

Land Business Update

Week commencing 1st January 2018

Farming

Michael Gove has said that there is no need for tariffs on UK and EU trade in agricultural goods

He made the comments following the conclusion of the first phase of Brexit negotiations. Separately, Europe's largest farming union, Copa-Cogeca, has said the UK should stay in the single market and customs union, with no or low trade barriers and so frictionless trade, in a position paper on Brexit. The union says that trade is very integrated between UK and mainland European farm businesses, particularly co-operatives that trade across borders.

Government's abstraction reform plan aims to cut unsustainable abstraction

Under the [plan](#), the Environment Agency will start to regulate around 5,000 water users that have historically been exempt from regulation, many of which will be farmers. The aim is to create a fairer system and help protect the environment.

EU unveils blueprint for CAP post 2020

The main elements of the proposals, which are subject to debate and change, are:

- Member States will be given greater freedom to implement the policy to suit their national conditions (but the CAP is unlikely to be re-nationalised as, politically, it would be seen to weaken the EU).
- A move away from a compliance-based policy to one that is more result-driven.
- Greater emphasis on goals related to climate change and sustainable development.
- Greening scrapped and replaced with 'a streamlined set of environmental and climate conditions'.
- Capping of support payments to large claimants, although the €60-100,000 threshold previously mooted was not in the published text.

Reaction to the proposals has been mixed with farming unions questioning whether the policy remained a common Europe-wide policy and how a results-driven approach would work. Environmental groups have been generally critical of the proposals saying that they failed to acknowledge the seriousness of the environmental crises affecting European farmland. In the same week, a European Court of Auditors report said that greening in its current form is unlikely to significantly enhance the CAP's environmental and climate-related performance.

Pressure to ban neonicotinoids likely to increase after they are found in rivers

The first systematic testing of neonicotinoids in rivers in Britain was done in 2016 and the results show that half of the 16 rivers tested in England had either chronic or acute levels of contamination. Only 6 of the 23 rivers tested across Britain did not have neonicotinoids present. The EU is currently considering whether to extend the current ban to all uses apart from indoors and may make a decision in early 2018, once it has the EFSA's final assessment, which is expected in February. In the UK, the Government now supports such a ban; linked to this, Greenpeace has said that it found the chemical in waterways close to greenhouses where it has been used. And a separate study by the University of California has found that bees are 50% more likely to die as a result of neonicotinoid exposure if they have a low sugar diet; intensive agriculture is known to decrease the quality of nutrients available to bees, including sugars.

Economy

Scottish budget follows English cut in stamp duty for first-time buyers

Some of the key points are:

- Relief from Land and Buildings Transaction Tax for first-time buyers for properties worth up to £175,000.
- Changes to income tax bands to raise more revenue. The effect is that people earning over £26,000pa will pay more income tax in Scotland than equivalent earners in England.



- £600m for the Reaching 100% (or R100) programme, so that every home and business in Scotland will be able to access superfast broadband by 2021.
- The Scottish economy is expected to grow by less than 1% per year for the next five years, according to the Scottish Fiscal Commission.

Energy

Minimum Energy Efficiency Standards: consultation on whether landlords should contribute to energy efficiency improvements

The Government has changed its position and is consulting on whether and how to introduce a 'landlord funding contribution' where a landlord is unable to obtain suitable 'no cost' funding. The maximum contribution is suggested to be £2,500 per house. The aim of the change is to boost the number of houses that are improved. Improvement rates have dropped since public Green Deal funding for improvements was cut in 2015 and without the additional funding now proposed from landlords the Government will not reach the target for better energy efficiency. Another reason given for the change is that research has shown a link between higher standards of energy efficiency and increased property values. The proposals would apply to England and Wales. The consultation closes on 13 March. For more information on MEES, please call [Kieran Crowe](#).

Environment

Raptor persecution maps for England and Wales published

The Raptor Persecution Priority Delivery Group, which includes Defra as well as a range of countryside and sporting organisations, has produced the maps to enable the police to clearly see where the highest incidents are taking place and focus enforcement efforts in the areas that need it most. They show the number of shootings, trappings, poisonings and nest destructions that took place across England and Wales between 2011 and 2015 and will be updated annually. The maps are available on [MAGIC](#).

Property

Wales: Land transaction tax thresholds changed for houses

Land transaction tax will start to be charged at 3.5% on transactions above £180,000. The changes still need to be agreed by the Welsh Government but are expected to come into effect from 1 April 2018 when the tax is devolved. The changes are a response to the UK Government's introduction of a Stamp Duty Land Tax relief for first-time buyers in November's Budget.

Scotland: Private Residential Tenancies start from 1 December

The new Private Residential Tenancy (or PRT), introduced by the Private Housing (Tenancies) (Scotland) Act 2016, replaces and is quite different from Short Assured Tenancies, which can no longer be created. The new tenancy does not have a fixed term and landlords must use one of the mandatory or discretionary grounds in the Act to regain vacant possession, so tenancies cannot be ended for 'no fault' reasons. Both changes are designed to increase security of tenure for tenants. For more information, please contact [Lorna Stewart](#).

Ireland considering new minimum standard tests for private rented sector

Figures from Dublin City Council suggest that only around a tenth of houses that have been inspected meet current minimum standards. The current standards require landlords to provide homes that are free from damp, in good structural repair, have hot and cold water, adequate heating and ventilation, and appliances and wiring in good working order.

Telecoms

Everyone in the UK will have the right to 10Mbps broadband by 2020

The Government will introduce this legal right through regulation – a Universal Service Obligation or USO – rather than rely on the private sector to deliver it. The speed is what Ofcom says is needed to meet the requirements of an average family. The design for the right will be published in 2018. Strutt & Parker comment: this is a good start but much greater access to full-fibre broadband is needed – it is currently 3% compared with 79% in Spain – to ensure that all areas, not just towns and cities, fully benefit from broadband.