The impact of SSSI status on land values in England

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Contents

The impact of SSSI status on land values in England

Executive summary

This report examines the impact that Site of Special Scientific Interest (SSSIs) designation has on land values in England. It has been carried out following the Innovation, Universities, Science and Skills (IUSS) Committee report on SSSIs.

A literature review found that land values are affected by a range of factors. Values are not solely determined by the productive capacity or expected profit from land as land performs a wide range of functions, some of which have values associated with them. Agricultural land values are determined by more than agricultural income. Important factors include government subsidies, location, size, tenure, built assets, potential alternative uses and taxation. Wider economic factors also affect values, most notably inflation, average earnings, the performance of alternative investments such as shares and house prices, and interest rates. Land can also produce public goods, such as wildlife protection and landscape, and externalities, such as pollination and pollution, which are generally not included in the monetarised value of land.

The theory of valuing land

Designation as a SSSI is one of many factors that valuers consider when valuing land and it can affect demand for the land from purchasers and how the land can be used. These effects can be very variable, with some purchasers viewing the designation as a positive and others as a negative, often for the same piece of land. Conservation bodies were seen as more likely to view designation as a positive factor than private individuals.

The practice of valuing SSSIs

Most valuers used evidence of similar or comparable sales when valuing land rather than capitalising income streams to produce a capital value. Valuers do not take into account any additional factors when valuing SSSIs than when valuing land affected by any other restriction or designation. The key considerations are the effect of designation on management, opportunities and alternative land uses.

The impact of designation on the value of SSSI land is variable, with examples of positive, negligible and negative impacts. Whether the impact is considered positive or negative depends on the land use of the SSSI. If a designation has a significant effect on how land can be used, requires different management to surrounding land or produces lower income than surrounding land, the impact is likely to be negative.

Where the SSSI affects an agricultural land use, the impact is much more likely to be considered negative; where land use is non-agricultural, the impact is more neutral or positive as its effect on how woodland, quarries or riverbank can be used are considered less significant.

The impact on land values can be complex and can stretch to outside the designated area, as shown by two examples of SSSIs designated to protect ground nesting bird species.

Designation was viewed by almost all agents as increasing the chance of entering agri-environment schemes, which can significantly increase the income from land, particularly in upland areas.

Background to the research project

The Innovation, Universities, Science and Skills (IUSS) Committee report on Sites of Special Scientific Interest (SSSIs) recommended that research was carried out on the impact that SSSI designation has on land values as the only studies on this subject exist in a Scottish context.

As well as the IUSS recommendation, a driver for Natural England to carry out this research is that it aims to work in collaboration with land owners and land managers, who are interested to know the effect of designation on values. There are also links to the Lawton Review, which identifies SSSIs as a key element of the wildlife conservation network.

SSSIs are not homogenous in the range of habitats that they conserve. They are also very varied in terms of ownership, land use and management regime. To reflect this, the research has considered how different owners and their drivers could affect land values, and has included SSSIs with different land uses and management regimes – reflecting the mix of production related and consumptive elements of land ownership.

Table 1 Predominant ownership, land use and management regime of SSSIs (source: Natural England)

Ownership	Land use (in rank order)	Management regime[1]
Private ownership[2] (39%)	1. Agriculture	Livestock (496k ha)
Government[3] (28%)	2. Conservation	Other (241k ha)
Conservation bodies[4] (15%)	3. Recreation, sport, leisure	Conservation and habitat management (225k ha)
Other[5] (14%)	4. No active use	None (140k ha)
Local government (4%)	5. Military	Woodland (70k ha)
	6. Forestry	Arable, inc mixed (30k ha)

1 Figures based on approximate calculations
2 Private ownership includes private ownership and Crown Estate Rural
3 Central government and bodies includes Natural England, Forestry Commission, Forest Enterprise, MoD, Highways Agency, Environment Agency
4 Conservation bodies includes National Trust, RSPB, Wildlife Trusts and Woodland Trust
5 Other includes British Waterways, Electricity and gas operators, Internal Drainage Boards, Network Rail, National Parks, Water companies

Requirement and research approach

Natural England requires the impact of SSSI designation on land values to be explored – both on the land designated and the surrounding land in a range of contexts (rural and urban, lowland and upland).

Specific requirements and approach taken are:

1. **Literature review:** to explore the theory of determinants of land values

2. **A survey of land agents:** to gauge expert opinion and perceptions of the impact of SSSI designation on land values

A semi-structured questionnaire was used to gather information from land agents / chartered surveyors during telephone interviews on the theory (what factors affect SSSI and surrounding land values) and practice (how did the SSSI affect the sale they dealt with) of valuation.

This approach was chosen as it was considered more likely to generate a higher response rate than a postal or an email survey, to enable deep questioning, and as it would produce data based on actual transactions rather than solely valuation theory. 14 selected surveyors were also emailed the form to increase respondent numbers and responses were obtained from two of them.

The land agents to interview were identified from:

- A review by Natural England staff of land sales involving SSSIs
- Smiths Gore's national database of farmland sales which included a SSSI[6]
- Members of the Royal Institution of Chartered Surveyor's Countryside Policy Panel, who were emailed the form

Land agents from conservation organisations were included to understand whether they assess the importance of nature conservation in land purchase decisions differently to other purchasers.

3. **A range of case study examples:** building from the land agent survey to illustrate the range of impacts, both positive and negative, across a range of geographic areas, land uses, management regimes and contexts, such as rural and urban settings

[6] This contains details of over 3,700 individual sales, and property particulars for most of them. 24 relevant sales were identified in 2010, 14 in 2009 and 28 in 2008.

Sample

37 interviews were conducted in February and March, covering a range of types and contexts of 26 SSSIs:

Table 2 Survey sample structure

Land use of SSSI	Agriculture (11) (10 grassland) (1 arable)	Woodland (7)	Quarry (2)	Foreshore, cave, heath, moor, river bank (1 of each)		
Size of SSSI	Small (<10ha) (11)	Medium (10-100ha) (7)	Large (>100ha) (4)			
Geography	Lowland (21)	Upland (5)				
Rural / urban	Rural (24)	Urban fringe (2)	Urban (0)			
Type of seller	Individual (12)	Farmer (7)	Investor (3)	Estate (2)	Other (5)	
Type of purchaser	Individual (10)	Farmer (5)	Investor (1)	Estate (2)	Conservation body (5)	Other (3)
Purchaser's attitude towards SSSIs	Negative (1)	Neutral (8)	Positive (13)	Unknown (1)		

Literature review

Market value of land

If the value of land was determined solely by its productive capacity, it would be equivalent to the capitalised or Net Present Value of all future expected profit or rental payments derived from the land (Lloyd, 1994). However property markets are more complex, land performs a wide range of functions and consequently a range of varying attributes are in demand and therefore value is attached to them. Agricultural land values have been shown to be determined by more than simple agricultural income (Clark *et al.,* 1993).

