

Spring Welcome

Welcome to the spring issue of Rural Matters, which includes various updates and advice from our team.

Glyn Owens gives an insight into the importance of livestock markets, both economically and socially.

With the phasing out of the Basic Payment Scheme, this issue aims to give a little more insight into the potential impacts and possible opportunities for businesses; from the Lump Sum Exit Scheme to potential grant funding opportunities. Countryside Stewardship, Farm Business Grants etc. could offer businesses an additional income and it is definitely worth exploring the potential opportunities available.

There are some important things to think about, if you are considering selling land, a farm or rural property. We hope that this issue gives you some indication of what to bear in mind.

We also give you some updates on the Planning & Survey department's recent appointment, with Rhys Evans joining the team, and the monthly collective machinery sales, which have got off to a flying start.

Please do get in contact with our team if you have any questions, or would like any support.

Gareth Wall
Co Chairman & Managing
Partner for the Rural
Professional Department



Five Livestock Markets serving the West Midlands and Wales



It was gratifying and also a common-sense decision that livestock auction markets were deemed a key part of the food chain and therefore must remain open and allowed to function during the Covid pandemic.

There can be nothing worse than working your butt off to produce a good quality product and then wondering if you have been paid a fair price for it. This is why our five livestock markets continue to flourish. The system is transparent and fair.

However, it is not just about the auction. Although this is a central feature, the social angle and business hub that the market provides is just as important to the rural community. This was especially true during Covid because, although it was a 'drop and go' system for much of the last two years, farmers could still have a socially distanced chat with auctioneers and other farmers and catch up on the news. An obsession with making money isn't the be all and end all. The 'craic', as they say in Ireland, is defined as 'an enjoyable social activity'. I think this sums up the other attraction of the Livestock Market that is so important.

The advent of the mobile phone made everyone more contactable than ever before. Because our business is about commodity and asset trading then it is an ever-changing picture. Our auctioneers need to be 'open all hours' and indeed they are. I know I am not the only auctioneer who has been a sounding board for all sorts of situations where a customer has needed advice. Sometimes serious, sometimes comical and often surprising!!

McCartneys are blessed with a cohort of young professional competent auctioneers and staff who wish to make their mark and continue to provide a first-class service, that will be celebrated when the firm marks its 150th anniversary in 2024.

Glyn Owens
Based at Knighton Office



English Basic Payment Scheme Announcements – “Gamble to Win, Gamble to Lose”

The RPA have released the long-awaited information in relation to the Lump Sum Exit Scheme, which will be open from April to September 2022, with payments expected in November 2022.

It is likely to be only available once.

The scheme is designed to allow BPS claimants, in England, to retire or completely give up farming, in receipt of a lump sum payment in 2022. To be eligible, you will need to have claimed BPS in 2018 and still hold the relevant entitlements. The lump sum payment will be based on approximately 2.35 times the average direct payment received for the 2019-2021 BPS, being capped at £99,875, meaning the average direct payment being no more than £42,500 for each year of the reference period.

Once the lump sum payment has been received, the applicant will no longer receive any further direct payments during the agricultural transition period, you must sell, gift, or let out for a minimum of 5 years, all your land, with the exception of being able to retain 5ha, if desired, you must surrender all entitlements held, and you will not be eligible for any new ELMS schemes.

This offer needs careful consideration and further guidance from Defra, which is due to be released closer to the application opening, in terms of how to apply and what evidence is required. The announcement for payments post 2024 (detailed below), also merits attention alongside, with no requirement to farm or cross-comply.

Farmers who have retired from farming since 2020 may also be eligible, but we await further clarification on the terms and conditions.

You also need to consider the Inheritance Tax implications that could arise, following the decision to claim the payment. If the farm is sold, Agricultural Property Relief (APR) will not be available if proceeds are not reinvested into qualifying assets, and a higher inheritance tax liability may be realised. The most likely implication comes when

land is let out but the owner remains in the farmhouse, resulting in no or reduced APR being applied to this asset, along with changes in land use and potential hope value may also affect the application of the relief and could present an unexpected inheritance tax bill! Whilst surrendering tenancies, selling of livestock and machinery will also create a tax liability.

The lump sum will be treated as a capital sum for tax purposes, which is chargeable at 10% or 20%, with a personal annual exemption of £12,300.

The RPA have also confirmed that the BPS payment will be replaced with the ‘delinked’ payment from 2024 until 2027, when the last direct payment will be received.

This ultimately means for this period the BPS claimant will receive the annual payment (adjusted in line with the previously announced annual percentage reductions) based on the reference period of BPS payments received between 2020 to 2022. Therefore, it is advantageous to ensure you have the suffice number of entitlements this year and if not, it may be worthy to purchase the shortfall.

