

Rural Vision

Green Power as Veggie Heads up DEFRA

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As Prime minister Gordon Brown heads up the County the new faces taking up the DEFRA posts will be:

HILARY BENN: DEFRA MINISTER

Although a vegetarian the new DEFRA minister has assured all British farmers he intends to make British Farming a success story and we hope that Single Farm Payments are on his list?

Mr Benn admits he still has a lot to learn about British Agriculture and hopes that farmers will give him time and judge him on what 'he does and not what he eats'?

BENN'S JUNIOR MINISTERS assisting him with the DEFRA success story are

PHIL WOOLAS:

Minister for Environment, Climate Change, Energy & Sustainable Development

JOAN RUDDOCK:

Minister for Waste, Recycling & Biodiversity

JOHNATHAN SHAW:

Minister for Marine, Fisheries, Rural Affairs, Landscape & Local Environment

LORD ROOKER:

Minister for Food, Farming & Animal Welfare



**Hillary Benn—
New Secretary for the
Environment (DEFRA)**

Cross Compliance Update/Checks

- Foot & Mouth Live-stock Movement Restrictions derogations in place to graze set a side
- Have you completed your Soil Protection Review?
- GAEC 3 due to be put back in place during September Remember to update your SPR's
- Set a Side due to be ruled out for 2008 start to think about your cropping for the forthcoming season. - **We will keep you informed.**
- Hedgerow cutting now permitted

The Next Big Bang as Commodities Boom

As the UK harvest draws to a close we are hearing of commodity prices set to rise according to the Food, Feedstuffs and Beverages Index, and as we see increasing demand for food, fuels and feed, the affect of low stocks, lack of available land and adverse weather conditions is set to push prices sky high. Leading the boom it is predicted will be grains and oilseeds due to the ethanol on biodiesel industries pushing for materials and with countries such as China expected to grow to 300 Million people by 2010 demand for soft commodities will be high and it is predicted that there race for life lifestyle will in time also demand meat and milk. As we enter this new boom we are already seeing investors taking up shares in Farms, Biofuels, Commodity Companies, Agricultural Equipment and Food Companies.



Farms for Schools - Year of Food & Farming Could now be the right time to diversify ?

As farm diversification becomes higher on farmers agendas the year of food and farming may be an ideal opportunity to establish a farm attraction, small education centre farm shop or a demonstration farm?

**Year of Food & Farming
September 2007 - July 2008**

The initiative is an industry led programme with full government support and with HRH The Prince of Wales acting as Patron. The aims of the initiative are to connect children and young people with the industry, teaching them how food is grown, reared and produced, what happens on farms and the careers available within the industry, all through the vision of the Outdoor Classroom.

The Outdoor Classroom how does a Farmer become a Teacher?

There are a range of training bodies who can help you gain a basic understanding through organisations such as Farms for Schools, LEAF, FACE or CEVAS.

“simply its about explaining what you do best”



“Thinking of diversifying why not host a school visit”

What are the Benefits?

Dependant upon the level of diversification you have in mind a small number of visits from local schools and associations could prove worthwhile venture and if you have intentions to establish a farm shop, attraction or visitor centre then this could be a guaranteed source of income

What Permission do I need

If you intend to simply open your farm then it is a case of ensuring that you have the necessary health and safety actions in place and accredited contacts to local schools.

If your intention is to establish a farm attraction, shop or educational centre then issues such as planning permission and business rates need to be addressed.

How Can I get Involved & What do I need to Know?

Establish what you intend to do e.g. farm walk, farm classroom or attraction, assess the associated costs then contact with your local schools and educational authority for events in your area and visit other farms. For all you need to know advice we recommend you contact the National Farm Attractions Network or visit the year of food and farming and farms for schools websites.



Top Tips to consider when hosting a School Visit?

- Contact Local Schools
- Establish good Connections
- Insurance Cover
- Health & Safety ensure your covered.
- Contact your local Education Authority
- Plan your day
- Adequate Facilities
- Keep the Class interested
- Use Feedback forms

Avoid a Fall - Health & Safety

As agriculture continues to face increasing amounts of Red Tape, and with agriculture having a high injury rate Health & Safety are never far away. A simple H&S plan or risk assessment now could save you a lot of time and money should the worst happen. Simple precautions covering areas such as Machinery, Staff, Livestock, Pesticides, Manual Handling, Asbestos, Crops and Diversification of any type from letting to attractions are all areas that should be addressed.

Simple scenarios such as employing contractors and maintaining buildings now need addressing and health and safety executives are urging farmers to take the necessary precautions by ensuring machinery is well maintained, staff are well trained, all records are up to date and an effective plan is in place.

PROPERTY & LAND

Let Land proves a Healthy Alternative

According to investment analyst IPD figures have shown that Tenanted Farm land outperformed residential property, shares and bonds last year. With the only asset class outperforming land being commercial property.

