



Agricultural Significance

Land at Kemberton

Shnifnal, Shropshire

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BERRYS

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1. Introduction

- 1.1 Berrys have been instructed by Vattenfall Wind Power Ltd to prepare a statement regarding the economic and other benefits of a 17.04ha parcel of land to the south of Hall Lane, Kemberton, Shifnal, Shropshire. The statement is in consideration of paragraph 174 (b) of National Planning Policy Framework (July 2021) which directs planning policies and decisions to ‘*contribute to and enhance the natural and local environment*’ by recognising ‘*the wider benefits from natural capital and ecosystem services – including the economic and other benefits of the best and most versatile agricultural land*’
- 1.2 This statement is based on available mapping of the land and the surrounding area, photographs and an ALC Survey Report prepared by Berrys in February 2022.
- 1.3 The author of this statement, William Tongue, has 25 years’ experience working in agricultural business consultancy - work that is mostly concerned with the profitability and performance of farming businesses but also includes Agricultural Land Classification fieldwork and reporting for planning purposes.

2. Background

- 2.1 Agricultural land is classified using the guidelines set out in the publication “Agricultural Land Classification of England and Wales” (MAFF,1988). This provides a framework for classifying land according to the extent to which its physical or chemical characteristics impose long-term limitations on agricultural use. Land may be classified into one of five grades; Grade 1 land being of excellent quality and Grade 5 land of very poor quality. Grade 3, which constitutes about half of the agricultural land in England and Wales, is divided into two sub-grades designated 3a and 3b. Grade is determined by the most limiting factor. Grades 1, 2 and 3a are deemed to be the ‘Best and Most Versatile Land’ (BMV).
- 2.2 A survey has determined the majority of the site (11.46ha) to be Grade 3b and the remaining 5.58ha to be Grade 3a.
- 2.3 The soils on the site are medium and heavy clay loams over a clay subsoil with outcrops of sand, clay loams with negligible stone content. The main limitation found in the ALC survey throughout the site was wetness due to a slowly permeable layer at shallow depths of around 35cm. This means the frequency of the rain in relation to the evapotranspiration, duration of waterlogging and soil texture gives rise to stalled water drainage. Therefore, this gives the site a wetness class of 2 – 3.
- 2.4 The site comprises two grass fields. Hall Lane runs along the northern boundary and the B4379 along the west. To the east and south the site borders other pasture land. The village of Kemberton is located less than half a mile to the north east of the site, via Hall Lane.