Nevertheless productivity is an important factor. Tsoodle *et al.* (2006) found that average values declined as the ratio of pasture to arable land increased, as livestock production was unable to equal the profitability of arable farming.

Influence of government subsidies

Many researchers have investigated the impact of government subsidies on land values, Veeman *et al.* (1993) identified that anticipated income from both food production and subsides had a major influence on land values. Agricultural subsidy payments had become capitalized into the value of the land which carried the eligibility to claim the payments. Their modelling suggested removal of the Canadian agricultural subsidy regime would reduce Canadian land values by 19% over the long run. Beach *et al.* (1997) support their findings with modelling in the USA which indicated a 14% decline in agricultural land values if subsidies were eliminated.

Land values have been shown to be more strongly linked to agricultural and subsidy income in areas where government payments provide a significant proportion of income (Moss, 1997). This suggests that in areas such as the uplands, where government support provides a greater proportion of income, there is a closer association between land values and income from farming as fewer competing demands are placed on land. In upland areas where SSSIs receive additional funding from Management Agreements or Higher Level Stewardship schemes, land values are likely to be more strongly influenced by the magnitude of these payments.

Government subsidy eligibility criteria can also influence land values. America's Conservation Reserve Programme aimed to reduce erosion of vulnerable land by offering a payment in exchange for the land being removed from production. The scheme inflated land values of eligible land relative to comparable ineligible land, as the payments offered higher returns than continued agricultural production (Shoemaker, 1989).

Physical factors

Influence of location

A complex relationship exists between the attributes of properties and their contribution to its value. As government agricultural subsides have been reduced in the US market, Archer and Lonsdale (1997) found that proximity to urban areas or sites of aesthetic value emerged as having an increasingly significant positive influence on land value.

Urban proximity has been extensively investigated in the USA with a significant positive influence of proximity to urban areas on land values consistently being identified (Shi *et al.,* 1997; Xu *et al.,* 1993; Guiling *et al.,* 2009; Cotteleer *et al.,* 2008). The strength of the influence varies with population size (Shi *et al.,* 1997; Guiling *et al.,* 2009) and average incomes of residents (Guiling *et al.,* 2009).

In the USA tax breaks encourage farmers to sell conservation easements across their land which prevent development. Anderson and Weinhold (2005) found that land with a conservation easement in place sold for significantly less (35-50%) than land where development was still technically possible. The prospect of development has a significant inflationary impact on land values (Plantinga *et al.,* 2002). It is therefore not surprising that researchers have consistently identified a statistically significant increase in values as distance to urban areas decreases. However Guiling *et al.* (2009) deliberately excluded development land sales from their sample by using a $24,710 per hectare ceiling. A significant positive influence of proximity to urban areas on land values was observed in the robust 45,399 observation sample, proving that the positive influence of urban areas extends beyond their immediate vicinity. Value associated with medium and long term prospect of development is referred to as 'hope value' – the hope that development might happen in the future. Johnson (1990) concluded that the impact of hope value extends beyond areas with a genuine chance of securing development consent and has a general inflationary impact on land values.

Influence of sporting interest

Sporting rights and the quality of sporting prospects also influences property values. Grouse moors are valued according to the number of brace of grouse shot per annum (Savills, 2010), and therefore function as an investment asset, with owners able to increase values through improved management. In the USA fencing of holdings is becoming more common as landowners realised that additional income could be obtained by increasing the quality of sporting stock on their land, and consequently has increased land values (Baen, 1997).

Parcel size

Boisvert *et al.* (1997) hypothesised larger parcels would achieve a higher value per hectare as the economies of scale permit larger parcels to be farmed more profitably and therefore capitalising the profit would give a higher value. However they observed a negative relationship between parcel size and value per unit; and proposed that a significant relationship was not found as the value of smaller parcels is inflated due to competition from neighbouring landowners. This is plausible as it is commonly observed that farmers are prepared to pay more for adjacent property due to the marriage or synergistic value realised when they add it to their unit. Supply and demand theory in relation to the larger land parcels also supports the observed trend, because as parcel size and value increases a smaller pool of buyers will be able to afford the property and therefore as competition is lower, value per hectare declines. The existence of a negative correlation between parcel size and value per hectare is supported by Xu *et al.* (1993) and Tsoodle *et al.* (2006) who studied 48,000 transactions and identified a 34% decrease in value per hectare as parcel size increased.

Tenure

Tenure has a significant influence on values as farms held under Agricultural Holdings Act 1986 tenancies have security of tenure for the duration of the tenant's life, and the possibility of up to two successions to qualifying family members. Properties let by tenancies of this nature are less valuable than vacant possession farmland as the owner has less control, and will typically have higher Inheritance Tax liabilities than if the land was farmed in hand. Furthermore as investment property, Income Tax is levied at 40%; if the property were trading, tax liabilities would be lower. Cumulatively these factors typically discount the value of Agricultural Holdings Act tenancies by 30-40% relative to vacant possession holdings.

Quality of built assets

Buildings increase land values significantly. As would be expected newer and larger agricultural buildings and dwellings have the greatest impact on value (Xu *et al.,* 1993).

Taxation and tax reliefs

In a similar manner to agricultural subsidies being capitalised into land prices, the same principles apply to tax reliefs. In the USA a range of tax reliefs exempt agricultural assets from annual property taxes. Anderson and Bunch (1989) calculated that such reliefs were responsible for inflating agricultural land values by 10%. In England agricultural properties are similarly exempt from property rates and it would be reasonable to assume that the financial advantage this confers has been capitalised into land prices. With regards to Capital Gains Tax, Johnson (1990) found an inflationary impact on farmland values of Rollover Relief, the mechanism by which tax liabilities are deferred and transferred into newly acquired business assets.

