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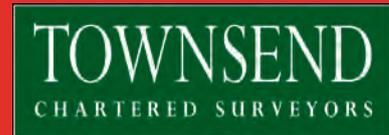
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farm facts 2018

farm & estate management day-to-day management & consultancy for farms, forestry, land & estates. property agency sale and purchase of houses & country houses, farms, land, estates, cottages, barns, smallholdings, equestrian property; lettings & management; grass & land lets; development land. professional services farm & rural business consultancy; Basic Payment Scheme; Stewardship schemes; landlord/tenant negotiations; diversification; rent reviews; ASTs & FBTs; partnership insurance; dispute resolution, mediation, arbitration, expert witness & advocacy; telecoms, compulsory purchase, pipeline and easement claims, & wayleaves. renewables anaerobic digestion; energy crops; biomass/estate heating; hydropower; income from renewables; on-shore wind & solar. farm quota entitlements; water abstraction licences; carbon trading, credits & emissions allowances. planning & development advice & applications; agricultural need assessments; appeals; design & drawings; development & development land advice. valuations surveys and valuations for property, IHT, CGT & probate. sporting sporting agency & licences.



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THE BASIC PAYMENT SCHEME (BPS) IN ENGLAND BPS Eligible Land Any agricultural area that is used for an agricultural activity (defined as producing, rearing or growing agricultural products etc., or keeping land clear of dense scrub) • **Active Farmer** Farmers who do not operate airports, railway services, waterworks, real estate services or permanent sport & recreational grounds, or whose total 2017 BPS claim was ≤€5,000 (£4,473.50), automatically qualify as active farmers. Farmers who do not automatically qualify must satisfy one of the following criteria: 1) 36 ha or more of eligible land at their disposal; 2) Total agricultural receipts are at least 40% of total receipts in their most recent financial year; 3) The value of their BPS claim was equivalent to at least 5% of total non-agricultural receipts in their most recent financial year. In 2017 some farmers were required to provide an Accountant's Certificate to confirm active farmer status • **Entitlement Transfers** BPS entitlements (that have been used in accordance with the usage rules) can be permanently transferred or leased to 'active farmers' • **Entitlement Usage** At least once every 2 years all of the claimants' BPS entitlements must be activated in a single year • **Minimum Claim** 5 ha • **2017 English Entitlement Payment Values** (subject to exchange rate of £0.89470) *Non-SDA* BPS Value (BPSV) £161.46, Greening Value (GV) £69.51, Total Entitlement Value (EV) £230.97; *SDA* BPSV £160.06, GV £68.82, EV £228.88; *SDA Moorland* BPSV £44.40, GV £19.08, EV £63.48. 2017 BPS payments above €2,000 (£1,789.40) will also be subject to a Financial Discipline Mechanism reduction of 1.388419% • **Capping** BPS payments (excluding greening & any young farmer top-up payment) over £150,000 (£134,205 in 2017) will be reduced by 5% • **Over-claiming Penalties** If an over-claim is more than 2ha, or 3% of the total area claimed, the area over-claimed is multiplied by 1.5%. The Yellow Card System also means that first-time offenders, who have not over-claimed in the past, will have their penalty rate halved to 0.75% • **National Reserve Allocation** RPA allocate new entitlements to match 'naked' eligible area for: *Young Farmers* (≤ 40 years old in the year of application) in control (i.e. >50% of the shares/votes) of a farm business & took control in the previous 5 years (i.e. 2013 or later for 2018 BPS claim); and/or *New Farmers/Entrants* – In control of a farm business which started an agricultural activity in 2014 or later & were not in control of any farming activity in the preceding 5 years • **Young Farmer Payment** Young farmers can apply annually for a 25% top-up BPS payment (excluding Greening) on a max of 90 entitlements for up to 5 years after taking control of a business • **Dual Use** One party claiming BPS & another claiming under an agri-environment scheme on the same land. Allowed - provided the BPS claimant has the land 'at their disposal', the agri-environment scheme claimant has 'management control' of the land & the obligations under both schemes are set out in writing • **Greening** BPS claimants must meet 3 measures (see below) on all of their eligible area, not just the land used to claim BPS.

COMMONS CLAIMS IN ENGLAND Since Minchinhampton case RPA now compensating claimants for lost entitlements since 2005. RPA currently only using scheme years 2009-14 to allocate extra entitlements with effect from 2015 plus lost payments. Claimant's eligible area now calculated apportioning the commons eligible area based on use/livestock numbers each year, rather than previously only referring to common rights. New Forest has its own rules. See the Commons Network page on our website.