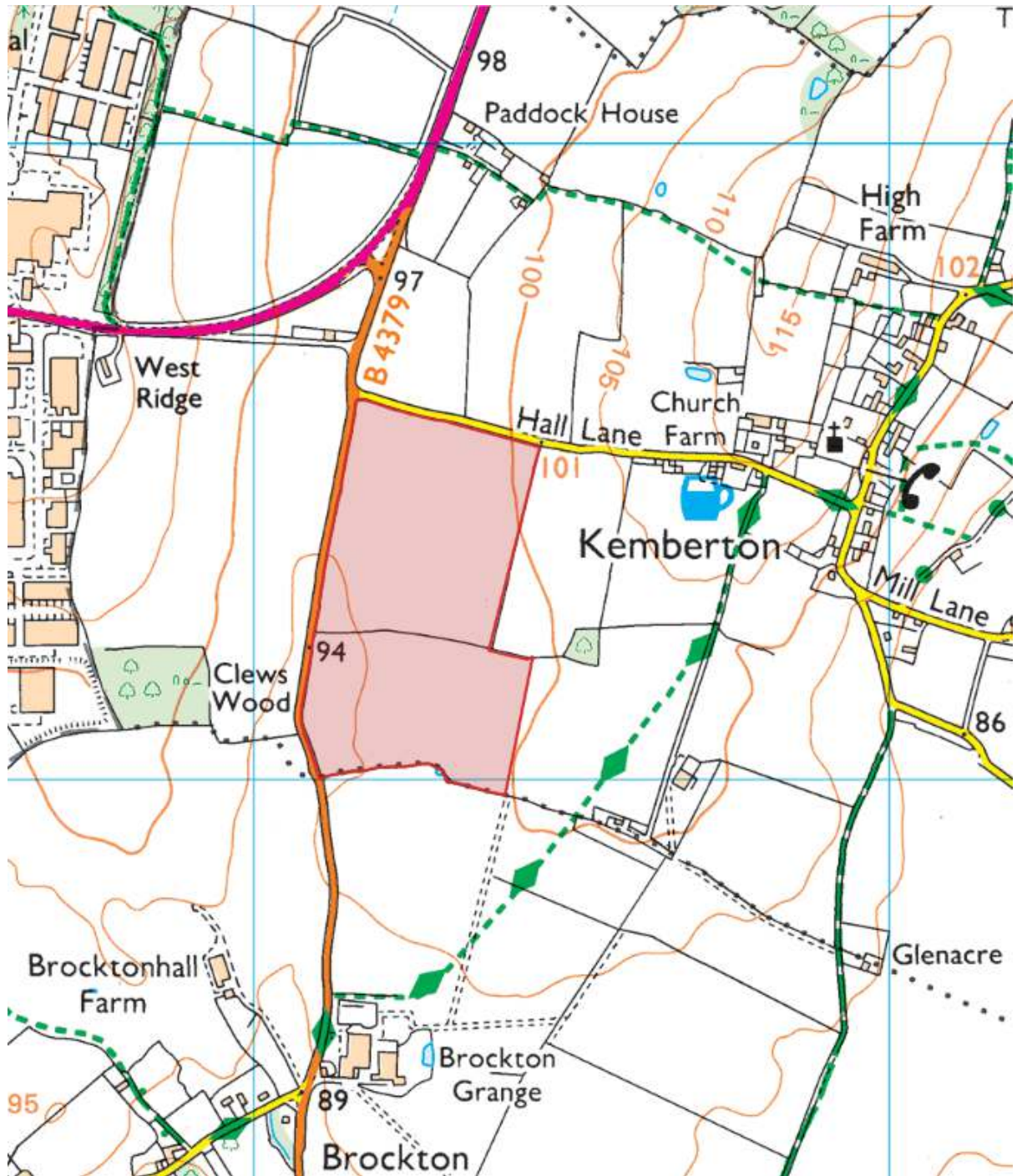
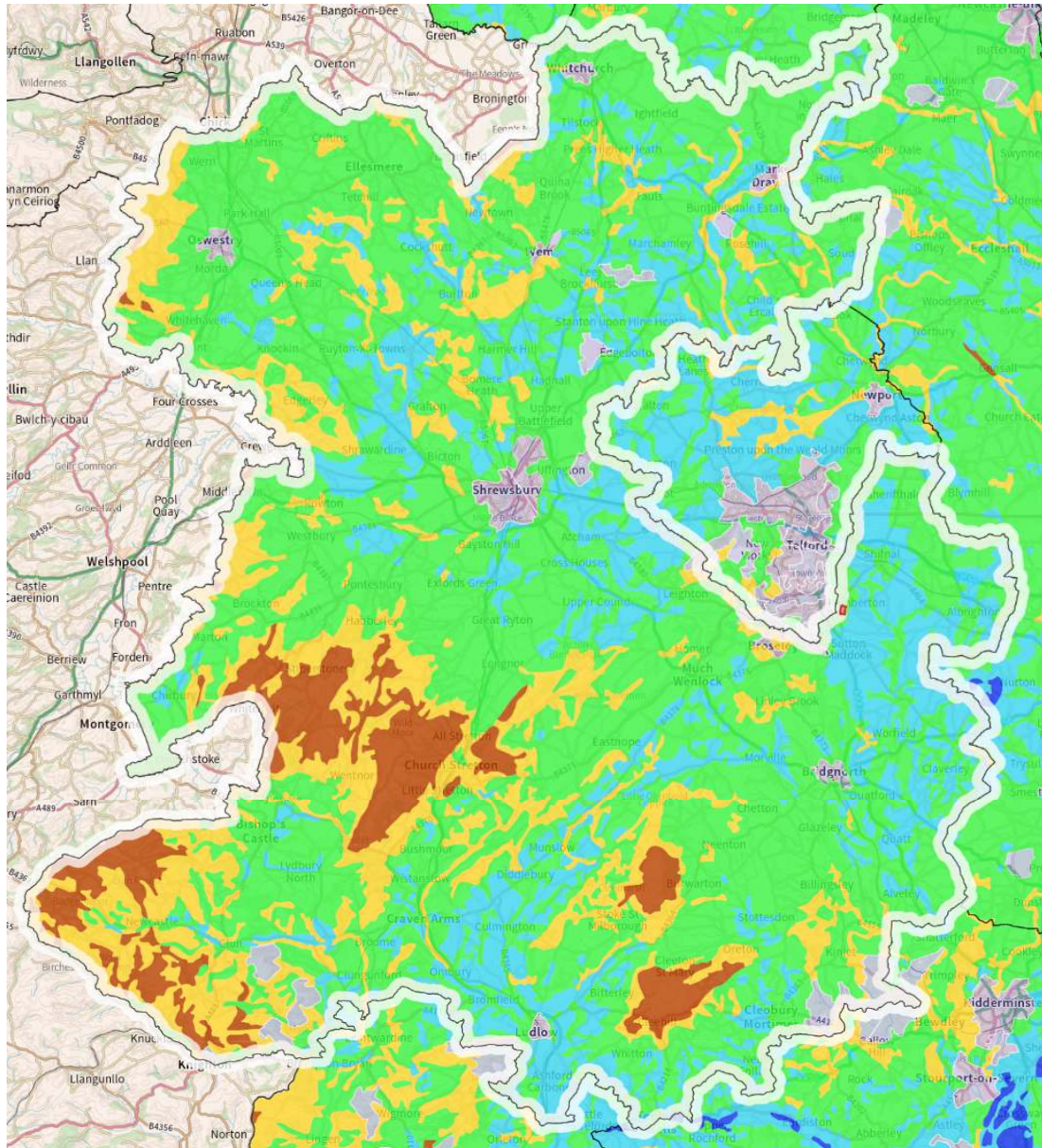