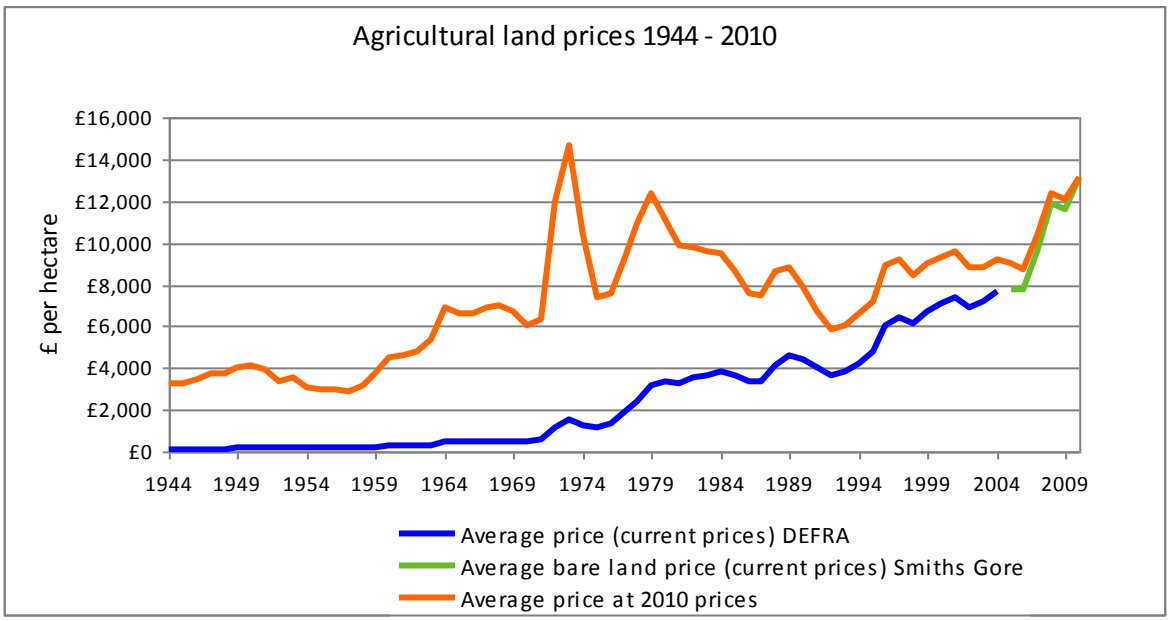
Economic factors

The factors discussed above represent the physical attributes of a property which determine its relative value at a point in time. However land is an asset within a wider economy and there are a range of economic factors which inflate or deflate land values through time.

Inflation has one of the largest influences. Moss (1997) calculated that it could explain 82% of variation in farmland values through time. Lloyd (1994) and Just and Miranowski (1993) confirm the significant influence of inflation on land values.

In England, land prices have increased considerably in current terms. Figure 1 shows the DEFRA Agricultural Land Price series from 1994 to 2004 for England and the Smiths Gore bare land index for 2005 to 2010. When the impact of inflation is removed using the Retail Price Index (RPI), the series at 2010 prices shows land values have increased 300% in real terms over the 64 year period but are only just reaching the peak values of the 1970s.

Figure 1 Agricultural land prices current prices and in real terms



Smiths Gore has developed a model of the English Farmland market using regression analysis to explore the relationship between socio-economic variables and land prices between 1973 and 2003. A positive correlation between land values and the RPI was identified. Overall six key socio-economic variables were identified which separately and jointly explain a high proportion of the annual variation in land values. House prices, average earning, the Financial Times Stock Exchange Index (FTSE 100) and RPI are all positively correlated with land values, whilst farm incomes and the Bank of England Bank Rate are negatively correlated (see Table 3 below).

The model's results show the farmland market is significantly affected by the general economy. This is demonstrated by five of the six factors affecting prices being macro-economic indicators and only one being directly related to agriculture and production. This is not as surprising given non-farming and investment-led buyers account for around 30% of buyers nationally, and as much as 65% in some regions (RICS, 2011).

Table 3 Economic and farming factors that affect the English farmland market

Economic and farming factors that affect the English farmland market

	House prices	Base rate	Farm income	Average earnings	FTSE	RPI
Relationship with land prices	If house prices go up, land prices go up	If base rates go up, land prices go down	If farm incomes go up, land prices go down	If earnings go up, land prices go up	If shares go up, land prices go up	If inflation goes up, land prices go up
Assumptions for 2011	**House prices expected to rise** (but latest RICS data questions the strength of the recovery)	Consensus forecast is for Bank of England to **increase rate to 0.8%** in 2011 (lower than previous forecasts)	**Still expected to rise in 2011** based on EC and USDA outlook for commodities	**Expected to continue on long-term upwards trend**	**Increased optimism in market and expected to rise**	**Consensus forecast expects 4.1% growth in 2011**
Why the variables influence land prices	Due to the large number of farms sold with houses and cottages or with the potential to build a house	The base rate is a measure of the cost of borrowing, which finances many farm sales. An increase in the cost of borrowing is likely to reduce the number of buyers in the market, consequently competition is reduced, leading to lower prices	This is an indicator of the earning capacity of farmland as well as farmers' income. The negative correlation with land values is counterintuitive and may be due to a time lag in the market place	This is an indicator of buyers' ability to fund purchases and borrowings. Whilst similar to farm incomes, average earnings reflect a different dimension of purchasing power. An increase in earnings indicates a strong economy, with increased competition between farmer and non-farmer buyers	Share prices reflect the general state of the economy, are a measure of the returns produced by other asset classes (as some buyers consider land as a financial investment) and also reflect earnings / ability to finance debt	Inflation is another measure of the general condition and growth of the economy

(Source: Smiths Gore English Farmland Market model. Assumptions updated March 2011)

Non-market value of land

Externalities of land use: influence on surrounding land

Externalities are consequences of an activity which affects other parties without being reflected in market prices; they can be negative, such as permitting weeds to disperse seed over a neighbour's ground, or positive, such as bee keeper's bees pollinating neighbouring crops.

A type of externality is the provision of public goods, which are goods which are non-excludable and non-rivalry in consumption, which means they can be simultaneously enjoyed to the same extent by all (Cooper *et al.,* 2009); examples include wildlife and landscape and the wide concept of eco-system services. Left to their own devices, markets will undersupply positive externalities and oversupply negative ones.

In terms of land values, externalities are largely excluded from market price but do contribute to the 'total economic value of land', as shown in Table 4 (Eftec, 2009). In the framework, the indirect use values are the most obvious externalities however, due to the multifunctional use of land, all components are capable of generating externalities.

Table 4 Total economic value framework

Total economic value component	Explanation	Examples
Direct use value	Consumptive use	Agricultural production
	Non-consumptive use	Walking
Indirect use value	Services which contribute to life on earth	Regulating services Supporting services e.g. carbon sequestration
Option value	Option of keeping the land available for future	Avoiding irreversible land use
Non-use value	Altruistic value: Knowledge a land use is valued by others	Culturally important resources
	Bequest value: Knowledge it will be passed onto future generations	Culturally important resources
	Existence value: Knowledge it exists for own sake	Culturally important landscapes and human accomplishments

There has been very little research on the effect of conservation or landscape on land values. Open-space adjacent to urban areas is a public good valued for both aesthetic (non-use value) and recreational uses (direct use value). Correll *et al.* (1978) found that residential properties adjacent to open space were worth 32% more than similar houses a kilometre away. In this case, the open space was publicly owned greenbelt and it would be reasonable to assume that SSSIs adjacent to urban areas have a positive impact on neighbouring house values as the SSSI similarly acts as a development constraint preserving the aesthetics of the location. This study found anecdotal evidence of this around a SSSI in South East England but we also found, in a different region, that the designation of a SSSI and the protected area or cordon sanitaire around it had led to a negative impact on farmland values, due to restrictions on what the land can be used for and on the value of land for housing development, as the designation had effectively extinguished the potential for development.