BPS GREENING MEASURES IN ENGLAND DEFRA have advised that farmers should follow the 2017 Greening rules for 2018 (with some updates) • **Permanent Grassland** If English permanent grassland falls below 95% of 2015 levels, farmers who have ploughed permanent grassland may have to re-instate it • **Crop Diversification** 2 different crops required if claimant has 10-30ha of arable land (1 crop comprising not >75% of arable land); 3 different crops required if claimant has >30ha of arable land (1 crop comprising not >75% & 2 combined not >95% of arable land). Arable land includes land cultivated for crop production, fallow & temporary grassland. Fallow land, spring & winter crops count as separate crops. The 'cropping period' is from 1.5.18-30.6.18 (the RPA will accept crops harvested before 30th June if stubble or other crop residue remains). From 2018 you can include small areas (<0.01 ha) of different crops grown next to each other as 'mixed crops' • **Ecological Focus Area (EFA)** BPS claimants with >15ha of arable land must have the equivalent of 5% of arable area as EFA. The following EFA options are available: *Fallow* Must be on arable land, no crop production or grazing from 1.1.18-30.6.18, min width 2m, grass & wild bird seed mixes & nectar mixes can be sown, herbicides & cultivation to control weeds is permitted, 1m² = 1m² of EFA; *Hedges* 1 side must be adjacent to, or within 5m of, arable land, both sides to be at claimant's disposal (if only 1 side is at their disposal & it's adjacent to arable land, only ½ the hedge counts), any width or height, min length 20m, can include gaps ≤ 20m, 1 linear metre = 10m² of EFA (5m² if half). From 2018 trees in a line are included in the definition of a hedge. *Buffer strips* Must be next to, or within 5m of, arable land; Must be next to a watercourse or parallel with & on a slope to a watercourse with arable land on both sides, min width 1m; No production permitted but grazing & cutting is allowed provided buffer strip is 'distinguishable from adjacent agricultural land', 1 linear metre = 9m² of EFA. From 2018 the definition of buffer strips also includes field margins. *Nitrogen fixing crops* Must be on arable land & present from 1.5.18-30.6.18 (if same as 2017), min area 0.1ha, 1m² = 0.7m² of EFA. *Catch crops/cover crops* Must be on arable land; Catch crops must be established by 20th Aug & retained for a minimum of 8 weeks or at least until 14th Oct in the relevant BPS year; Cover crops must be established by 1st Oct in the relevant BPS year & retained until 15th Jan the following year, & must sow a mix of crop species including 1 cereal & 1 non-cereal from the following list: barley, oats, rye, mustard, vetch, phacelia, lucerne & oilseed radish; Grass can be used if it was under-sown in the previous crop, 1m² = 0.3m² of EFA. From 2018 plant production products (PPPs) are banned on EFA Fallow Land, Catch & Cover Crops or Nitrogen-fixing crops • **Exemptions** *Greening exemption* Land certified as organic or in conversion by an accredited body. *Crop Diversification exemptions* If >75% of arable area is temporary grass &/or fallow & the remaining arable area is 30ha or less; If >50% of arable area a claimant declares was not declared by him in the previous BPS year & all of the arable area is in a different crop to the previous year. *EFA exemption* If >75% of arable area is temporary grass &/or fallow &/or leguminous crops & the remaining arable area is ≤30ha. *Crop Diversification & EFA exemption* If permanent & temporary grassland is >75% of agricultural area & the remaining arable area is ≤30ha.

GRASSLAND NITROGEN LIMITS WITHIN NVZs & STEWARDSHIP NVZs *Livestock manure* 170kg N/ha/yr (Derogation: farms with grazing livestock [not veal calves] where at least 80% of their area is grass may work to a higher limit of up to 250kg of N/ha provided a successful application is made each year [application window 2.10.17–29.12.17 for derogation in 2018] & certain conditions are met). *Other organic manure* 250kg N/ha in any 12-month period (not including manure deposited by grazing animals). *Transitional Arrangements* If land was in an NVZ for the first time in 2017, no need to comply with legal requirements until 1.1.18, or 31.7.19 for regulations 18, 20, 21, 22, 24, 25 • **Environmental Stewardship** *ELS Permanent SDA grassland with low inputs* 50kg of N/ha/year as inorganic fertiliser & 100kg of N/ha/year total. *Permanent SDA grassland with very low inputs* 12.5 tonnes of FYM/ha/year if grassland is regularly cut • **Countryside Stewardship** *Permanent Non-SDA grassland with very low inputs* When a parcel is cut for hay or silage, or grazed, you can apply a max of either 12 tonnes of FYM/ha, or fertiliser at a rate of 9kg/ha N, 23kg/ha P & 83 kg/ha K.

