

Rural Matters



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McCartneys LLP Awarded "Best Professional Rural Services Business"



McCartneys LLP have been named Best Professional Rural Services Business at the 2018 Midlands Rural Business Awards.

To be named the best Professional Services Business throughout the whole of central England is truly exciting. Each member of our Rural Professional department has contributed to this win and they can be incredibly proud of the work they do day to day with farmers and rural businesses throughout Shropshire, Herefordshire, Worcestershire and across the border into Wales. Winning the award for Best Rural Professional Services Business in the Midlands is a testament of the hard work of our team. The award recognises that we offer excellent customer care and are always looking to go the extra mile in the interest of our clients.

The Rural Business Awards is supported by organisations including Amazon, HSBC and DEFRA and aims to recognise businesses operating right across the rural sector. They acknowledge the breadth and depth of opportunity presented by the Great British countryside and celebrate the achievements of rural businesses.

The thirteen award categories are decided by an independent panel of judges drawn from the rural business sector, official agencies and rural charitable organisations.

McCartneys will now go through to the national awards, the winners of which will be announced in February 2019.



Mr Glyn Owens FRICS FAAV FLAA
Based at Knighton Office

Agriculture Bill

Defra have published the new Agricultural bill outlining their initial vision of a post Brexit support scheme for UK agriculture.

Defra states that the Agriculture Bill seeks to provide for a range of enabling powers to ensure "stability" for farmers as the UK exits from the EU's Common Agricultural Policy and compliance with the World Trade Organisation Agreement on Agriculture. It also introduces new measures to change the way in which farmers and land managers are supported in the longer term. It is the first substantial Brexit Bill in a domestic policy area which covers both developed and reserved matters. The Agricultural Bill will be read a number of times in parliament, and probably amended in parts, before it is finalised.

The Agricultural Bill currently states that:

- Direct Payments will be paid in full in 2019 and 2020, and will then be phased out during a seven year transition period
- Cuts to direct payments will be "progressive", with smaller farmers giving up less than larger claimants
- Money syphoned off in this way will be used to pilot a new Environmental Land Management (ELM) system
- Some of this money may also be spent on helping farmers improve their productivity
- Any direct payments post-2020 will be "delinked" from a requirement to farm, enabling farmers to use the money to invest, diversify or retire

- Attempts will be made to simplify the system of applying for support, but farmers will still have to meet "a strong regulatory baseline"

The new Agriculture Bill, read in parliament on the 12th of September, is divided into nine separate parts.

The present government has pledged to maintain funding for the life of this parliament so, this may be until March 2022.

Capping of BPS payments could be brought in by 2021, with the savings achieved, redistributed. The most likely capping proposal is for tiered reductions initially as follows:

- Up to £30,000 – 5%
- £30,000 to £50,000 – 10%
- £50,000 to £150,000 – 25%
- Above £150,000 – 25%

The remaining BPS allocations will then be progressively reduced to zero by 2028.

These payments are expected to be delinked from land, so that farmers can elect to retire but continue to receive the reducing basic payment, either as annual payments or a capitalised sum.

During this period, existing stewardship agreements will run out, but HLS/HTS schemes might be extendable while the new environmental stewardship scheme is developed.

The basic payment and some element of the existing stewardship schemes will be replaced by environmental and other public good schemes.

An environmental land management scheme will likely form the basis of the new support arrangements, with focus on measurable public goods to include:

- Water and air quality
- Soil health
- Reducing climate change
- Improving public access
- Maintaining important landscape features
- Reducing flood risk
- Providing and enhancing wildlife habitats

During the transition period, time limited funding will be provided to improve productivity, reduce animal disease and promote collaboration. There is likely to be continued support for investments in equipment, technology and support for new entrants.

The Agricultural Bill will receive further amendments from Parliament and industry stakeholders before it is finalised in 2019.

The full Agricultural Bill can be read at <https://services.parliament.uk/bills/2017-19/agriculture.html>



Gareth Wall MRICS FFAV FLAA MBIAC
Based at Kington Office

Galloping Success

More than £1275 was raised for McCartneys 2018 charity, the British Heart Foundation at the company's first charity race night.

60 guests packed into the Ox Pasture, eager for a flutter and the evening didn't disappoint.

Footage of real races was displayed on a big screen with comedy commentary and race names such as 'The Village Idiot Stakes' and the 'Sick 'as a' Dog Derby'. In a further fun twist, everyone attending was named the 'owner' of one of the horses running and if that horse won its race, then that owner was presented with cash prize and a bottle of bubbly.