Findings

The theory of valuing SSSIs

1. SSSI status is certainly one of the many factors that valuers and purchasers take into account when making land purchase decisions but its importance depends on:
    a. The requirements from the SSSI; and
    b. The attitude of the purchaser

    Quotes from land agents are in blue text.

Table 5 Factors taken into account in land purchase decisions

Location
Size
Flexibility of use
Number type and quality of dwellings, privacy
Rights of way (type and location and proximity to dwellings)
Buildings (type, quality and suitability for purpose)
Sporting potential
Development potential
Covenants
Liabilities
Pipeline routes
Proximity of overhead cables
Statutory designations

2. The majority of land agents value SSSIs differently to non-SSSI land. There are two effects at play:

    a. The SSSI can affect demand for the land from purchasers so potentially affecting its value; and
    b. The status can restrict how the land can be used. This can affect its earning capacity and can also require its owner to undertake expenditure to maintain its special interest

    Effect on value is "dependant on management restrictions and restrictions on use and client requirements"

    "It is an extra layer of red tape."

    "Private purchasers would pay extra not to have interference [from designation]" – agent selling grouse moors

Effect of SSSI status on the number of potential purchasers

Most land agents said that the designation reduced the number of potential purchasers due to the restriction it places on how the land can be used, although some did recognise that it was attractive to some lifestyle buyers.

"At least one person pulled out as could not put pony paddocks on it" - Grassland SSSI on village edge, sold as part of the garden with a house

Effect of SSSI status on the number of potential purchasers

"…designation restricted interest as potential uses were restricted..." – woodland SSSI in South East England. The agent noted that the restrictions reduced the number of bidders

"Designation prevented it from selling before [sooner] therefore negative effect."- grassland SSSI on urban fringe

Designation made it "more difficult to sell. It is hard to quantify [the effect on value] as you lose certain buyers due to the restrictions." – agent who sold a woodland SSSI in East of England

The designation is much more attractive, and considered less restrictive, by conservation bodies.

SSSI gets £1,500pa income from Higher Level Stewardship and Entry Level Stewardship. The valuer took this into account and increased its capital value from £60,000 (if not SSSI) to £65,000. – Grassland SSSI in a rural area in North East England

Another way of showing this, which was explained by one of the land agents, is to consider that any piece of land has a number of different values that combine to produce its overall value:

Table 6 Different values that contribute to total land market value, and theoretical apportionment examples

	Arable land	SSSI grassland	Total Economic Value components
Total open market value (£/ac)	**£5,000**	**£4,000**	
Conservation value (which is the nature conservation value of the land)	£100	£1,500	Indirect use value & non-use value
Amenity / sporting value (which is the visual, landscape or sporting value of the land)	£900	£1,000	Direct use value & Non-use value
Income value (which is how much income the land can produce capitalised into a sum)	£3,000	£500	Direct use value
Base / existence value (which is how much the owner pays to own the land)	£1,000	£1,000	Option & Non-use value

3. The surveyors approach to apportioning the value of land, as shown in Table 6 is consistent with the Total Economic Value framework proposed by Eftec (2009).

4. The general advice given by land agents to purchasers is to understand the additional layer of requirements due to the status; this can be having to deal with an additional organisation, Natural England, and understanding the management requirements.

“Beware. Be fully aware of the obligations you are entering into.”

“You pitch the impact of SSSIs differently - according to the interests of the owners or buyers, and generally advise to treat with caution and be aware of responsibilities”.

The practice of valuing SSSIs

5. Most land agents used comparables to value the land; where there was an investment angle to a property or it attracted significant agri-environment or management agreement income streams, the amount of income generated by the schemes was often quoted in particulars but there was little evidence of land agents capitalising income streams to come to a capital value. This is not surprising at all given the nature of the farmland market in recent years, which has been characterised by high demand and low supply of land, which has pushed land prices up. Using comparables is the best way to take these market conditions into account.

6. The land agents probably do not take additional factors into account when valuing a SSSI than they would when valuing land affected by any other restriction but they are more aware of its potential effect on freedom of use of the land and its income generating capacity.

> "Each one is very different - take each SSSI on its merits. Lifestyle purchasers may pay a premium. But someone looking for agricultural land commented either you love them or the value is reduced".

Table 7 Factors taken into account by land agents when valuing SSSIs

Site factors
Tenure Size (of SSSI relative to whole property) Location Accessibility Slope Land quality (Other) designations
SSSI factors
SSSI management requirements Cost of works (annual management and capital works) Effect on land use (e.g., SSSI considered restrictive as could not be used for horses) Effect on alternative uses (e.g., SSSI could not be used for caravan park) Effect on sporting management (no. of boats, releasing fish and pheasants) Effect on income stream (from agriculture, agri-environment schemes, forestry (timber value), quarrying (output and tonnages from quarrying))
Purchaser factors
Effect on demand from purchasers (farmers, individuals / lifestyle buyers, investors, conservation bodies) Contribution to the value of the whole property Effect of SSSI on use / enjoyment of site (e.g., SSSI protects views and prevents development)

Case study: Upland grassland SSSI – Yorkshire and the Humber

A semi-improved grassland and fen SSSI was sold as part of a small holding in 2010. The SSSI was around 10 acres of a 28 acre sale, which was lotted and marketed to appeal to non-farmer, lifestyle buyers. As it was a relatively small proportion of the sale, the designation was not considered to reduce land value and in fact could have made the holding more attractive to a lifestyle buyer – so it had a neutral and possibly positive effect on land value.

However, the agent noted that if the holding had been 200 acres instead of 28 and so more suitable to farmer buyers, the designation would have had a negative effect on values.

7. There was clear evidence that, where appropriate, land agents give SSSI land a different value to its surrounding land, to reflect its restrictions and opportunities, such as easier entry into agri-environment schemes. In some cases, the land agents did not differentiate values but this was normally where the SSSI had little effect on land use or was a small element of a field or sale.

> "SSSI status did not make a difference to value".
> "Not worth as much as similar land, as SSSI constraint and reduces productivity".

Table 8 Higher Level Stewardship targeting

Higher Level Stewardship targeting

The Higher Level Stewardship scheme is a competitive agri-environment scheme; applications are sought from land owners in 110 multi-objective target areas. Outside these areas, applications are required to contribute towards achieving the objectives of one of the eight national themes. The strongest HLS applications are therefore those located in a target area and also contributing towards one of the national themes.

Theme 1 (below) is directly relevant to SSSI designated land:

> ***Improving the resilience of Nationally Important (UK Biodiversity Action Plan) habitats to climate change***: Natural England will consider applications offering to maintain and/or restore/link/buffer ***'significant'*** areas of a specified list of habitats.

