

## Headlines

### Funding to clear flood debris

£500,000 of Rural Development Programme for England funding has been made available to farmers in Cumbria affected by the floods. They can apply to their Local Action Group for a grant of up to £6,800 to fund the removal of gravel and manmade debris from their land.

### Pre-budget Report: public sector fury at cuts, some positives for property

There was no attack on inheritance tax relief on agricultural property in the Chancellor's report but a number proposals that affect property:

#### Main points

- National Insurance: will increase for all by 1% from April 2011
- VAT: will revert to 17.5% (from 15%) from 1/1/2009
- Corporation Tax: will remain at 21%. The 1% increase to 22% has been deferred for a year
- Tax allowances: remain unchanged. The planned increase in the Inheritance Tax threshold is deferred
- Green cars and vans: there are increased allowances and exemptions for electric cars and vans
- Green energy: income from green energy which is sold to the National Grid will be tax free
- Bashing bankers: bonuses over £25,000 will be subject to a one-off 50% tax

#### Property points

- Stamp Duty: the threshold for paying this will drop back to £125,000 (from £175,000) as planned
- Empty Property Business Rate Relief: this temporary relief has been increased up to £18,000 rateable value (from £15,000)
- VAT on property repairs: no change – so disappointing for the organisations lobbying for a 5% rate
- Boiler scrappage scheme: is introduced to replace up to 125,000 old boilers with more efficient ones
- Mortgage rescue schemes: have been extended to help those who have lost their jobs keep their homes
- Furnished holiday lettings: will lose capital gains tax relief from April 2010 as previously announced

### Copenhagen climate change conference: the role of agriculture

Agriculture will have an important role in reducing greenhouse gas (GHG) emissions in the future and so should not be sidelined in the talks, according to the UN's Food and Agriculture Organisation. Emissions can be reduced by changing livestock systems, no/low tillage, agro-forestry, improving grazing management, soil carbon sequestration and more efficient fertilizer use. The FAO also highlighted the link between reducing emissions and improving food security, particularly in developing countries.

## Agriculture

### Sugar beet growers demand increased EU exports

This year the EU is expected to produce a surplus of 2.4mt, yet World Trade Organisation anti-dumping rules from 2004 restrict exports to 1.374mt. Consequently around 800,000t of sugar is destined for storage. The International Confederation of European Beet Growers is campaigning for the restriction to be lifted as prices on the world market are at a 20 year high and the market is 7.2mt undersupplied, but the EU Commission indicate the restriction is unlikely to be lifted. This decision could have a considerable impact on EU sugar production over the next few years; as if the surplus is carried over production will have to be reduced further.

### Analysis of Labour Usage Data from the Farm Business Survey 2004 to 2008

This [data](#) has been published from the Defra funded Farm Business Survey. It provides interesting statistics on labour use per hectare across a wide range of crop and stock systems, data on economies of scale and also on the use of contractors. For example, total labour input for cereals averages 18 hours / hectare.

### Crofting Reform Bill

The Crofting Reform Bill has been published. Key points are:

- Action to address speculation on croft land through assessment of applications to take land out of crofting
- A more accountable and democratic Crofters Commission
- A duty on the Commission to tackle absenteeism and neglect

- A new, definitive map-based croft register

## Environment & Sustainability

### Energy Assistance Package in Scotland

This [package](#), from the Scottish Government and Energy Saving Trust, is available to owners, occupiers and landlords to improve the energy efficiency of houses. It is mainly targeted at older people, families with young children and those on benefits.

### Easier skylark plots

Skylark plots can be effectively created by spraying them out before the end of December in a drilled winter cereal. This follows comments from many farmers that leaving the plots undrilled was difficult.

### Protecting peat soil in the Fens

A report by Cranfield University, commissioned by the RSPB, has found that 9% of the total carbon loss from soils across England and Wales is from peat soils in East Anglia, an area of less than 1% of the countries' landmass. The loss is largely due to drainage and arable farming; changes in land management could dramatically reduce it.

## Estate Management

### Proposed extensions to National Parks

Natural England will shortly begin consulting on proposed extensions to the Yorkshire Dales and Lake District National Parks. The consultation is expected to run from mid December to mid March.

### Energy crops aid

The RPA is asking 2009 Energy Crops Scheme growers to submit their ENC 9 form as soon as possible. They are making payments in conjunction with the claimants SFP, so completing the paperwork is essential to prevent a hold-up to the SFP also. Click [here](#) for further details.

### Scottish Tenancy Deposit Scheme

The Scottish Government is planning to introduce a mandatory scheme to protect tenants' deposits. Given that there is existing legislation in place (Housing (Scotland) Act 2006), the scheme may be introduced quickly.

## General

### Rural petrol stations closing

The number of rural and independent petrol stations that close could double to 500 a year in 2010 because of next April's increase in business rates. Rates will increase largely due to the increase in petrol prices, according to the Independent Petrol Retailer Association.

### Commercial property values rise but massive debt underlying the sector

Commercial property values rose by 2.4% in November, the fastest rate in 15 years, according to IPD.

### Cheques to be phased out by 2018

The UK Payments Council has set 31 October 2018 as a target date for cheques to be phased out as a method of payment. They hope that this will hasten the development of alternative payment methods.

### Slow minerals planning

The aggregates industry is warning that slow progress producing minerals development plan documents will threaten the recovery of the construction and minerals sectors. Fewer than 20 minerals planning authorities have completed the process, whereas 200 plans are required for national coverage.

## Highest number of affordable houses provided since 1997!

55,770 affordable homes were provided in England in 2008/09, 4% higher than the previous year, and the highest number since 1996/97.

## Property Agency

### Residential rents set to rise

More surveyors expect rents to rise in the next quarter than fall, according to the RICS Lettings Survey. Supply of houses has decreased, new instructions are at their lowest since 1998 but demand is strengthening.

### Residential market update

- Around 15% of estate agents closed during the last year
- Residential prices continue to rise as demand outstrips supply; supply has increased but not enough to meet the markets appetite
- A net balance of 35% of chartered surveyors report prices are rising. Whilst a net balance of 28% of surveyors believe that prices will continue to rise over the next three months

UK house prices	% change in	% change in last 12 months
Nationwide	0.5%	2.7%
Halifax	1.4%	-1.6%

N.B. It should be noted that these indices only measure sales linked to mortgages, which account for @75% of all sales.

## And finally...

### School suspends crisp dealer

A Liverpool school has suspended a 12-year old crisp dealer who flaunts healthy eating rules by smuggling crisps and drinks into school, and trading from his rucksack. His father (who has previously been caught selling similar goods from a white van outside the school) has accused the school of victimising his son and his £15 a day enterprise.

## Merry Christmas and a Happy New Year!

Landscape will return in the new year on 15 January

Whilst every effort has been made to ensure the accuracy of this briefing, its information may not be comprehensive and recipients should not act upon it without seeking full professional advice.

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