Of course, the event was all about raising money for the British Heart Foundation and we were delighted to be joined by Warren Appleby from the charity and his wife Joanne. Throughout the evening a number of British Heart Foundation videos were played to remind everyone why digging deep for this cause is so important.

Racegoers enthusiastically joined in the event, cheering on their horses with much laughter around the room. They didn't go hungry either, thanks to the catering team, with the hot pork and apple sauce baps going down a real treat.

The final race included a charity auction where the horses were auctioned to the highest bidder. There was stiff competition amongst the guests with generous bidding on each horse and in the spirit of the night the eventual winner donated their winnings to the overall total raised.

The proceedings were bought to a close with the drawing of the raffle for some super prizes including champagne, wine, chocolates and perfume.

It was a great night and one that many who attended have already asked for us to repeat in the future.

A special thanks goes to everyone who attended and to the small team of volunteers that gave up their time to put on the evening.



With more events scheduled before the end of the year the McCartneys team have raised over £5,500 so far to date.

Woodland Grants

Welcome changes have been introduced to the Woodland Creation Grant through the removal of set application periods, and now enables farmers and landowners to apply at any point in the year.

The Woodland Creation Grant provides funding towards a number of tree planting and associated works, including fencing, wooden gates and woodland infrastructure. Payment rates vary depending upon the capital item chosen, with tree planting providing a payment rate of £1.28/tree. Farmers and landowners must enter a minimum of 3 hectares into any application. This can comprise of a number of areas across the farm, however each area must be a minimum of half a hectare.

The grant forms part of Countryside Stewardship, and if your application is successful, you will have two years to carry out all works. The capital items must remain in-situ and be maintained for 5 years from the date of the final capital claim payment.

Once you have planted the trees, you can apply for an additional 10 year maintenance grant, which forms part of the Higher Tier Countryside Stewardship. This provides an additional payment of £200 per hectare.

If you are planning on planting over 10 hectares, you can also apply for a Woodland Planning Grant which provides an additional payment.

Prior to submitting an application, applicants require a Forestry Commission site visit. Additionally, the proposed planting must be entered onto the Public Register and the necessary consents gained.

Land entered into a Woodland Creation Grant cannot be used for any agricultural activity and agreement holders will need to notify the RPA of this change. However, you will be able to continue to claim BPS on this land until the end of the maintenance grant.

In addition to the above Woodland Creation Grant, other woodland grants are available including Wood Management Plans and Tree Health Grants.

If you require any assistance in applying for one of these grants or want further information please contact one of our Rural Professionals at your local McCartneys Office.



Joanna Wall BSc (Hons) MRICS FAAV
Based at Craven Arms Office

Auction Success

McCartneys report another excellent land auction at The Metropole Hotel, Landrindod Wells on Thursday 27th September 2018.



The evening saw Knighton auctioneer and land agent Mrs Jenny Layton Mills firstly offer 11.41 acres of permanent pasture land at New Invention near Clun for sale. The land was situated within one parcel and benefited from natural water supply and roadside access. The bidding started at £75,000 and 19 bids later sold for £94,000 (£8,238 per acre), well in excess of the guide price.

Mrs Katie Davies then offered 15.69 acres of permanent pasture land, known as Bronhafod Field, Tregynon, near Newtown. Bidding started at £80,000 and rose at a quick pace, with several bidders, to a final sale of £135,000 (£8,604 per acre).

Goff's Field, Tregynon, being 2.47 acres of permanent pasture, was then auctioned starting at £12,000 and again with four bidders rising to £26,000 (£10,522 per acre).

Auctions are the most transparent way of selling land and property with a contract signed and a 10% deposit paid on the fall of the hammer. McCartneys have collective property auctions across the region. Another auction will be held at The Metropole Hotel in the spring. For a free market appraisal please contact Jenny Layton Mills/Katie Davies at the Knighton Office or your local McCartneys agent.



Katie Davies BSc (Hons) MRICS FAAV
Based at Knighton and Welshpool Office

There Is Always Some Blood On The Carpet

This year I have had to deal with four farming partnership dissolutions. One was dealt with by the partners themselves in an amicable way on the termination of the business. The other three however involved solicitors and one partner, in each case a son, wanting to leave and take his share out. All three resulted in family heartache, mother crying, father bewildered about what was happening, and general mistrust and bitterness.

As a valuer acting impartially I was required to be like Solomon and value the assets of the partnership on a factual basis whether it was land, tenancy, entitlements, fodder, growing crops, granary, stores or live and dead farming stock. All ended up with large figures but I am not sure with any of them if the leaving partner got or will get what he thought he would when he pressed the button. In one case this was because of the way in which the partnership deed stated how the assets should be valued and what the remaining partners were legally entitled to do. Without a deed the process is governed by the Partnership Act of 1890. This is a piece of Victorian legislation which is fairly ruthless.