The delinked payment will not change should your farm enterprises changes after the 2022 BPS claim. However, a BPS claim must be submitted in 2023 in order to receive the delinked payment going forward. All entitlements will be abolished from 2024.

The delinked payment will be treated as income for tax purposes.

If the Lump Sum Payment Scheme is of interest to you, for further information and assistance please contact your local Rural Professional, who will also be able to advise you on the route to take post payment.



Joanna Wall
Based at Craven Arms Office

Farm Business Grant Claims - Wales

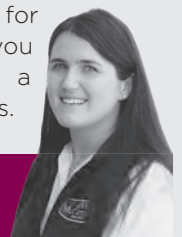
Although the Farm Business Grant: Yard Coverings in Wales is currently closed, a number of people have yet to submit their claims for the 2021 scheme.

The usual supporting evidence must be submitted with the claim; such as invoices, geo-tagged photographs and an accountant’s letter, along with planning consent and Sustainable drainage System (SuDS) Approving Body (SAB) approval, if required. However, some have come unstuck when they have missed to obtain SAB approval, when required.

Since 7th January 2019, all construction work in Wales, with drainage implications, of 100m2 or more requires SuDS to manage on-site surface water. An application needs to demonstrate compliance with the Welsh Government Standards for the design, construction, operation,

maintenance and operation of surface water systems serving new developments. When an application is submitted to the SAB, it undergoes a validation check. Once the application has passed the validation phase of the approval process, it is subject to a formal consultation period of three weeks. However, determination for the SAB application could take a period of seven weeks.

So remember, SAB approval is relevant to all new developments of 100m2 or more, but essential for Rural Payments Wales to pay your grant. If you would like further information, or help with a planning or SuDS application, please contact us.



Ella Harris
Based at Knighton Office

The Countryside Stewardship Scheme (CSS) is now open for applications.

As BPS is set to reduce, many farmers are now considering a Countryside Stewardship scheme as an alternative source of income. Successful farmers applying in the current application window for Mid-Tier will be able to enjoy a guaranteed income stream, with annual payments lasting until 2027.

Mid-Tier

The Mid-Tier scheme is largely similar to previous application rounds. The scheme comprises of a five year agreement whereby agreement holders place management options upon their land, in return for an annual payment. A variety of options can be applied for, or alternatively, the application can be kept simple. Payment rates range up to £640/ha, depending on which options are applied for. Farmers can choose which fields to include or exclude from the scheme, therefore providing flexibility. On top of annual management payments, farmers can also apply for a range of capital work payments such as fencing, covered manure stores and hardcore tracks. Some items require prior approval from a Catchment Sensitive Farming Officer (CSFO) which must be obtained at least 10 weeks before an application is submitted, therefore early engagement is important. The last date to submit a Mid-Tier application is 31st July 2022.

Capital Only Grants

Farmers can also apply for Capital Only grants. As they suggest, these grants purely comprise of capital options, and have no requirement to place management options upon the land. Three themes are available for funding with a maximum of £20,000 worth of grant funding per theme;

- Water Quality
- Boundaries, Trees and Orchards
- Air Quality

Eligible items include fencing against watercourses, water troughs, hedge laying, hedge planting, resurfacing gateways, concreting yards, manure stores, livestock handling buildings etc. Applications for Capital Only grants can now be made all year round, with no deadline dates. Similarly to Mid-Tier, some items require CSFO approval which must be sought before an application is submitted.

If you think Countryside Stewardship could be for you, please get in touch with your local McCartneys agent to discuss how to get the most out of the scheme on your farm.



Beth Gilbert

Based at Kington Office

Selling your farm, land or rural property: is now the best time?

Securing the best price for your farm, land or rural property is the main objective when McCartneys market your property, together with a professional and friendly service.

Over the last 2 years, we have seen a decline in the number of farms, land and rural properties coming onto the market. This has been mainly due to the Covid 19 pandemic and other factors that influence the sale of properties i.e. lifestyle, taxation, income security etc. Like all commodities, rural properties, farms and agricultural land go up and down in value and the lack of availability within the West Midlands and Wales region has increased demand and their value.

At present, there are an abundance of buyers looking for farms, land and rural property in our region and, given the current increase in demand, now might be the best time to market your property.

To achieve the best possible price and to have a smooth sale process, there are a number of things you can do, prior to marketing, to ensure a hassle free and successful sale.

