

FARMING AND PROPERTY BULLETIN – FEBRUARY 2015

Basic Payment Scheme Guidance

The Basic Payment Scheme Handbook is due to be online from 14th February and will be posted out to all claimants from 23rd of the month. This will contain the scheme rules, but will not include guidance on how to claim, this will only be available online. The Handbook is expected to be the last paper guidance released, unless there is a requirement due to updates or corrections.

Active Farmer

Last month it was reported that anyone who has 36ha of eligible land will be deemed an active farmer. The use of this get-out will not be automatic in 2015. Those claimants that are on the negative list will have to indicate this on the CAPIS system. They will then have to manually indicate on the system that they are claiming 36 or more hectares to get themselves readmitted – the system will not transfer across the information.

Outstanding Greening Queries

There are still one or two unanswered questions on the detail of Greening that DEFRA is discussing with the EC at the moment.

Firstly, there has been a query with regard to existing margins/buffer strips. These are margins that are not under an agri-environment scheme – those used to retain their arable status even if they have been in place for more than 5 years and have grass on them. These have usually been coded as per the main crop (arable) in the last few years but in practical terms they may fit into the definition of Permanent Grassland. This would have implications for EFA. It now seems unlikely that the RPA will go back through and unpick all the coding and define these strips as Permanent Grassland. It may be that there is an option for claimants to code these as Permanent Grassland if they wish and in some cases get below the Greening thresholds to enable an exemption.

Another query is what happens under Crop Diversification if the cropping changes during the Cropping Period of 1st May to 30th June. It seems most likely that it will be the crop in place as at the 15th May that is counted but it is yet to be confirmed.

Timetable for CAPIS

The amended timetable for functionality on the CAPIS system is as follows:

- February – amend business details; change field parcels, input land data and map EFA features
- March – check entitlement information; entitlement transfers; Active Farmers information; National Reserve claims, Young Farmers Supplement
- April – the claim – bringing together all of the above and submitting

End of SPS Online

This will close on the 31st March 2015.

Mobile Operators – Increased Coverage

The Department for Culture, Media and Sport has reported that all four of the major mobile phone providers have signed up to a deal to improve coverage in so-called "partial not-spots". The DCMS press release can be read on the GOV.UK website. For those that have mobile masts on their holdings this may result in requests for further equipment or site sharing variations to existing leases so watch out.

Affordable Housing

The Government announced on 1st December 2014 that developers will no longer have to provide affordable housing or tariff style contributions on sites of 10 units or less and less than 1,000 sq m of combined gross floor space). In AONB's and National Parks, authorities could choose to reduce the limit to 5 units or less with developments of 6-10 units requiring a cash payment could be sought instead of actual built houses.

Land Prices Reach £10,000/ac

Farmland continued to outpace supply in the final six months of 2014, with land prices rising by 8.3% over the year to reach over £10,067 per acre, according to the latest RICS/RAU Rural Land Market Survey.

During the second half of last year, the average cost of farmland rose to £10,067 per acre across England and Wales, hitting a record high for the eleventh consecutive period.

During the same period in 2013 an acre cost, on average, £9,294. Despite evidence that the recent fall in commodity prices is starting to slow up the pace of demand – particularly for smaller areas of land in all parts of the country - prices are expected to continue to rise over the next 12 months.

The increase in demand from 'lifestyle' buyers that began in 2013 continued throughout the whole of 2014 with this trend being noticed across most parts of the UK. This is adding to price pressures and keeping price expectations positive in all areas.

Evidence also seems to suggest the continued presence in the market of investor purchasers seeing land as a safe haven. Across the UK the supply of commercial farmland has remained flat or decreased in nine of the ten areas, while demand has continued to grow in all but one part of the UK.

According to surveyors, average annual arable land rents decreased for the first time in six years but remain 0.8% higher over the year. Pasture lands rents, on the other hand, rose by 7.8% over the year to reach £107 per acre.

Energy Efficiency in Let Properties

The Energy Act 2011 made provisions for the introduction of further Regulations which would aim to improve energy efficiency in let property by requiring landlords:

- i) Not to unreasonably refuse a tenant's request to carry out energy efficiency works to the property where Green Deal funds or other subsidies are available to pay for the work;
- ii) Not to let property which does not meet an EPC rating of E or above.

Those Regulations have now been laid before Parliament and are expected to come into force by April 2016 (for tenant's request) and April 2018 (for a ban on certain lettings).

The Department of Energy and Climate Change is holding roadshows across the country to explain the new Regulations.

2015 Farmland Bird Count

The Game & Wildlife Conservation Trust have organised the 2015 Big Farmland Bird Count to highlight work done by farmers and gamekeepers in helping to reverse the decline in farmland bird numbers.

Between the 7th and 15th February 2015 GWCT are inviting you to spend about 30 minutes recording the species and number of birds seen on one particular area of the farm. You will then be able to easily submit your findings online. You can choose your own location but somewhere with a good view of around 2 ha of the farm would be ideal. You'll be asked to record the types of habitat and cropping on and adjacent to your count site to help provide GWCT with more detail about your count location.

To see the highest number of birds GWCT recommend that the site includes or is close to an area of game or wild seed mix or somewhere that supplementary feeding takes place. Ideally, counting should take place at first light as this is when the birds are most active. However, it is more important that you take part, so timings should suit you.

Go to: <http://www.gwct.org.uk/farming/big-farmland-bird-count/> for more detail and to register.

Infrastructure Bill

The Infrastructure Bill currently passing through Parliament will increase the liability of landowners to manage invasive, non-native species on their property. This may result in landowners being legally required to control and also eradicate such species on their land. Examples include Japanese Knotweed and signal crayfish. This development will increase the liability of lease holders, land purchasers and developers in addition to land owners. It may therefore be worth investigating early whether your land contains any such species and taking early action to reduce costs of control or eradication. It may also be important to review legal documents in place to ensure that liabilities of each party involved are correctly covered.