ENTITLEMENT TRADING 2018 UK BPS Entitlement Sale Price at 27.11.17 *Non-SDA* £150+VAT/ha; *SDA* £175+VAT/ha; *SDA-Moorland, Wales, Scotland & Northern Ireland* No trade as yet • **2017 UK BPS Entitlement Average Sale Price** *English Non-SDA* £144/ha (Non-VAT £200); *SDA* £208/ha (Non-VAT £230); *SDA-Moorland* £61/ha.

CHANGES TO CROSS COMPLIANCE CHECKS FOR 2018 The way the RPA checks the following rules is changing for 2018 • **GAEC 5** Practical measures must have been put in place to limit soil & bankside erosion; these must be demonstrable in case of inspection • **SMR 7** Cattle must be correctly identified & lost/damaged ear tags replaced within 28 days. All notifications made to BCMS must be within their respective deadlines • **SMR 8** All sheep & goats must be correctly identified & lost/damaged ear tags must be replaced within 28 days.

PASTURE - DIFFERENT TYPES *Natura 2000* Permanent grassland in areas covered by the Wild Birds &/or Habitats Directive (*Natura 2000*) must not be ploughed, even if not claiming BPS. To check if designated under *Natura 2000*, go to <http://natura2000.eea.europa.eu> or <http://magic.defra.gov.uk> • **BPS Permitted** to rotate and modify permanent grassland (i.e. land not ploughed for more than 5 years), unless it falls under the EIA (Agriculture) Regulations, or prevented by a CSS/HLS agreement • **BPS 5-year Rule** If in grass for >5 years is Permanent Grassland (PG01) • **EIA Screening Decision** Required from Natural England before land of >2 ha which hasn't been cultivated or improved (i.e. had fertiliser/soil improvers applied, scrub cleared, drainage works carried out etc.) for 15 years, or which is semi-natural grassland, is ploughed or improved • **Landlord's Pasture** under the AHA 1986 An AHA tenancy may specify that land must remain in permanent pasture • **Valuation of Tenant's Pasture** under the AHA 1986 *Cost basis* If a crop has yet to be taken the reasonable cost of seeds sown, cultivations and acts of husbandry, etc; *Face value* When a crop has been taken through mowing or grazing, all relevant factors including its age, condition and weeds etc; *Sod value* Outgoing tenant is compensated for increased fertility if more pasture left than required • **Compensation for Growing Crops** under the ATA 1995 There is no statutory right for compensation for growing crops (including pasture).

RURAL DEVELOPMENT PROGRAMME (RDPE) SCHEMES Brexit The UK government has confirmed it will guarantee funding if grants are agreed and signed before the UK's departure from the EU, even if the grant agreements continue post Brexit, subject to projects being 'good value for money' and in line with UK domestic strategic priorities • **Environmental Stewardship (ES)** (ELS/HLS) Existing agreement holders must submit a claim by 15th May each year to receive their payment. Existing ES options can be used to meet the EFA & crop diversification rules under BPS • **Countryside Stewardship Scheme (CSS)** now incorporates elements of the past Environmental Stewardship scheme plus English Woodland Grants & Catchment Sensitive Farming Grants into one programme. Applicants compete for limited funding, based on the strength of their application. All agreements are for 5 years, unless a 10-year agreement is justified (e.g. water/wetland habitats, complex tenure arrangements or woodland creation). A 5-year break clause will be included which can be implemented, without penalty, by either party. There are three tiers in the current scheme, Higher Tier, Mid Tier & Capital Grants • **Higher Tier (HT)** Selection is similar to previous HLS for most environmentally significant sites & applications are by invitation. Widest range of management options some only available in HT, e.g. habitat restoration & woodland creation • **Mid Tier (MT)** Focuses on reducing diffuse water pollution & improving farmed environments for farmland birds & pollinators, & is awarded on competitive basis. There are 64 options: e.g. *Beetle banks* £573/ha; *Take small areas out of management* £365/ha; *Hedgerow management* 1 side £81/100m, both sides £161/100m; *Winter cover crops* £114/ha; *Buffer strip* on cultivated land 4-6m £353/ha • **Capital Grants** Stand-alone capital grants available, separate from MT and HT options, for: *Hedgerows & Boundaries* restoration & improvement of hedges & stone walls (£1k-10k); *Water Capital Grants* Selection of 45 capital items to reduce diffuse water pollution up to £10,000 per holding; *Feasibility studies* Funds to assess the potential success of a project; *Facilitation Fund* Funds to facilitate 'landscape-scale' CSS agreements of >2,000ha & >4 holdings. £10,000 is available for delivering the 'cooperation'; *Woodland Creation* – see section on CSS Woodland Creation • **CSS Applications** Funding dependent on strength of application. Natural England has not yet set timetable for 2018, likely to be similar to 2017. 2018 Application windows: *Facilitation Fund* TBC; *Hedges & Boundaries* TBC; *Woodland Creation* 2.1.18-16.2.18; *Mid Tier* TBC; *Woodland Management & Woodland Tree Health* (restoration & improvement) applications accepted all year round • **CSS Woodland Creation** Funding for woodland creation under *Supply & Plant Trees (TE4)*, a capital grant of £1.28/tree (up to a max of £6,800/ha) to supply, plant, weed & protect. *Woodland Creation Maintenance (WD1)* is a Higher Tier option, £200/ha per annum over a 10-year agreement & can be used in conjunction with TE4 • **Additional 2018 Non-competitive Countryside Stewardship Schemes** Four offers will be introduced alongside existing schemes - Online Arable, Lowland Grazing, Upland and Mixed Farming • **Growth Programme** Funding to help projects in England which create jobs & help rural economy growth.