There are four criteria under which a UK Biodiversity Action Plan habitat is classed as '***Significant'***, one of which is being SSSI designated. Having an area of SSSI designated land therefore strengthens HLS applications and increases the chance of securing funding under the scheme for the SSSI and the landowners other land.

(Natural England, 2011)

8. A number of the land agents said that they tried to make the SSSI designation a positive selling point and, where appropriate, to market the land to organisations that would view them positively. This is supported by the data which found over 20% of purchasers being conservation bodies (mainly the Wildlife Trusts, Woodland Trust and National Trust) and that the attitude of most purchasers towards SSSIs was positive, with only one identified as negative (see Table 2). Other positive selling factors include easier entry into agri-environment schemes and their guaranteed income streams, and the fact that the designation prevents development and can protect views.

"Purchaser bought it because it was a SSSI, to protect it from 4x4s or pony grazing".

9. The impact of the SSSI status on the value of the SSSI land was considered variable, with agents reporting positive impacts (5), no or negligible impacts (12) and negative impacts (9).

Table 9 Impact of designation on SSSI land value compared with upland or lowland geography

	Impact of SSSI on SSSI land value							
	High +ve	Medium +ve	Low +ve	None / negligible	Low -ve	Medium -ve	High -ve	**Total**
Lowland	2	2	0	9	0	4	4	**21**
Upland	0	0	1	3	0	1	0	**5**
Total	**2**	**2**	**1**	**12**	**0**	**5**	**4**	**26**

The effect of SSSI status on land values depends on individual circumstances

"Swings and roundabouts - some SSSIs are attractive, mainly due to Single Farm Payment and Higher Level Stewardship, but others not".

"SSSI not a liability; it did not alter what you could do with land, and could have enhanced value due to Higher Level Stewardship".

"SSSIs likely to reduce value due to restrictions but not in this case".

"Not worth as much as similar land, as SSSI a constraint and reduces productivity".

10. Whether the impact is considered positive or negative depends on the land use of the SSSI. Where the SSSI affects an agricultural land use, the impact is much more likely to be considered negative (6 negative, 4 neutral and 1 positive); where it does not affect agricultural use, the impact is more neutral or positive (3 negative, 8 neutral and 3 positive) as its effect on how woodland, quarries or riverbank can be used are considered less significant.

Table 10 Impact of designation on SSSI land value compared with land use

	Impact of SSSI on SSSI land value							
Land use	High +ve	Medium +ve	Low +ve	None / negligible	Low -ve	Medium -ve	High -ve	**Total**
Agricultural land uses								
Grassland		1		4		2	3	**10**
Arable							1	**1**
Non-agricultural land uses								
Cave				1				**1**
Foreshore				1				**1**
Heath	1							**1**
Moorland			1					**1**

Quarry				2				**2**
River bank				1				**1**
Woodland		1		3		3		**7**
Total	**1**	**2**	**1**	**12**	**0**	**5**	**4**	**25**

"Very little effect [of designation] on value … could reduce [mineral] reserves but often insignificant" – minerals surveyor talking about the effect of designation on quarries

11. The data provides some evidence on why this is so. At least part of the reason is the effect that the designation has on how the land can be managed, whether it can be managed in a similar way to surrounding land – so its effect on farming system – and its impact on income from the land.

12. Where the designation has a low or medium effect on how the land can be used, the impact on land value is mostly considered negligible. But where there is a high impact on land use, the effect on land values is more likely to be negative.

Table 11 Impact of designation on SSSI land value compared with impact of the SSSI on current and future land use

	Impact of SSSI on SSSI land value							
Impact of the SSSI on current & future land use	High +ve	Medium +ve	Low +ve	None / negligible	Low -ve	Medium -ve	High -ve	Total
Low	1	0	1	6	0	1	0	9
Medium	0	0	0	3	0	1	0	4
High	1	1	0	2	0	2	5	11
Total	**2**	**1**	**1**	**11**	**0**	**4**	**5**	24

13. Where there is low similarity between the management of the SSSI and its surrounding land, the impact on land value is considered more negative.

Table 12 Impact of designation on SSSI land value compared with similarity of management

	Impact of SSSI on SSSI land value							
Similarity of management of SSSI to surrounding non-SSSI land	High +ve	Medium +ve	Low +ve	None / negligible	Low -ve	Medium -ve	High -ve	**Total**
Low	2	1	0	4	0	3	4	**14**
Medium	0	0	0	1	0	0	0	**1**
High	0	0	1	6	0	1	1	**9**
Total	**2**	**1**	**1**	**11**	**0**	**4**	**5**	**24**

14. Where the income from the SSSI is low compared with surrounding non-SSSI land, the impact on land value is considered more negative.

Table 13 Impact of designation on SSSI land value compared with the income stream from the SSSI

	Impact of SSSI on SSSI land value							
Income stream from SSSI compared with surrounding non-SSSI land	High +ve	Medium +ve	Low +ve	None / negligible	Low -ve	Medium -ve	High -ve	**Total**
High	1	0	1	0	0	0	0	**2**
Medium	0	0	0	1	1	0	0	**2**
Low	1	0	0	4	3	0	3	**11**
Total	**2**	**0**	**1**	**5**	**4**	**0**	**3**	**15**

Impact of SSSI status on earning capacity

15. The above analysis shows that SSSIs have a larger negative impact on land value where the designation reduces income relative to surrounding land. This can be demonstrated by budgets comparing SSSI with non-SSSI land in a number of farming scenarios.

16. The example budgets below were prepared by a farm management consultant to be representative of typical production systems for each scenario. They are based on income and expenditure expectations at March 2011. The same fixed costs are used for the SSSI and non-SSSI variants so the differences in net margin are wholly attributable to the different land management approaches and income caused by the designation.

17. In some circumstances, such as upland grazing and lowland grassland, SSSI status can increase the profit from land due to the agri-environment payments it attracts (see Table 14 and Table 15).

> [Income] "Increased as get HLS for heathland habitat management and more likely to secure HLS funding than if outside the SSSI".

18. In others, such as where the SSSI prevents grass being ploughed up and used for arable cropping, the effect can be significantly negative (see Table 17).

