

# Land Business Update

Week Commencing 9 January 2017

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## Farming

### Some hints at future policy given at Oxford Farming Conference

Both Andrea Leadsom and George Eustice spoke at the OFC in early January and gave some indications of what a future British agricultural policy could include. George Eustice spoke about stopping thinking about pillars 1 and 2, and instead about three legs to policy: environment; building local communities; and producing food, with one pot available for anyone to apply for. The mantra seems to be using public money to deliver public goods. In terms of how much money might be available, he said that the way they were thinking was to decide what outcomes they wanted, and then design policies and decide the budget to deliver them, which is a much more sensible way of allocating money than an arbitrary figure based on past spending. Andrea Leadsom spoke about cutting “rules that hold us back” but “upholding our high standards for plant and animal health and welfare”, and about increasing productivity, through skills, innovation and exports.

### Beef brewing over...beef

An interesting argument is happening about the quality standards of Brazilian beef. The Brazilian equivalent of the NFU, called the Confederation of Agriculture & Livestock (CNA) which represents five million farmers, says the main EU farm lobby body, Copa-Copega, deliberately spread “misinformation” about the quality of Brazilian beef. CNA says that Brazil’s animal welfare standards are high with almost all animals free out on the pasture, and that the businesses authorised to export to the EU fulfil all European requirements. We will see more of these types of arguments as the UK decides what kind of trading policy it wants once it leaves the EU – do we want to support domestic production or should we import lower cost, equivalent standard products from elsewhere?

### Converting food waste into fertiliser for greenhouse use

An experiment that treats digestate from an anaerobic digestion plant with earthworms and mixes it with compost so that it is not toxic to plants and then uses it in a highly insulated greenhouse, which uses soap bubbles between double foil for thermal insulation of the walls and roof, has significantly increased the yields of the vegetables grown in the greenhouse and reduced CO2 emissions, methane emissions and water use by over 80%. Clever. A commercial-scale bubble greenhouse is now operating in Poland with another larger trial happening in Norway.

## Property

### No more ‘cost per notice’ fees for declaring rights of way

Where a landowner makes a declaration of where he or she accepts public rights of way, councils are no longer required to post notices at entry points to the land notifying the public of the declaration. This change, from 1 December 2016, will reduce the cost of making such a declaration to land owners, which is good for them. It may also be good for the public as it should lead to fewer disputes over rights of way as more should be declared. However, it may make it more difficult for walkers to know when rights of way change.

### House prices expected to increase by 3% in 2017

The rise is due to continuing lack of supply of houses for sale and strong demand, according to the RICS. The lack of houses for sale is illustrated by 2016’s sales being around a quarter below pre-credit crunch levels; even fewer houses are expected to be sold in 2017. It is interesting to compare this forecast with the Treasury’s one of major falls due to Brexit... Halifax expects house price growth to slow to 1-4%, with the wide range due to uncertainties in how the economy will perform, and Nationwide has forecast a 2% rise. The National Association of Estate Agents has issued some interesting data, which on the face of it looks as if it contradicts the RICSs’ as it reports that over 80% of homes sold for less than the asking price in November, which compares with 76% a year earlier. However, the NAEA says this is due to the time of the year and expects the market to strengthen in 2017.

### **Scotland: Dr Bob McIntosh appointed as Scottish Tenant Farming Commissioner**

Dr McIntosh, who was previously head of the Forestry Commission Scotland, will join the Land Commission, a new body set up under the 2016 Land Reform Act to review law and policy development. The Scottish Government is consulting on its Land Rights and Responsibilities Statement, which will underpin a range of policies related to land rights and responsibilities.

### **Tenants win £1.75m damages due to agent's misrepresentation**

The tenants, Ian and Judith Wakley, moved from Scotland to a Crown Estate dairy farm in Somerset in 2007, having been told that the farm's parlour and slurry and dirty water systems were "right up to date". They claim this was a misrepresentation and, due to other difficulties including the water supply, eventually took the Crown to court. The court accepted their claim and also dismissed the notion that the Wakleys were incompetent farmers. The damages were assessed to cover all of the actual damages directly flowing from the misrepresentation, even if not foreseeable at the time. The Crown is likely to appeal.

## **Planning**

### **Momentum gathering behind local votes to ban second homes**

The people of St Andrews, Scotland, are being asked to vote on banning the sale of second homes as a way of making more houses available and the area more affordable to local people. This follows St Ives and Cornwall Council winning a court case for a similar policy.

### **Ministerial statement changes importance of up-to-date neighbourhood plans**

Communities which have produced neighbourhood plans are often frustrated that their plan is undermined, and considered 'out of date' and ignored, because their local planning authority cannot demonstrate a five-year land supply of deliverable housing sites. The ministerial statement issued on 12 December changes this so that where there is not an agreed five year housing land supply but there is a new (<2 years old) neighbourhood plan which allocates sites for housing, and there is a three year housing land supply, then the neighbourhood plan is considered 'up-to-date' and its policies on housing relevant.

## **Economy**

### **Positive employment indicators in the short-term**

Businesses expect to maintain recruitment levels in 2017 at around the same level as in 2016, with over 40% expecting to have more staff, according to a CBI survey. Almost 60% of employers plan to raise general pay in line with inflation, which is a positive sign as real wages will not fall, which is likely to support consumer spending and the wider economy. This short-term positive outlook is tempered by long-term concerns about staff availability and skills gaps.