Grants (usually covering 40% of costs) available for business development, food processing, & rural tourism infrastructure. See <https://www.gov.uk/government/publications/rdpe-growth-programme>. Deadline for receipt of expressions of interest 31.5.18 ● **Countrywide Productivity Scheme** Funding for projects in England to improve productivity in the farming and forestry sector and help create jobs and growth in rural economy. Grants >£35k (usually covering up to 40% of eligible costs) are available for: *Improving Forestry Productivity* (deadline for applications 3.4.18); *Water Resource Management* (deadline 29.6.18); *Improving Farm Productivity* (deadline 3.12.18); *Adding Value to Agri-Food* (closing date for expressions of interest 29.6.18) ● **LEADER** Applications to Local Action Groups for supporting micro/small businesses & farm diversification, boosting rural tourism, increasing farm & forestry productivity, providing rural services, and providing cultural & heritage activities.

WATER ABSTRACTION LICENSING From 1.1.18 most exempt water abstractions will require a licence. Those currently abstracting water under an exemption must apply for a new authorisation before 31.12.19.

FORESTRY 5-Year Net Establishment Cost *Broadleaves* £5,988/ha; *Conifers* £5,060/ha ● **Guards Spirals & canes** (750mm) £40-45/100. *Plastic tubes* (1,200mm) £140-190/100. *Stakes* £75-100/100 ● **New Planting Grants** see CSS Woodland Creation.

FARM PRICES & RENTS – ENGLAND AND WALES Sales *Including residential component* £10,223/acre; *English bare arable land* £8,378/acre; *English bare pasture land* £6,704/acre ● **Average AHA Rent bare land** *Arable* £75/acre; *Pasture* £53/acre ● **Average FBT Rent bare land without entitlements** *Arable* £146/acre; *Pasture* £94/acre.

SPORTING RATES *Annual Rents Wildfowling & rough shooting on property with limited sporting potential* £0.50-2.00/acre; *With good topography & woodlands* £5-10/acre (excludes cover crop payments). Exceptional properties may command double these figures. *Coarse fishing lakes* £300-1,000/acre; *Trout fishing lakes let to an angling club* £500-1,500/acre ● **Daily Rates** (ex. VAT) *Driven pheasants* £30-40/bird; *Driven partridge* £60-80/brace; *Duck* £25-30/bird; *Driven grouse* £180-200/brace; *Walked-up grouse* £110-140/brace; *Coarse fishing (lake)* £4-20/day; *Trout (lake)* £20-50/day ● **Poult to Shot Cost** of a pheasant £25-35/bird shot ● **Annual Fishing Licence** England & parts of Scotland: *Trout and coarse 2-rod* £20; *Trout and coarse 3-rod* £30; *Salmon and sea trout* £54.

LABOUR National Minimum Wage 2017 (From Apr 2018) *Apprentice* £3.50/hr (£3.70); <18 £4.05/hr (£4.20); 18-20yrs £5.60/hr (£5.90); 21-24yrs £7.05/hr (£7.38); >25 £7.50/hr (£7.83) (National Living Wage) ● **Agricultural Wage Order** Workers employed before the rules changed on 1.10.13 still have the right to the Agricultural Minimum Wage if it says so in their contract ● **Arable Standard Man Days (SMDs)** per ha *Wheat & Barley* 1.15 (straw ploughed in) & 1.75 (with straw harvested); *OSR* 1.00 (Spring) & 1.10 (Winter); *Field Beans* 0.95 (Spring) & 0.90 (Winter); *Potatoes* early 5.50 (exc. casual harvest labour) & maincrop 9.25 (exc. casual harvest labour); *Silage* 1 cut 1.60, & 2 cuts 2.80 (reseeding + 0.60) ● **Livestock SMDs** per head *Dairy cows* 4.00; *Bulls* 3.50; *18-month beef* 1.60; *Rams* 0.50; *Ewes (lowland)* 0.50; *Ewes (upland)* 0.45; *Winter finishing store lambs* 0.30 ● **SMDs** per person per annum 275.

