**News Release**

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**Rural needs resilience, not waiting games**

*James Farrell, Head of Rural and Partner at Knight Frank, sets out why estates and farms need to adopt a more business-minded approach, the central theme of the Spring/Summer edition of the firm’s flagship Rural Report.*

The scale of change facing the countryside right now is unlike anything we’ve seen in decades. If the intent was to test the resilience of rural businesses, government policy is certainly doing its job.

In the last six months alone, landowners have been asked to absorb rising wage costs, higher employer National Insurance contributions, and an increasingly chaotic narrative around inheritance tax. Defra’s handling of environmental schemes continues to swing between hopeful and haphazard. Planning reform, which could be genuinely transformative, remains bogged down by rhetoric and delay.

At the same time, the calls on estates and farms keep growing: deliver food, protect nature, generate local jobs, open access, cut emissions. There’s no shortage of ambition. But the frameworks to support that ambition? Far less certain.

For many, the instinct is to pause. Wait and see. But the window for action is closing.

The proposed changes to Agricultural Property Relief and Business Property Relief, due in 2026, have major implications for succession. And the impact extends far beyond the tax bill. It’s about liquidity, legacy and the long-term viability of some of the most established family-run estates in the country. If landowners haven’t started planning already, they’re behind.

Generational change is sharpening that picture. Younger family members and new decision-makers are stepping in, and they’re asking harder questions. Sentiment alone won’t justify ownership or strategy anymore.

We’re working with clients who understand that. They’re tightening their grip on strategy and succession. They’re reviewing structure, cashflow and exposure to rising costs. They’re taking a harder look at subsidy dependence and focusing on long-term resilience - not next year’s grant scheme.

The ones getting ahead aren’t necessarily doing more. They’re doing the right things, at the right time.

Wiston Estate is one of them. They completed a Biodiversity Net Gain deal before the mandate came into force. That decision unlocked funding to appoint a full-time ecologist - a long-term ambition for the estate - and embed land use monitoring across 6,000 acres of arable, grassland and vineyards.

This kind of progress isn’t unique, but it’s not yet the norm. Too many estates are stuck in a holding pattern, waiting for clearer signals from Whitehall, or for the markets to settle. That strategy has a short shelf life.

Private capital is starting to move into natural capital markets. Slowly, yes. But the direction of travel is there. Smart businesses are investing in baseline data, natural capital assessments, and the capacity to respond quickly when opportunities arise - whether that’s a habitat bank, a renewable deal or a tenant restructure.

Digital tools are part of this too. More estates are using geospatial mapping, biodiversity tracking and business benchmarking to sharpen performance and reduce risk. It’s also worth noting that this isn’t to follow trends, but to make better, more informed and faster decisions.

Our latest Rural Report captures these shifts. It shares insight from estates putting strategy and leadership at the centre of decision-making, explores how technology is reshaping operations and opening up new revenue streams, and unpacks the policy changes influencing land use and long-term planning. You'll find examples of successful diversification, natural capital being built into core business models, and the latest land market intelligence.

The mood music from government isn’t improving. But the sector can’t afford to wait for a better tune. Landowners need to move now while the window for adaptation is still open, and while the tools for transition are within reach.

The full Spring/Summer 2025 Rural Report is available now at <https://publications.knightfrank.com/the-rural-report/ss25/>

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**Notes to Editors**

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