Figure 1 : Site to the south of Hall Lane, Kemberton, Shopshire

3. Wider context

- 3.1 The county of Shropshire varies in soil grade with the majority being either grade 2 or 3 soils with some lower grade 4 areas and grade 5 land which makes up the Shropshire hills in the South West of the county. The variety of soils in the county suit a range of uses from grazing through combinable crops to root crops, salads, flowers and vegetable. The richer, grade 2 soils are around the town of Telford.
- 3.2 The boundary outlined below shows the planning authority boundary for Shropshire. The colours represent the soil grades showing a grade 5 for the South West which are the Shropshire Hills. The majority of the county is grade 3 soils. The red outline on the south eastern side of the county, near the Telford Wrekin county boundary, is the site at Kemberton.



Legend: Grade 2 Grade 3 Grade 4 Grade 5

Figure 2 : Provisional Agricultural Land Classification in Shropshire

Source: <https://go.thelandapp.com/map/620b9c88381e1d001859e12b>

3.3 The breakdown of land grades on the site at Kemberton, Shifnal is:

	Ha	%
Grade 1	-	-
Grade 2	-	-
Grade 3a	5.58	33%
Grade 3b	11.46	67%
Grade 4	-	-
Non Agricultural	-	-
Total	17.04	

Source: Figure 2 : Provisional Agricultural Land Classification in

3.4 Meanwhile the overall land grades within Shropshire are:

Provisional ALC	Ha	%
Grade 1	10	0%
Grade 2	55,304	17%
Grade 3	180,521	56%
Grade 4	57,009	18%
Grade 5	18,887	6%
Non Agricultural	4,224	1%
Urban	3,697	1%
	319,653	

Table 1 : Provisional Agricultural Land Classification for Shropshire

3.5 Therefore the site has a lower representation of better quality (grade 2) land than the average for the county.

4. Current Agricultural Use

- 4.1 The site is currently grassland although is surrounded by arable land and shows evidence (via Google Earth) of being cropping in the past. Mixed cropping, ie grass leys supporting dairy farming and arable land growing combinable crops, is very typical for the area.
- 4.2 The site is predominately grade 3b which is defined by Natural England as *‘Land capable of producing moderate yields of a narrow range of crops, principally cereals and grass, lower yields of a wider range of crops and high yields of grass which can be grazed or harvested over most of the year’*.¹
- 4.3 The balance of the site is grade 3a which is defined by Natural England as *‘Land capable of consistently producing moderate to high yields of a narrow range of arable crops, especially cereals, or moderate yields of crops including cereals, grass, oilseed rape, potatoes, sugar beet and less demanding horticultural crops’*.²
- 4.4 The current land use as grassland is appropriate for the land grade – relatively wet land with high incoming rainfall makes for good grass growing conditions with the right management. Land use needs to be supported by local infrastructure – whether a packhouse and marketing group for high value root or salad crops, milker buyers and processors for dairy or markets and abattoirs for sheep and beef. In this case the infrastructure exists to make best use of the site – i.e for dairying
- 4.5 The financial contribution of 17.04ha of grassland to a conventional dairy enterprise may be assessed on the basis of the forage contributed. It is acknowledge that in practical terms to the significance to an individual business may be greater – e.g. if it is key grazing land in close proximity to the parlour. Standard figures for a medium term grass ley producing bulk and baled silage valued at market value are as follows:

¹ <https://www.gov.uk/government/publications/agricultural-land-assess-proposals-for-development/guide-to-assessing-development-proposals-on-agricultural-land>

² As 1

Output				£/ha
Silage yield	47 t/ha	@	£30 /t	1410
Costs				
Annual Seed/Fert (230kgN)				756
Annual applications	£8 /ha	x	3 passes	23
Establishment cultivations		/	5 yrs	23
Operations				559
Sub total				1361
Net margin				49

Table 2 : ABC Costings Nov 2021 and CAAV Costs Sept 2021, analysed Berrys

4.6 As grassland, the financial significance of 17.04ha might therefore be in the region of £827 /yr.

4.7 Equally the land could be used for combinable arable crops. Under a rotation typical to the area the net margin might be £14 /ha or £238 /yr total.

	Rotation	Yield t/ha	Gross Margin £/ha	Net Margin £/ha	Contribution £/ha
Feed Wheat	33.3%	8.75	882	97	32
Milling Wheat	33.3%	8.35	871	86	29
Winter Beans	16.7%	3.75	426	-160	-27
Winter Oilseed Rape	16.7%	2.8	651	-123	-20
			Rotation net margin		14

Table 3 : Budget Net Margin from combinable cropping

(Source: HSBC UK *Forward Planning 2022*, January 2022. <https://www.business.hsbc.uk/-/media/library/business-uk/pdfs/forward-planning-2022.pdf>)

4.8 These relatively low returns are not an uncommon expectation, and the reason for continuing to farm the land would be:

- As part of a much larger unit, overhead costs would decrease with more significant scale (The budget overhead costs used in this exercise relate to a 650 ha farm – still a reasonably large unit)
- The Basic Payment Scheme (BPS) subsidy payment due in relation to the land would be c. £222 /ha (£3,782 total). Although this is not linked to the growing of crops or grazing of livestock, in farm business decision making it is often unconsciously treated as part of the gross margin. As recently enacted under the Agricultural Bill

(<https://services.parliament.uk/bills/2019-21/agriculture.html>), this payment is to be phased to zero by 2027.

- At a macro level and in general terms, many forms of agriculture make a loss at production level, with the BPS and income from diversification making up the overall profitability of the business and a favourable tax regime for trading farm businesses driving the continuation of production.

5. Planning Policy

- 5.1 National Planning Policy Framework paragraph 174 (b) directs planning policies and decisions to ‘*contribute to and enhance the natural environment*’ by recognising ‘*the wider benefits from natural capital and ecosystem services*’ and ‘*the economic and other benefits of the best and most versatile agricultural land*’.³
- 5.2 Shropshire Council Pre-Submission draft of the Shropshire Local Plan 2016 to 2038 (Submitted September 2021) Regulation 19 states: ‘*Development should avoid Shropshire’s best and most versatile agricultural land (grades, 1, 2 and 3a) wherever possible, unless the need for and benefit of the development justifies the scale and nature of the loss.*’
- 5.3 Thus local policy says, in effect, the development may be permitted where the proposal brings valuable public benefit. Assessing public benefit is outside the scope of this report.
- 5.4 National policy says that all benefits from natural capital and ecosystem services must be considered as well as the economic benefit and other benefits of BMV land.

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf Paragraph 174 b

6. Discussion

- 6.1 As set out in sections 4.7 and 4.5, the economic benefit of the site to the agricultural business that occupies it is low – a contribution of £238 -£827 per year depending on the farming system before subsidy of £3,782 which is being removed.
- 6.2 The value of inputs purchased by the agricultural business in relation to the site (derived from the same budgets) could range from £4,000 to £12,000 (depending on use). Assuming a 10-15% profit margin for the suppliers providing these inputs the wider benefits in the agricultural supply chain is also negligible.
- 6.3 The land is not critical to the local or national food supply – if domestic supplies of cereals, oilseeds and proteins were low and imports were unavailable or significantly more expensive then economics dictates that price would be higher to encourage production.
- 6.4 Policy also refers to natural capital and ecosystem services. Natural capital is the stock of natural assets that provides benefits to humans via flows of ecosystem services. Such services include:
- Provisioning – supply of food and energy
 - Regulation – storage of carbon, water, climate regulation, flood control etc
 - Cultural – recreation, tourism, culture etc
 - Supporting – providing habitats
- 6.5 The agricultural quality and therefore productivity of the land clearly has a strong linkage to provisioning services and potentially to energy that might be supplied through energy crops grown. In all other respects the potential natural capital value is much more related to site factors such as aspect, location, gradient, adjoining land uses etc. To an extent these factors are considered in other statements such as Visual Impact, Ecology, Archaeology etc and are mostly unrelated to the agricultural land quality.