FARM BUILDINGS AND DRAINAGE Dutch Barn Timber frame, roofed, hard-core floor £80/m² ● General Purpose Portal Frame Building Steel or concrete frame, roofed & clad on gable ends, rainwater goods, electrics, no walls, hard-core floor, 4.8m-6m eaves £115-135/m². Total for complete enclosed building £210m² ● **Cattle Cubicle Housing Portal** frame, including cubicles & all internal services with feed stances & slats £2,765/head ● **On-floor Grain Store** Portal-frame building, walling to 3m & no drying facilities £105-120/m²; with drying facilities, ducts & below ground laterals £240-270/m²; Thrust panel walls 2.5-3m £225-275/m ● **Field Drainage** £1,500-£2,500/ha or £2,500-£3,500/ha with permeable backfill.

FARM MAINTENANCE Fencing *Post & 4-rail fence* (post every 1.8m) £15-21/m; *Deer fencing* (round posts every 5m, 1.9m high) £9-13/m; *Stock fencing* (round posts every 3m, medium gauge pig netting & 2 strands of barbed wire) £5.50-8/m; *Rabbit fencing* (lightweight post every 8m, 1m high) £5-7/m; *Permanent electric fencing* £3.50-5.50/m ● **Fencing Materials** *Traditional wooden gate* 3.3-4.2m £85-100; *Tubular steel gate* 3m £110-160; *Posts* £2-5; *Strainer posts* £10-15; *Strainer struts* £7-10 ● **Stone Walling** 1.52m high £75-110/m² (excl. materials) ● **Ditching** cleaning out £2.40-4.80/m ● **JCB Hire** including operator, fuel & transport to site £26/hr ● **Flail Hedge Cutting** £35-50/hour ● **Hedge Laying** £13-17/m.

ENERGY PERFORMANCE CERTIFICATE (EPC) Residential Properties EPCs must be provided to prospective buyers/tenants when marketing all properties that are built, sold or let. *Exemptions*: listed buildings (in some instances), holiday/residential buildings that are rented for <4 months of the year, temporary buildings intended to be used for <2 years, & standalone buildings with usable floor area of less than 50m² ● **Business Properties EPCs** are required to be displayed/linked to a commercial building when a building under construction is finished, when premises are sold or let, or, if fixed, heating, air conditioning or mechanical ventilation systems are installed or extended. EPCs must also be displayed on the premises if the usable floor area is >500m², it is frequently visited by the public & an EPC has already been produced for the building's sale, rental or construction. Penalties can be imposed for non-compliance of £500-£5K (based on rateable value of building).

ENERGY EFFICIENCY REGULATIONS & LET PROPERTY April 2018 Private domestic & non-domestic landlords' properties must achieve an EPC rating of E before granting a new tenancy (including renewals). Limited exemptions may be available. Green Deal finance is available to assist in funding prescribed improvements ● **April 2020** The EPC requirement will apply to all private rented properties (including already occupied properties) in the domestic sector ● **April 2023** The EPC requirement will apply to all non-domestic properties (including already occupied properties) ● **Financial Penalties** will apply for non-compliance.