Table 14 Upland grazing

Upland Grazing (Farm with inbye and moorland grazing)
Assumes SSSI land in HLS and land not in SSSI is not in HLS

£/ha	**Land in SSSI**	**Non-SSSI**
Farming Income (GM)	£16	£23
Subsidy Income	£53	£53
Conservation Grant Income	£70	£30
Gross Income	**£139**	**£106**
Fixed Costs	£75	£75
Net Margin	**£64**	**£31**
Difference	**107%**	

Table 15 Lowland grassland

Lowland Grassland
Assumes all grass farm, for SSSI area fertiliser and stocking restricted, but the land is in HLS. For land outside SSSI stocking is maximised, but land is only in ELS

£/ha	Land in SSSI	Non-SSSI
Farming Income (GM)	£335	£491
Subsidy Income	£203	£203
Conservation Grant Income	£230	£30
Gross Income	**£767**	**£724**
Fixed Costs	£510	£510
Net Margin	**£257**	**£214**
Difference	**20%**	

Table 16 Grazing marsh

Grazing Marsh (grazing store cattle)
Assumes systems very similar whether in SSSI or not
Non-SSSI receives Nitrogen fertiliser and supports a higher stocking rate
Assumed both would be in HLS

£/ha	Land in SSSI	Non-SSSI
Farming Income (GM)	£198	£219
Subsidy Income	£203	£203
Conservation Grant Income	£315	£315
Gross Income	**£715**	**£737**
Fixed Costs	£405	£405
Net Margin	**£310**	**£332**
Difference	**-7%**	

Table 17 Lowland grassland compared with lowland arable

Lowland Grassland vs Lowland Arable
Assumes lowland grassland is in SSSI, stocking is limited but is in HLS. For lowland arable it is in ELS but not in SSSI or HLS so arable production is maximised.

£/ha	Land in SSSI	Non-SSSI
	Grass	Arable
Farming Income (GM)	£335	£823
Subsidy Income	£203	£209
Conservation Grant Income	£230	£30
Gross Income	**£767**	**£1,062**
Fixed Costs	£510	£560
Net Margin	**£257**	**£502**
Difference	**-49%**	

19. Two land agents considered a SSSI to have an impact on the value of surrounding non-SSSI land, with both reporting a negative impact due to wider constraints imposed as a result of the designated area. A third agent suggested the value of surrounding land would theoretically be discounted if it was similar habitat to the SSSI, as there is a risk the designated area may be expanded.

> "If the habitat surrounding the SSSI was similar, I would discount it [it's value] due to concerns about designation creep".

Case study: Thames Basin Heaths SSSI (South East England)

The Thames Basin Heaths is a large, fragmented heathland SSSI in South East England that includes a mix of heath, woodland, military sites, village and urban areas. It is designated to protect three species of ground nesting birds – the Dartford Warbler, Nightjar and Woodlark. It is in an affluent part of England where there is considerable development pressure, particularly for new houses, which leads to recreational pressure and disturbance on the birds.

To reduce the recreational pressure on the SSSI, most of the local councils require developers to provide Suitable Alternative Natural Green Space (SANGS) and / or Strategic Access Management Space (SAMS), to differing levels depending on the size of the development and how close it is to the SSSI. Due to this, the designation has a complex effect on land values, within and outside the SSSI.

There is a negative impact on the value of development land due to additional cost of the SANGS and SAMS provision. The value of heathland that can be used for SANGS and SAMS has increased from around £6,000/acre (£15,000/ha), which is equivalent to agricultural value, to £20,000/acre (£50,000/ha), equivalent to pony paddock value due to its enabling use for development.

Property values may be higher around the 'protected' SANGS and SAMS sites as they protect the sites from development but it is difficult to differentiate this effect from many others, such as the general feel of the area and excellent schools.

Case study: Breckland Farmland and Breckland Forest SSSIs (East of England)

These two SSSIs have, like the Thames Basin Heaths, been designated to protect bird species and the effect of the designation has also spread beyond the designated area.

Surrounding the SSSI there is a 1,500 metre 'buffer zone' in which development is restricted. In addition, there is a second-level of buffer zone, called the 'Blue Zone', around sites where the taget bird species are known to have made five or more nesting attempts.

The two buffer zones have had a number of effects on land values. Housing development has been effectively stopped within the buffer zone, reducing the value of land that had been zoned for housing in the local development framework from £400-500,000 / acre in 2008 to un-irrigated agricultural value (£6,000-6,500 /acre), as the designation has made it very difficult for farmers to get planning permission for irrigation booms, boreholes and reservoirs. Where land is irrigated, it sells for £12,000 / acre in the buffer zones. More positively, the designation has made entering agri-environment schemes much more likely as it is a Higher Level Stewardship target area.

Case studies

Region	Yorkshire and the Humber	South East	South West	East	South West
Year of sale or valuation	2010	2002	2010	2010	2010
Did sale complete	Yes	Yes	Yes	Yes	N/a
Geography	Lowland	Lowland	Lowland	Lowland	Lowland
Rural / urban / urban fringe	Urban fringe: Village	Rural	Rural	Rural	Rural
Land use (simple)	Grassland	Woodland	Foreshore	River bank	Quarry
Land use of the SSSI	Unimproved natural grassland.	Woodland	Mud flats / Saltmarsh	River and River bank	Quarry
Type of seller	Individual	Institutional	Individual	Farmer	
Type of purchaser	Individual	Conservation body	Individual	Farmer	
Purchaser's attitude to SSSIs	Neutral	Positive			
Similarity between the management of the SSSI and its surrounding land	Medium	High	Low	Low	High
Effect of SSSI on current and future land use	High - restricts what can be done with the land and how it can be managed. "At least one person pulled out as could not put pony paddocks on it".	Medium - designation restricted interest as potential uses were restricted.	Low - no effect on use of saltmarsh	Low - River bank could not be used for anything else	Some extra management time due to notification.
Income stream from the SSSI compared with surrounding non-SSSI land	Medium	Medium	Low	Low	N/a
	Medium - as some income from HLS.	Medium - Similar to other woodlands	Low	Low - River bank compared with arable	N/a - No difference in income from SSSI quarry to non SSSI. Only impact is in landfill as SSSI has to leave 2 faces open but this is often negligible.
Was SSSI valued differently to its surrounding land?	N/a	N/a	No	No	No
Impact of SSSI on SSSI land value	None / negligible	Medium -ve	None / negligible	None / negligible	None / negligible
	Low. No effect on land value as marriage value more important.	Medium - 20% impact on value due to restrictions and reduced number of bidders.	Low	Low / negligible - as river bank, whether SSSI or not, has low value but included as part of field.	None