7. Precedents

- 7.1 NPPF 2021 was preceded by NPPF 2012 which included similar reference to the preference not to develop BMV land in paragraph 112. This was tested in the High Court Case *Borough of Telford and Wrekin v. (1) Secretary of State for Communities and Local Government (2) Gladman Developments Ltd* [2016] EWHC 3073 where Mrs Justice Lang writes:

“38. I agree with Coulson J.’s interpretation of the NPPF, but upon applying it here, I have concluded that NPPF 112 cannot be characterised as a policy which indicates that “development should be restricted” within the meaning of NPPF 14. I accept the Defendants’ submissions that the policy is simply an instruction (i) to “take into account” the economic and other benefits of the best and most versatile agricultural land which does not confer any particular level of protection and (ii) to “prefer” the use of poorer quality land if significant development of agricultural land is necessary, which applies to all agricultural land, not just BMV land. It is not a prohibition on the use of BMV agricultural land, nor a restriction on development in principle; it does no more than to encourage the relocation of proposed development onto poorer quality agricultural land if available. “.

- 7.2 Point (i) of this judgement serves to remind decision makers that the policy instruction is to “take into account”, not restrict. The word ‘prefer’ is no longer in NPPF (2021) nor is it in local policy as identified in section 5.2. Therefore point (ii) also remains relevant.
- 7.3 As identified in section 3.3, the supply of BMV land in Shropshire is plentiful with grades 2 & 3 accounting for the majority of the county and therefore the suggestion is that the impact of the loss of 5ha is low. This is supported by a Planning Inspector’s decision of 15 April 2016 regarding a housing development at land north of Haygate Road, Wellington, Shropshire. That inspector’s report reviewed the issue of supply of BMV land in the area of Telford and concluded:

“144. From the conclusions I have already reached on the main issues I consider that the proposed development would result in some adverse impacts, but that these would be limited. My reasoning is set out fully in the appropriate paragraphs, above, but in summary there would firstly be a loss of just over 15 ha of BMV agricultural land. But as much of the agricultural land surrounding Telford is of BMV status,

and as it is clear that this has not prevented the Council from recently granting planning permission for a scheme at Priorslee which will result in a much greater loss of BMV land than here, I can only give this impact a modest amount of weight.”

- 7.4 This precedent would suggest that recent permissions in the local area are of value to determining the importance of the loss of BMV land. In Central Bedfordshire, on provisional grade 2 land at Clifton, application 18/01099 was permitted with the loss 5ha of agricultural land. No actual identification of land quality is apparent and no consideration has been given to the loss of BMV land. The officers report (ref 188300) for the application states *‘Further, the proposal would result in the loss of existing agricultural land. This land does not appear to be classified as ‘best and most versatile’ land and, accordingly, its loss is unlikely to result in a significant negative economic impact.’*
- 7.5 In Arlesey, Bedfordshire, application 17/01158 saw the loss of 50ha of BMV land. In this case the officers report (DMC 23.05.2018) states *‘the proposed development will result in the irreversible loss of agricultural land of Grade 2 (Very Good quality) & 3 (Moderate Quality), to which there is no mitigation other than to reuse topsoil and subsoil, where possible, within any proposed landscaping. Once the site is operational there would be no impacts on adjacent agricultural land as the site and its access roads would be self-contained.’* No further weight or consideration is given to this loss.

8. Conclusions

- 8.1 The 17ha site at Kemberton has been identified as including 5.58ha of BMV land, lower proportionally than the land in the local area where c.83% of the land area is Grade 1, 2 and 3. Therefore by area and proportion, the site is of little significance to the supply of BMV land in the District.
- 8.2 The economic benefit of the land to agriculture and related supply chain businesses is minor excluding subsidy. Over the next 5 years the subsidy is being phased out and therefore this factor will be negligible.
- 8.3 Other benefits from ecosystem services arising from the Natural Capital assets of the site are not substantially related to land quality and are considered in other statements.
- 8.4 Precedent suggests that policy wording that states a preference for developing lower quality land does not confer a prohibition on developing BMV land.
- 8.5 Recent nearby residential developments in the District have resulted in similar losses of best and most versatile land.
- 8.6 Therefore for the reasons above it is suggested the agricultural significance of the loss of c.17ha of land at Kemberton is low.