Long Term investments are the most successful and are providing a good home for many investors money. Whilst traditionally yields are poor if investors are prepared to take the long term view then they will be rewarded.

Figures have shown that over a 10 year period

let land will produce a return of 12.5% per annum.

We are seeing land prices averaging £3,800 per acre (£ 9,386ha) a 16% increase on last year according to latest market figures.

The angles that need to be exploited when considering investing in land are not just the rental income its the larger picture namely the desirability of the farm, land or holding and any future potential.



“Tenanted Farm Land has outperformed residential property”

The Farm Workers Cottage - Looking to Realise Capital?

MANY farms and estates have redundant farm workers' cottages, either on the holding or in the surrounding villages, occupied by former employees of the holding and many don't realise that these cottages are actually saleable on the open market despite the property being subject to a statutory tenancy. If you have a redundant farm worker's cottage/house and you let it before January 15, 1989 as part of that worker's employment, even if no formal agreement was put in place and there is no or little rent, the cottage occupied by your redundant farm worker is protected under the Rent (Agriculture) Act 1976 and his service occupancy becomes a "statutory tenancy". If the property was let after this date then it is likely to be classed as an Assured Agricultural Occupancy under the Housing Act 1988.

As we are seeing increasing demand for these properties and as the property market remains strong with little slow down despite the recent increases in interest rates, we have experienced investors paying on average 70% - 75% of the Open Market Value for these properties dependant upon condition and location. And may provide a good source of income to fund a diversification project.

Even if you are considering selling your whole farm do not dismiss the value of the farm workers or estate keepers cottage. The market is seeing these properties coming under increasing demand, they could help realise a greater value for your holding as a whole or if selling in lots, and as the property market remains strong now might be a realistic time to sit back and take account of what assets you have and how these may now realise a sensible price, and whether now is a suitable time to realise there capital.

Tenancy Deposits - The Essentials

The scheme came into force on the **6th April 2007** and applies to all Assured Shorthold Tenancies Created after this date including renewal of existing tenancy agreements. The scheme requires deposits to be transferred into an appropriate Tenancy Deposit Scheme within 14 days from receiving it. The deposit must remain in a separate account for the duration of the letting with the aim of the scheme being to create a fairer market for Tenants in the event of a dispute, therefore it is essential that all potential tenants are properly checked and vetted by an approved firm, and that a detailed inventory including photographs is completed and the appropriate check in and check out procedures are followed, including tenant information packs (TIPS) and accompanied inspections. Whilst inventories and, TIPS are not compulsory if they are not completed/provided in the event of a dispute they could make the difference between a successful claim or a dismissed claim. The dispute service is only called upon should landlord and tenant not be able to agree on reasonable costs for repairs.

“We are now members of”



Brown goes Green but does the Belt Fit?

The introduction of Gordon Brown into office also introduces his promise to address all the counties housing needs with a pledged 3 million homes by 2020, including the introduction of five eco towns, to create a home owning, asset owning, wealth owning democracy.

The key feature of the Prime ministers commitment is to re-develop Brownfield sites and estimates that 60% of the homes needed can be built on Brownfield sites, however the entire classification of these sites is not completely clear and a recent study by the Social Market Foundation claims that 2 million homes would need to be built on undeveloped countryside or green belt surrounding towns

What this could mean for future developments in the countryside is more emphasis on village infill and conversion of buildings in order to meet the governments target of building 2 million homes on Brownfield sites, and as we eagerly await the arrival of PPS 4 to seek clarity on the re-use of redundant farm buildings then these sites could also prove a viable for or diversification or investment.

Further more with plans to extend residential areas and square off the green belts land located within or around villages, cities and towns will all come under increasing pressure

As these plans start to unravel we shall have to address regional strategies, targets and promote sites with the emphasis on preventing urban sprawl whilst accommodating our housing needs.



Poldraw. 2007

Here at Davies & Co we recognise the need for you to maintain a secure and profitable future and would welcome you to discuss any aspect of your business past or present with us

Forthcoming Shows & Events

“Looking after your interests”

Tillage 2007 - September 13th (Oxford) September 18th (Yorkshire)

The Dairy Event - 19th & 20th September, Stoneleigh Park

Investment Property Exhibition - 21-23 September 2007, Excel, London

Home Renovation Show - 21-23 September 2007, Excel, London

Leisure Industry Week 25th - 27th September 2007, Birmingham

BIAC Conference - 11th October 2007, Kelmash Hall, Northamptonshire

Landlord Show - 6th December, Birmingham

National Farm Attractions Conference - 6th February 2008, Drayton Manor, Staffordshire

“Davies & Co is proud to Sponsor the National Farm Attractions Network”



www.farmattractions.net



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