Region	East of England	East of England	Yorkshire and the Humber	East of England	South East
Year of sale or valuation		2011	2009	2009	
Did sale complete	N/a	No	Yes	Yes	
Geography	Lowland	Lowland	Lowland	Lowland	Lowland
Rural / urban / urban fringe	Rural	Rural	Rural	Rural	Mixed - rural and urban fringe
Land use (simple)	Arable	Heath	Quarry	Grassland	Heath
Land use of the SSSI	Arable	Heath and acid grassland	Quarry and woodland	Grassland - hay meadow	Heath, Woodland, urban, Military)
Type of seller	Farmer	Other	Individual	Individual	N/a
Type of purchaser	Developer	Estate	Individual	Individual	N/a
Purchaser's attitude to SSSIs	Negative	Positive	Neutral	Positive	N/a
Similarity between the management of the SSSI and its surrounding land	High	Low		Low	Low
Effect of SSSI on current and future land use	Significant	High - most heath now in intensive arable production. Only very small amounts of heath left that is not designated. Estate will put it into Higher Level Stewardship.	Low	High - restricts use - last owner wanted to use it as a pony paddock. If not designated it would be arable cropped.	High - affects type and cost of development, and what land to be used for.
Income stream from the SSSI compared with surrounding non-SSSI land	Low	Low	Low	Low	Medium
	Area in target area for HLS - so better chance of getting it.	Low - even with Higher Level Stewardship, income is much lower than arable cropping.	Low - no grants	Low compared with arable. There is no management agreement or agri-environment scheme.	Medium - conservation bodies get Higher Level Stewardship for heathland habitat management. They are more likely to get into this scheme due to the SSSI status
Was SSSI valued differently to its surrounding land?	Yes	Yes	Yes	Yes	Yes
Impact of SSSI on SSSI land value	High -ve	High +ve	None / negligible	High -ve	Variable
	Designation has affected getting planning permission for most developments and, for farmers, for irrigation infrastructure (irrigation booms, boreholes, reservoirs). The farmland is worth £15-16,000/ha without irrigation and £30,000/ha with it.	High and positive - estate would not have rented it if it could not have added it to their Higher Level Stewardship, but all other neighbouring arable farmers not interested.	Low - nil effect	High - No value applied to land - used as buffer to maintain value of house (£535,000)	Negative impact on value of development plots but value of heathland has increased from £15,000/ha (equivalent to agricultural value) to £50,000/ha (equivalent to pony paddock value) as needed by developers as replacement recreational area.

Region	East of England	North East	East of England	East of England	East Midlands
Year of sale or valuation	2010	2011	2010	2010	2010
Did sale complete	Yes	N/a	Yes	Yes	Yes
Geography	Lowland	Lowland	Lowland	Lowland	Lowland
Rural / urban / urban fringe	Rural	Rural	Rural	Rural	Rural / urban fringe
Land use (simple)	Woodland	Grassland	Woodland	Woodland	Grassland
Land use of the SSSI	Broadleaved coppice.	Grassland	Woodland	Woodland	Hay meadow
Type of seller	Farmer	Farmer	Individual	Individual	Farmer
Type of purchaser	Conservation body	N/a as not sold yet	Conservation body	Individual	Conservation body
Purchaser's attitude to SSSIs	Positive	N/a as not sold yet	Positive	Positive	Positive
Similarity between the management of the SSSI and its surrounding land	Low	Medium	Low	Low	Low
Effect of SSSI on current and future land use	High - significant use impact.		Medium - compartment was slipping into declining condition so will improve management of surrounding compartments.	High - most heath now in intensive arable production. Only very small amounts of heath left that is not designated. Will be put into Higher Level Stewardship.	High - if not designated it would be used for horse grazing.
Income stream from the SSSI compared with surrounding non-SSSI land	Low	Medium	Low	Low	Low
	No income at all to SSSI.	See below	Low - but going into English Woodland Grant Scheme	Low - not in Higher Level Stewardship.	Low - site in Higher Level Stewardship which generates around £1,000/pa which covers costs of management but the income is low compared with pony paddocks or a livery.
Was SSSI valued differently to its surrounding land?	Yes	Yes			
Impact of SSSI on SSSI land value	Medium +ve	Medium +ve	None / negligible	Medium -ve	High -ve
	SSSI considered to inflate value 20%.	Positive - SSSI gets £1500pa income from Higher Level Stewardship and Entry Level Stewardship. The valuer took this into account and increased its capital value from £60,000 (if not SSSI) to £65,000.	Low - impact very little. Plenty of demand for amenity woodland. Sold for £13,750/ha.	Medium -15%. More difficult to sell due to designation as some buyers will not be interested due to restrictions.	High - negative. Designation prevented it from selling before therefore negative effect.

Region	North West	North West	South West	North West	Yorkshire and the Humber
Year of sale or valuation	2010	2010	2010	2010	2009
Did sale complete	Yes	Yes	Yes	Yes	N/a
Geography	Upland	Upland	Upland	Upland	Upland
Rural / urban / urban fringe	Rural	Rural	Rural	Rural	Rural
Land use (simple)	Cave	Grassland	Grassland	Moor	Moorland
Land use of the SSSI	Upland grazing - but SSSI is cave system	Grassland	Grassland	Moor - shoot and grazing.	Grouse Moor
Type of seller	Individual	Farmer	Investor	Individual	N/a as valuation
Type of purchaser	Investor		Farmer	Individual	N/a as valuation
Purchaser's attitude to SSSIs	Neutral		Neutral	Positive	N/a as valuation
Similarity between the management of the SSSI and its surrounding land	High	High	Low	High	High
Effect of SSSI on current and future land use	Low - little effect.	High - more livestock can be kept. Therefore good return.	Low - Very restrictive, but limited alternative uses.	High - Restricts grazing numbers and burning. Has stimulated restoration of moorland. Moorland management plan agreed with Moorland Association which has funding attached	Low - limited alternative uses as predominantly heather moorland.
Income stream from the SSSI compared with surrounding non-SSSI land	Medium	High	Low	High	High
	Same as non SSSI	High due to Higher Level Stewardship	Land generates less income than arable land. Agri-environment payments probably make up the difference relative to standard grassland.	High - agri-environment income very significant. No surrounding non SSSI land.	High. Very good income stream from a number of agri-environment schemes.
Was SSSI valued differently to its surrounding land?	No	Yes	Yes	N/a	N/a
Impact of SSSI on SSSI land value	None / negligible	Medium +ve	Medium -ve	Medium -ve	Low +ve
	Low - no impact as did not affect what could be done with land. "SSSI is not a liability and it did not alter what you could do with land, and could have enhanced value due to Higher Level Stewardship."	Positive and medium. +20% in value due to income stream from Higher Level Stewardship, which is easier to enter due to SSSI status. This is despite SSSI designation affecting what can be done with the land.		Negative impact. -10-15% impact on value. "Private purchasers would pay extra not to have interference on how the land can be managed".	Low positive impact. Higher Level Stewardship income is a positive effect on value due to strong and attractive ("but not sustainable!") income for 10 years.

Region	Yorkshire and the Humber	East of England
Year of sale or valuation	2010	2008
Did sale complete	Yes	Yes
Geography	Upland	Lowland
Rural / urban / urban fringe	Rural	Rural
Land use (simple)	Grassland	Woodland
Land use of the SSSI	Woodland , native wood, fen and semi-improved grassland. Neutral	Woodland
Type of seller	Individual	Mixed
Type of purchaser	Individual	Individual
Purchaser's attitude to SSSIs	Positive	Neutral
Similarity between the management of the SSSI and its surrounding land	Low	Low
Effect of SSSI on current and future land use	Medium - topography means SSSI could not be used much more intensively.	High, but the land is and will remain woodland.
Income stream from the SSSI compared with surrounding non-SSSI land	Low	Low
	Low - will not be getting as much from the SSSI fields compared with other fields.	Low
Was SSSI valued differently to its surrounding land?	Yes	Yes
Impact of SSSI on SSSI land value	None / negligible	Medium -ve
	No loss in value due to SSSI and may actually attract premium from lifestyle buyer. But this is as the SSSI is a small proportion of the overall property "If it was a 200 acre farm and the SSSI was 100 acres, its would have had a significant negative effect".	Medium. -10-20%. Without the designation the owners would have had greater flexibility in woodland management. The only effect on hunting and shooting has been on ride positions and the species that can be replanted.