TAX Income Tax *Standard Personal Allowance* £11,500 for 2017-18, £11,850 for 2018-19 (£1 withdrawn for every £2 of net income >£100,000); *Rates & levels* 20% on £11,501-45,000 (basic), 40% on £45,001-150,000 (higher), 45% on >£150,000 (additional). *Tax on Dividends* 0% on the first £5,000 in a tax year; 7.5% for over £5,000 if basic rate tax payer, or 32.5% for higher rate tax payer; and 38.1% for additional rate tax payer. *Landlords Relief* Tax relief on landlord's finance costs (i.e. mortgage payments) is being phased out after 4 years from April 2017 to 2020. For 2017-18, 75% of costs are deductible, with 25% receiving a basic rate tax reduction. From 2018-19, 50% of costs are deductible; from 2019-20 25% of costs are deductible; and from 2020-21 onwards all financing costs incurred by a landlord will be given only a basic rate tax reduction. The fair wear & tear allowance of 10% of the rent for furnished lettings was repealed in April 2016. Relief remains on capital expenditure ● **Capital Gains Tax** *Individuals* 10% (on unused part of individual's basic rate band) and 18% on residential property; or 20% (if any part of income is chargeable to higher rate income tax) and 28% on residential property. *Trustees* 20% (and 28% on residential property) ● **CGT Personal Allowances** *Individuals* £11,300. *Trusts* £5,650 (£11,700 & £5,850 for 2018/19) ● **CGT Reliefs** *Private Residence Relief* Gains on sale or main residence (with grounds up to a max of 0.5ha) are exempt. *Roll-over Relief* Defers tax on disposal of certain business assets where receipts are reinvested in other qualifying assets 1 year before to 3 years after the disposal. *Entrepreneurs' Relief* Business owners are only charged 10% CGT on any gain following the material disposal of relevant business assets. *Gift Hold-over Relief* Exempts a business from paying tax if giving away business assets ● **Inheritance Tax** 2017/18 40% above threshold of £425k (£450k in 2018/19), including the family home allowance of £100,000. Couples can combine allowance to £850k (£900k for 2018/19). Exempt spouse/civil partner transfer, £3,000 annual exemption, and small annual gifts (max £250) out of normal income also are exempted. *Taper Relief* Reduction of IHT payable on gifts on a sliding scale from 100% chargeable <3 yrs to 0% >7 yrs between the gift and death. *Agricultural Relief* 100% relief on agricultural land and property for >2 year's ownership if owner occupied, or >7 year's ownership (& agricultural occupation) if let out 50% of agricultural value for agreements pre-1.9.95. *Business Relief (BR)* Business assets of a farming enterprise which do not qualify for AR may qualify for BR, which is currently 50% or 100%, dependent on asset. The business must have been owned for at least 2 years. BPS entitlements will qualify for BR. *Main Residence Nil-Rate Band* Additional IHT relief on top of £325k threshold for a dwelling passed on death to direct descendants of deceased. Applies for deaths after 6.4.17 & started at £100k per individual for 2017/18, increasing by £25k year on year up to £175k by 2020/21 ● **Stamp Duty Land Tax (SDLT)** Rates & thresholds payable in UK (not Scotland) by purchaser: *First-time buyers* pay no SDLT on the first £300k for properties worth ≤£500k and 5% on the portion between £300k-500k; *Sole residential (charged in bands)* 0% for up to £125k; 2% on >£125k-250k; 5% on >£250k-925k; 10% on >£925k-1.5m; 12% on >£1.5m. An additional 3% is usually due when buying extra (i.e. more than one) residential property; *Non-residential (charged in bands)* 0% on <£150k; 2% on £150k-250k; 5% on >£250k; *Leasehold residential* (calculated on total rent over the life of the lease i.e. 'Net Present Value' [NPV] for new leases) 0% on the first £125k; 1% on anything >£125k; *Leasehold non-residential (existing leases)* 0% on the first £150k of purchase price; 2% on next £100k, and 5% >£250k (new leases) In addition you must pay SDLT on NPV 0% on up to £150k, 1% on >£150k to £5m, 2% >£5m ● **Annual Tax on Enveloped Dwellings (ATED)** Annual tax payable by companies, partnerships where one of the partners is a company & collective investment schemes that own UK residential property (a 'dwelling') valued at more than £500k. A 'dwelling' includes the main house, gardens & grounds enjoyed with the house & other dwellings/buildings occupied with the house. The amount of tax charged is dependent on the value of the property on 1.4.12 or the date of acquisition if later. A number of reliefs are available including for working farmhouses ● **Capital Allowances** Businesses receive an Annual Investment Allowance (AIA) of £200k of eligible expenditure per year (reduced pro rata for a part-year). Other capital allowances are available for renovating business premises in disadvantaged areas, extracting minerals, research & development and dredging.

WORKPLACE PENSIONS Since April 2017 all employers must provide a Workplace Pension to all workers aged between 22 & the State Pension Age, working in the UK & earning over £10,000pa ● **National Employment Savings Trusts (NEST)** Government alternative for private pension providers to the Workplace Pension ● **Minimum Contributions** *Before Oct 2017* Employer 1% & Employee 1%, Total 2%; 6.4.18-5.4.19 Employer 2% & Employee 3%, Total 5%; *After 6.4.19* Employer 3% & Employee 5%, Total 8%. Employees can opt-out once they are enrolled, but must first be automatically enrolled by the employer.