So, if as a family you are in business together, make sure you take proper advice. Make sure there is a deed. Make sure things are fair. Make sure everything is written down. As partners, take the rough with smooth and never worry what anybody else is having as long as you are happy with your lot.

It is a truism, you don't truly value anything until it has gone. Perhaps for partnership disputes we should read Brexit and for solicitors Article 50.

Whatever happens in these situations there is always somebody's blood on the carpet at the end of it, and very often not who you thought it would be when you started.



John Uffold BSc (Hons) MRICS FAAV FLAA MNAVA
Based at Ludow Market Office

Telecommunications Masts Update

Many clients who have existing mobile phone masts with leases coming to the end of their term are receiving communication from the network provider to review the terms of the lease and, unfortunately, the rent paid under the new Electronic Communications Code.

Agreements under the previous code for masts were settled by agreement at values that both parties accepted based on fair market value of such a site. Under the new code, the valuation approach starts with finding the market value of the agreement but, in particular, now disregards the value for use. Many operators are now offering values for existing mast sites based on the site's existing use value. This approach sees proposals made for substantial rental reductions on renewing existing agreements. This is where our work as agents comes in – to try and find comparables of new sites since the code came in, together with small sites similar to telecommunication sites such as digital advertising, polytunnels, parking areas for HGV, small wind turbines etc.

Our fees to advise you on this are paid by the operators. It is a learning curve for all within the industry but we will seek the best advice from our valuation national bodies to in turn give you the best advice. If you need advice on anything to do with Telecommunications call Jenny Layton Mills or your local McCartneys Rural Agent.



Jenny Layton Mills BSc (Hons) MRICS FAAV FLAA
Based at Knighton Office

'Measure In All things'

As we enter the final months of the year, I find my thoughts turning to the year that has been and reflecting on how different it was to the year expected. We have seen fluctuations in the markets, the land and housing sector under increasing pressure and a lack of clarity over Brexit which is causing nervousness in our industry.

Whilst reflecting upon the year, my attention has also been drawn to some very important anniversaries for surveyors and the country. 2018 marks the 150th Anniversary of the formation of the Royal Institution of Chartered Surveyors (RICS) and also 100 years since the end of the World War One.

The RICS is the body that the majority of land agents, surveyors and auctioneers employed by McCartneys are members of, with the motto of the institution being 'There is measure in all things' which is a rather important premise when you are a firm of auctioneers!

However, 2018 also marks the 100th anniversary of the end of World War One.

Members of the RICS were heavily involved on all fronts in World War One. At the AGM of the Institution in May 1919, it was reported that 271 members had died during the war, however, more casualties were reported at the AGMs in 1920 and 1921 and the total losses of the Institution are estimated to be in the region of 310 members.

Looking through the published literature of the RICS, I stumbled across the Presidential address for 1918 to celebrate 60 years of the Institution. The speech was given on the day the First World War ended, 11 November 1918. The then President of the Institution, John Hubert Oakley, gave the following address:

Gentlemen, we have met here this evening by coincidence on a day of great importance, the greatest and most memorable day there has ever been in connection with our Empire, and, I think I may say, the whole world. As you know, Gentlemen, the armistice has been signed and by signing of that armistice, we were told by our Premier at the Guildhall on Saturday night – to use his exact words – "the issue was settled". Gentlemen, it is a moment for rejoicing: it is a moment where everything gives way to the one thought uppermost in our minds, even at tonight's important occasion, the Jubilee meeting of our Institution. Every other thought seems to disappear, and I feel that I must, and that you would wish me, before we start our business transactions and I proceed to read my Address, to refer to the great event that has happened today, and I think, if it meets with your approval we should open the proceedings by singing the first verse of the National Anthem.

It is important to reflect upon our past and learn lessons from it, however, we should also take courage that in these uncertain times, we have faced challenges before and come through together.

Simon Edwards MRICS IRRV
Based at Brecon & Hay on Wye Office



With a long standing heritage in supporting the needs of the countryside economy McCartneys is one of the oldest and largest multi disciplined private practices in the United Kingdom. Offering a wide and comprehensive range of services across the Midlands and throughout Wales, McCartneys has a large dedicated team of professional experts specialising in all aspects of rural property, planning and business advice.

Please contact one of our professional staff for sensible and impartial advice. For any further information about any of the content of this newsletter Please contact the editors Gareth Wall and Beth Hanson.

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