensure the terms are fair and reasonable and the adverse effects are considered and reflected in the rent agreed.

At Cheffins, we have provided advice to a number of landowners in lease and rental negotiations and we would urge anyone either entering into a new agreement with an operator or navigating new lease terms to give careful consideration to the terms proposed and rent offered.

For more information on rental incomes for telephone masts, contact Cheffins Rural Professionals department on 01223 213777 camb.agric@cheffins.co.uk (Cambridge) or 01353 662405 ely.agric@cheffins.co.uk (Ely).

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Market for vintage and classic tractors thriving as Cheffins hosts one of most successful sales to date

The results of the April Vintage Sale at Cheffins, hosted on 22nd and 23rd April go to show that the market for vintage and classic tractors continues to flourish, with a number of record-breaking prices achieved at the auction. Buyers travelled from across the UK and Europe for this landmark sale, and we saw over 1,500 bidders in attendance, all looking to pick up the next best piece for their collections. Values have now risen year-on-year, and the market for examples from the 1970s, 1980s and 1990s are now coming into their own as younger generations of farmers look to buy those which remind them of their youth.

Here we look at the top ten results from the sale.

1. A 1982 County 1474 'Short Nose' – sold for £200,000
This fully restored tractor now holds the record price achieved for County tractors.

2. A 2004 JCB 2140 – sold for £73,000
This barely used tractor had only 328 hours on the clock, and the result goes to show the demand for the more modern classics.

3. A 1983 Mercedes-Benz MB-Trac 1500 – sold for £45,000
A very original example of a 1980s classic Mercedes-Benz tractor, this example saw tons of interest pre-sale and has been sold to an Irish collector.

4. A 1974 County 1164 – sold for £40,000
With over 20 different parties bidding, this County tractor had been subject to a full nut and bolt restoration and had previously won best tractor at the Newark Show.

5. A 1977 County 1454 – sold for £35,000
This fully restored County was another which saw plenty of interest ahead of the sale. A rare example, sold by a collector based in Hampshire, the tractor found a new home with a collector from Cornwall.

6. A 1994 International 1455XL – sold for £31,000
A typical example of how 1980s and 1990s tractors now are seeing some of the strongest demand, this tractor saw over 34 interested parties bidding, eventually selling to a collector based in Ireland.

7. A 1979 Massey Ferguson 550 – sold for £30,500
This low-houred classic had only 1,577 hours on the clock and is just the type of tractor which many people still have on-farm, without knowledge of its true value.

8. A 2000 John Deere 7710 – sold for £29,500
One of the surprises in this sale, this year 2000 John Deere tractor looks set to be a future classic. A good price achieved for what many would still regard as a modern-day tractor.

9. A 1992 John Deere 4955 – sold for £28,000
A low-houred example with only 6,987 hours on the clock, another John Deere which demonstrates the demand for newer classics.

10. A 1956 Fowler VF crawler – sold for £15,000
Whilst this is not one of the more expensive items in the sale, this crawler tractor achieved a record price for this mark and model. Offered as a complete barn find from the Landwade Hall estate, this original tractor illustrates that earlier vintage examples are still very much sought after, even if they are not making the astronomic prices of newer classics.

Other areas of the Vintage Sale also saw fantastic results, with strong prices paid for classic motorcycles, commercial vehicles and also within the automobilia and paraphernalia sections. We are constantly on the look out for classic and vintage tractors to offer at auction, either on site on behalf of collectors or at our collective auctions.

If you have a tractor in the shed or a classic motorbike or vehicle which you would consider selling, contact the Cheffins Machinery department on 01353 777767 machinery@cheffins.co.uk

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Second-hand machinery prices on the rise thanks to pent-up demand

Second-hand machinery prices are rising, thanks to pent-up demand for quality kit and global events adding to the shortage of supply.

So far, Cheffins has sold over £18.3m-worth of second-hand machinery in 2022, with £12.4m-worth sold at the monthly machinery sales and on-site auctions in the first quarter of the year alone.

With buyers heading to the monthly machinery sale in their droves, prices per lot have increased to the tune of approximately 10 per cent. Whilst overseas purchasers made up circa 35 per cent of buyers at each of the Cambridge monthly machinery sales, with the top countries for export including Ireland, Romania, Sudan, Lithuania and Poland, UK-based buyers continue to head to Cheffins in order to pick up quality second-hand items.

Demand has surged over the past 18 months as farmers continue to be affected by rising costs and delayed delivery times for new machinery. The bottleneck in the supply chain has only added to the competition for the best in class of used kit. This has also been exacerbated by the war in Ukraine. As the breadbasket of the world is now going to be disrupted throughout Eastern Europe, UK homegrown agricultural produce prices are increasing, bringing with them a growth in investment from farmers into machinery as funds allow for new kit.

On site sales are also increasing in regularity. In 2021 we hosted 38 on site sales, representing an uplift of 35 per cent in comparison with the 28 hosted in 2020. These sales saw over 6,700 lots offered on behalf of farmers and contractors nationwide. We are finding that more and more farmers are seeing these sales as a hassle-free solution to selling off kit either on retirement or when they are taking their business in a new direction. There have been 11 on site sales take place across the UK in the first quarter of the year, incorporating both modern and vintage machinery. The highest grossing on site sale for the quarter was for Stepside Agricultural Contractors in Cardigan, West Wales.

Whilst we are entering into uncertain times with the combination of the war in Ukraine and the global recovery from the pandemic, in general, the results from the first quarter of this year show that prices are trending upwards. 2021 saw record breaking prices achieved for both modern and vintage second-hand machinery, with over £52m-worth sold, and we expect this trend to continue.

For further information on how to sell machinery with Cheffins, contact the Cheffins Machinery department on 01353 777767 machinery@cheffins.co.uk

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Future Sale Dates

Monday 16th May
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Monday 13th June
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Saturday 23rd July
Vintage Auction
The Saleground, Sutton, CB6 2QT

Monday 11th July
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Monday 8th August
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Saturday 20th August
Harrogate Vintage
The Yorkshire Event Centre, Harrogate, HG2 8NZ

Monday 5th September
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Monday 3rd October
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Saturday 22nd October
Vintage Auction
The Saleground, Sutton, CB6 2QT

Monday 7th November
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

Monday 5th December
Cambridge Machinery Sales
The Saleground, Sutton, CB6 2QT

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