Conclusions

SSSI designation is one of the many factors that influences values, as it affects demand from potential purchasers and how the land can be used.

The effect of designation on land values is variable, with valuers reporting positive, negligible and negative impacts depending on the context and land use of individual cases. For example, a SSSI was considered to have a negligible effect on the value of a small holding that was marketed to attract lifestyle buyers; if the holding had been bigger and more attractive to farmers, the designation would have had a negative effect.

Where the designation does not have a significant effect on how the land can be used, so typically in non-agricultural situations like caves, foreshore, woodlands and quarries, it mostly has a negligible effect on values.

Where land use and income is significantly affected or where the land management requirements are different to surrounding land, the designation is much more likely to be considered to have a negative effect on land values.

In some circumstances SSSI status can increase income, as it can attract agri-environment scheme payments. This primarily applies in upland grazing and moorland scenarios where budget examples show net income can be more than doubled. In such cases, some valuers considered SSSIs to have a positive impact on land vales.

There was little evidence that SSSIs have a negative effect on surrounding undesignated land apart from in particular circumstances, such as the two examples related to ground nesting birds, where buffer zones around the SSSIs have had mainly negative effects on land values.

Recommendations for further work

There are a number of ways in which research into this area could be developed, and a number of interesting questions arising from this research.

The approach used of semi-structured interviews with land agents was useful in drawing out the underlying reasons for valuations and the peculiarities of individual sales; postal or e-surveys are unlikely to get into the detail enough. Increasing the number of interviews would increase the certainty of the conclusions and would also permit further statistical analysis to be conducted.

The method used to identify sales of SSSIs could be developed. For example, it is possible to use GIS software to perform proximity analysis to identify farm sales containing or close to SSSIs. Alternatively, data on land transactions including SSSI land could be obtained through a bespoke search at the Land Registry. As well as being useful for this type of research, these methods could be used by Natural England, and other conservation bodies, to identify when a SSSI is sold as this could be an important time in terms of management (see below).

There may also be value in using a hedonic modelling approach, as has been done in Scotland. The literature review highlights the diversity of factors that affect land values and, considering the heterogeneous nature of land and properties, hedonic price models are particularly suited to analysis of factors affecting property prices as they are based on the theory that a property's value is determined by the combination of its attributes.

As well as impact on value, the impact of a change in owner or occupier on the management of SSSIs would be a valuable study. A long-term research programme by Westmacott and Worthington (1974) found that a change of decision maker, in this case farmers, often leads to landscape changes as the new manager brings in new ideas on land management. Therefore the period after a change in owner or occupier may be a critical one for the management of a SSSI. Does a change in ownership result in a change in its management status – positively or negatively – and if so why? If this is the case, is there any action that Natural England can take to minimise any negative impacts? Analysis of this period may provide Natural England with some useful case studies or best practice examples on the most effective ways to engage in the process to make sure that the outcome is the most positive in terms of management for SSSIs.

SMITHSGORE

Survey form

The impact of SSSI status on land values in England

Natural England has asked us to explore **the impact of SSSI designation on land values** – both on the land designated and the surrounding land in a range of contexts (rural and urban, lowland and upland). I have written to you, as an experienced valuer, to ask for your help by answering the questions below. Any information you provide will be treated in confidence, and you and the SSSI will not be identified. Thank you for your help in advance.

Jason Beedell, Smiths Gore • **e** jason.beedell@smithsgore.co.uk • **t** 01733 866562 (direct) • m 07795 651493

Your name	
Your organisation	

The theory of valuing SSSIs Please answer these questions based on your approach to valuations in general	
What factors do you think purchasers take into account when making land purchase decisions? (e.g., location, size, quality of land, quality of buildings etc)	
When valuing land, do you value SSSIs any differently to non-SSSI land? If so, how?	
What factors do you take into account when valuing a SSSI?	
What is your general advice to sellers and purchasers on SSSIs?	

The practice of valuing SSSIs Please answer these questions for a sale or valuation you have been involved with that included SSSI land	
Size of land for sale or valued (hectares)	
Size of SSSI (hectares)	
Region the SSSI is in (e.g., East Midlands)	
Name of the SSSI (just so we can check its condition e.g., favourable recovering)	
Year of sale or valuation	
If a sale, did it complete? (Yes / No / Don't know)	
Is the land lowland or upland?	
Is the land in a rural, urban or urban fringe setting?	

What is the land use of the SSSI? (grazing, arable, woodland, conservation, recreation, none, other)	

The practice of valuing SSSIs

If a sale, how would you categorise the seller? (farmer, conservation body, government, non-farmer / lifestyle, investor, institution)	
If a sale, how would you categorise the purchaser? (farmer, conservation body, government, non-farmer / lifestyle, investor, institution)	
How would you categorise the purchaser's attitude towards SSSIs? (Positive, Neutral, Negative)	
In terms of land use, how similar is the management regime of the SSSI to the surrounding land? e.g., Low (as SSSI is lowland grazing surrounded by arable) (Low, Medium, High)	
What effect do you think the SSSI has on current and future land use? e.g., Low (as it has little effect) or High (as it restricts what the land can be used for) (Low, Medium or High)	
What is the income stream from the SSSI compared with surrounding non-SSSI land? e.g., Medium (as there is income from Higher Level Stewardship but it is lower than surrounding arable) (Low, Medium, High)	
When carrying out your valuation, what method(s) did you use? (Comparables, earning capacity, other)	
What factors did you take into account when valuing the SSSI?	
Did you give the SSSI land a different value to its surrounding land? (Yes, No) (If yes, why?)	
What was the impact of the SSSI status on the value of the SSSI land? i.e., if the land was the same in all ways but not designated, would there be a low, medium or high difference in its land value? (Low, Medium or High)	
Does the SSSI have an impact on the non-SSSI land surrounding it? i.e., in terms of values and what it can be used for? (Yes, No) (If yes, why?)	
What was the impact of the SSSI on the overall sale value or valuation? (Low, Medium or High)	

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Report preparation and limitations

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Information relied upon

The authors have acted upon information and data extracted from various sources, which have been stated and assumed to be reliable. The information and data collected has been assumed to be true, correct and complete. It has been tested and checked so far as reasonably possible.

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