PLANNING The Town & Country Planning (General Permitted Development Order) (England) 2015 – Part 6 (Agricultural & Forestry): *Class A* (Development on units of 5ha or more) The erection, extension or alteration of a building on agricultural land which is reasonably necessary for the purposes of agriculture is permitted development. Buildings must be: on separate parcels of land of >1ha; <465m² (including other development within 90m, constructed in the past 2 years); ≤12m high (3m if <3km from aerodrome); >25m from a trunk/classified road. *Livestock/slurry buildings* must be located >400m from 'protected buildings' (e.g. residential property not associated with the agricultural business); *Class Q* allows for the conversion of an agricultural building to a dwelling, provided certain conditions are met, e.g. the site must have been used solely for agriculture on 20.3.13, or if it was not in use on 20.3.13 has last been used for agriculture prior to that ● **The Town & Country Planning (Brownfield Land Register) Regulations 2017** Local Planning Authorities are now required to prepare, maintain & publish a register of all previously developed (brownfield) land appropriate for residential development, which may lead to planning permission in principle for residential development. *Dartford BC v Secretary of State [2016]* Definition of brownfield site outside a built up area.

GENERAL DATA PROTECTION REGULATION 2018 From 25.5.18 the Data Protection Act will be replaced by the GDPR, to tighten data security, enforce stronger penalties for data breaches, giving more protection & choice to individuals & to ensure companies determine what data is used for and how it is stored.