In our experience, we have found the following to be very beneficial in selling a property:

- 1 High level marketing – preparation of sale brochures with full property information, photos and maps. Maximise the potential of the property by appropriate lotting and method of sale/presenting the property in the local, regional and national areas via social media, internet, bespoke websites such as UK farms and Land, Add Land, Right Move ect.
- 2 Present the property in the best way possible, ensure it is clean and tidy and decluttered
- 3 Employ an experienced solicitor with experience with farming, land and rural property

4 Take tax advice from your accountant to ensure your best possible tax position

5 Prepare an information pack which may include the following, prior to marketing:

- Relevant searches
- Rights of way
- Employee details
- Title to the property
- Grazing licences, tenancy details or other rights of occupation
- Environmental schemes
- Basic Payment Scheme Farms & Entitlements
- Cropping history
- Planning permission documentation and building regulations consents
- Common rights, sporting rights and any other supporting documentation

McCartneys have been helping farmers, landowners and rural property owners prepare properties for sale for nearly 150 years. We have an unrivalled network of 15 offices and 5 livestock markets, throughout the West Midlands and Wales and have excellent local, regional and national knowledge. This, together with a wealth of experience, means that we are very well placed to sell rural property and will strive to ensure that you receive the best possible sale price.

We can offer a bespoke sales package, tailored to your requirements and guide you through the whole sale process; from pre-marketing advice, to completion of the sale with your solicitor. We can also offer excellent professional advice on all matters relating to your property, to maximise the sale price.

Please contact your local rural office for a free market appraisal and advice.



Gareth Wall

Based at Kington Office

New Appointment

McCartneys are delighted to welcome Rhys Evans to the firm, as a Planning Consultant, joining the Planning and Survey Department.

Born in Mid Wales, he grew up regularly assisting his Grandad on the family farm alongside his school studies, as well as being a keen sportsman. Rhys then moved onto Aberystwyth University, where he obtained an Honours Degree in Geography. He then went on to gain a Masters Degree in Spatial Planning and Development from Cardiff University, graduating with distinction honours.

His professional career began in 2017, working as a Planning Officer for Powys County Council Planning Department and went on to be promoted to Senior Planning Officer. During his 4 years with Powys County Council, Rhys was involved in a wide range of differing planning applications, whilst also successfully completing his masters degree, and gaining licentiate membership of the Royal Town Planning Institute. Through his work experience and studies, he has gained sound knowledge and expertise, and is able to assist in the following;

- Planning policy and legislation matters
- Preparing and submitting planning applications
- Preparing planning appeals
- Producing detailed planning statements

- Producing architectural designs and drawings
- General planning advice

Rhys undertakes professional work from the Kington, Newtown and Welshpool offices and is involved in a range of planning work, including architectural design & drawing work, planning matters and building regulations. Rhys specialises in planning policy matters, and is able to produce detailed written statements in support of planning applications, planning appeals and can assist with all planning related matters and queries.

Away from the office, Rhys enjoys playing football, golf and walking. He plays football for Llanidloes Town FC and is a member of St. Idloes Golf Club. Rhys has also competed at county level in football and golf, back in his younger days!

If you have any planning related queries, then please do not hesitate to contact Rhys for his expert advice based on years of experience and qualifications, and he will be happy to assist you in any way possible, no matter how big or small.

Rhys can be contacted on:
rhys.evans@mccartneys.co.uk
01544 230 316



Rhys Evans

Collective Machinery Sales - A flying start to 2022

McCartneys report an exceptional start to 2022, with the first collective machinery sale at The Beech sale ground, Brimfield, Ludlow, Shropshire

An excellent entry of tractors, vehicles, quad bikes, agricultural machinery and general workshop tools and builders items, sold to a fantastic trade throughout.

There was an excellent contingent of buyers, looking for all types of tractors, machinery, quad bikes and general sundries.

Highlights of the day:

John Deere 3038E, c/w loader, which made £17,750, plus VAT and buyers premium. International 785 tractor at £5,000

2 McCormick International tractors (none runners) £1,100 and £1,200.

The farm machinery also sold to an excellent trade, with an Agri-mech post

knocker making £700 & Shelbourne Shear Grab £700

The cattle and sheep equipment was very sort after, seeing galvanised sheep ring feeders selling to £145 each, sheep cratches to £150 each and sheep and cattle troughs to £30 each.

We have an excellent, secure sale ground at Brimfield. Tractors, vehicles, machinery and items can be stored securely and then sold by public auction on the last Saturday of each month, to a very competitive trade and an abundance of sale goers.

The next sale will be held on Saturday 30th April 2022 at The Beech Sale Ground, Brimfield, Ludlow, Shropshire, SY8 4BG.

For a free appraisals of tractors, vehicles, quad bikes, trailers, machinery and other general items, please contact

**Gareth Wall on 07974 143336,
or Michael Thomas on 07890 898239**

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 Amelia Crofts-Hill.

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