KEY DATES (subject to 2018 BPS rules & CSS Guidance) ● 1.1.18 Start of the BPS 2018 Scheme year - Cross Compliance rules must be followed from this date - Organic manure* can be applied to land on shallow or sandy soils from this date if conditions are suitable & quantity conditions are adhered to - Start of assessment of the annual amount of livestock manure applied to land - Start of Countryside Stewardship (CSS) Higher & Mid Tier agreements - Start of fallow period for EFA rules ● 15.1.18 EFA cover crops must be retained until now ● 16.1.18 Manufactured nitrogen fertilisers can be applied from this date if conditions are suitable ● 31.1.18 Deadline for the annual inventory for sheep & goats in Wales to be returned - Pheasant & Grey Partridge seasons in Northern Ireland close - Woodcock, Gold Plover, Duck & Geese seasons close in England, Wales, Scotland & Northern Ireland ● 1.2.18 Pheasant & Partridge seasons in England, Wales & Scotland close - Organic manure* can be applied on all soil types if conditions are suitable & quantity conditions are adhered to ● 2.2.18 Candlemas ● 15.2.18 End of Red, Fallow & Sika deer hind stalking season in Scotland ● 20.2.18 Duck & Goose (below high-water mark of spring tide) season closes ● 28.2.18 End of quantity restrictions for application of organic manures* ● 1.3.18 Hedgerows & trees must not be cut & hedgebanks must not be cast up from this date but hedge laying & coppicing may continue ● 10.3.18 CSS Higher & Mid Tier agreement application period opens (TBC) ● 25.3.18 Lady Day ● 31.3.18 End of Red, Fallow, Roe & Sika deer hind stalking season in England, Wales & Northern Ireland - End of Roe deer doe stalking season in Scotland - End of Chinese Water deer buck & doe stalking season in England - Environment Agency (EA) notifies licensees to complete winter water abstraction return ● 1.4.18 The Annual Charge for water abstraction licences is due (unless licence started/was varied mid-season) - Heather, bracken gorse etc. in lowland areas must not be burnt from this date - Start of Roe deer buck stalking season in England, Wales & Scotland ● 3.4.18 Deadline for RDPE Countryside Productivity Scheme grant applications (improving forestry productivity) ● 16.4.18 Heather, bracken, gorse etc. must not be burnt from this date in upland areas ● 28.4.18 Deadline for licensees to submit winter water abstraction return ● 30.4.18 Farmers with an NVZ grassland derogation must submit 'Fertiliser Accounts' to the EA - The number of 'specified' livestock kept on the farm during the previous year must be recorded & the amount of nitrogen they produced calculated - End of Red, Fallow & Sika deer stag stalking season in England, Wales & Northern Ireland - End of Fallow deer stag stalking season in Scotland ● 1.5.18 Start of 'cropping period' for crop diversification rules - Hedge-laying or coppicing must not be carried out from this date ● 5.5.18 CSS Higher Tier (non-woodland) application period closes ● 15.5.18 UK BPS application deadline - land must be 'at claimants' disposal' on this date - BPS entitlement transfer deadline - Environmental Stewardship/CSS annual claim deadline ● 20.5.18 Whit Sunday ● 31.5.18 Deadline for submission of expression of interest in Rural Tourism, Business Development & Food Processing RDPE Growth Programme grants - CSS Higher Tier woodland only application period closes (TBC) ● 24.6.18 Midsummer Day ● 29.6.18 Deadline for applications for RDPE Countryside Productivity: Water Resource Management schemes - Deadline for expression of interest in RDPE Adding Value to Agri-food grant ● 30.6.18 2017 BPS payment window ends - End of 'cropping period' for crop diversification rules - End of fallow period for EFA greening rules ● 1.7.18 Start of Red & Sika deer stag stalking season in Scotland ● 1.8.18 Lammas - Holders of an RPA derogation may cut or trim hedgerows throughout August to sow oilseed rape or temporary grassland - Start of closed period for applying organic manure* to tillage land on shallow or sandy soils, unless crops will be sown on or before 15th Sept - EFA nitrogen-fixing crops can be harvested - Start of Red, Fallow & Sika deer stag stalking season in England, Wales & Northern Ireland - Start of Fallow deer stag stalking season in Scotland ● 12.8.18 Red Grouse season opens in England, Wales, Scotland & Northern Ireland - Ptarmigan season opens in Scotland ● 20.8.18 EFA catch crops can be established & must be retained for minimum of 8 weeks until at least 14th Oct - Black Grouse season opens in England (excluding Somerset, Devon & New Forest) Wales & Scotland ● 1.9.18 Hedgerows & trees can be cut & hedge-banks can be cast up from this date - Start of closed period for applying organic manure* to grassland on shallow & sandy soils - Start of closed period for applying manufactured nitrogen fertilisers to tillage land - Duck, Goose, Grey & Red-legged Partridge & Golden Plover season opens in UK - Black Grouse season in Somerset Devon & New Forest opens - Woodcock season opens in Scotland ● 15.9.18 Start of closed period for applying manufactured nitrogen to grassland ● 16.9.18 Start of closed period for applying organic manure* to tillage land on shallow or sandy soils sown with crops on or before 15th Sept ● 29.9.18 Michaelmas ● 30.9.18 CSS Mid Tier agreement (including water capital grants claims & supporting evidence) application period closes (TBC) - CSS Higher Tier application building process closes (TBC) ● 1.10.18 Pheasant & Woodcock season opens in England, Wales & Northern Ireland - EFA green cover crops must be established - Heather, bracken, gorse etc. in upland areas can be burnt from this date - Start of closed period for applying organic manure* to tillage land on soils which are not shallow or sandy ● 15.10.18 Start of closed period for applying organic manure* to grassland on soils which are not shallow or sandy ● 20.10.18 End of Red, Sika & Roe deer stag/buck stalking season in Scotland ● 21.10.18 Start of Red, Fallow, Roe & Sika deer hind stalking season in Scotland ● 31.10.17 End of Roe deer buck stalking season in England & Wales - EA notifies licensees to complete summer water abstraction return ● 1.11.18 All Hallows - Heather, bracken, gorse etc. in lowland areas can be burnt from this date - Start of Red, Fallow, Roe & Sika deer hind stalking season in England, Wales & Northern Ireland - Start of Chinese Water deer buck & doe stalking season in England ● 11.11.18 Martinmas ● 28.11.18 Deadline for licensees to submit summer water abstraction return ● 30.11.18 Water abstraction licence holders with two-part tariff agreements receive 2nd part charge - Red Grouse season in Northern Ireland closes ● 1.12.18 The annual inventory for sheep & goats must be carried out in England & a form submitted to DEFRA ● 3.12.18 Deadline for RDPE Countryside Productivity Scheme grants for improving farm productivity ● 10.12.18 All Grouse & Ptarmigan seasons close in England, Wales & Scotland ● 25.12.18 Christmas ● 31.12.18 NVZ Derogation deadline.

*with a high readily available nitrogen content

ENGLISH ENTITLEMENTS - SALE PRICES



Prices are expressed in £/ha excluding VAT. The exchange rates and payment values used were those set for the previous Scheme Year. For historic entitlement and naked acre price graphs please see [www.townsendcharteredsurveyors.co.uk/entitlements](http://www.townsendcharteredurveyors.co.uk/entitlements) and follow the link. If you would like a formal written entitlement valuation, please contact us.



UK BPS ENTITLEMENTS USER GUIDE TOWNSEND & CLARK

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AGENCY - SALES & LETTING

farms country houses cottages barn conversions
land woodland FBTs, grazing & cropping licences
shooting fishing stalking



27.11.2017 Whilst care has been taken to ensure that Farm Facts 2018 is as up-to-date and accurate as possible, Townsend Chartered Surveyors cannot be held responsible for any errors or omissions contained herein. It is published as a broad guidance only & should not be relied upon without further professional advice and/or checking with the appropriate authority.