

Rural Vision

Grant Funding given green light

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As the European Union DEFRA have finally decided on delivery of the RDPA for England rural development programmes 2007-2013, what does this mean for the rural industry?

The Main Changes:

As part of the EU Approval for the programme changes to the environmental stewardship were requested as were changes to the energy crop scheme. The main changes to these agreements will be removal of management plans under environmental stewardship and lower rates of planting support for the energy crop scheme.

The introduction of the programme also encompasses the opening of the English Woodland Grant Scheme (EWGS).

Socio-Economic Support?

Funding for economic and social activity within Rural areas will now be controlled by your

regional development agency (RDA). Each RDA will be publicising their specific regional arrangements for the full implementation of the programme.

The RDA's will be operating a totally different application approach to the previous programme with a clear focus this time on the needs and priorities within the regions. The RDA's are aiming to manage investments more efficiently to ensure that the maximum number of businesses benefit from this programme. This means that RDA's have to take a proactive approach to project development under the programme and this may well be through commissioning projects or working with groups of key businesses and/or community partners to develop projects which develop multiple outcomes as well as discussing projects with entrepreneurial businesses.

This does not mean that individual entrepreneurial ideas are

excluded from the programme and we would encourage you to discuss any project ideas that you may have with us or your local RDA at the earliest possible stages, as an idea or project that can meet the objectives of the region and create wider benefits for the locality and the local economy will be seriously considered.

Cross Compliance & ELS Update/Checks

SP5 Deadline May 15th 2008

No Hedgerow cutting 1 March—31 July GAEC 15

Maintain footpaths correctly GAEC 8

ELS - Low Input options—No Harrowing/Rolling 1 April - 31-May (EK2)

Soil Management Review

Field Operations remember GAEC 14

ELS - Ditch management no cutting of vegetation (EB6)

0% Set-aside -Management requirements.



Darling Budget Review

The 2008 budget held no real changes to the decisions detailed in the pre-budget report released towards the end of last year, simply re-affirming the following announcements: - Income tax basic rate falls to 20%, National Insurance threshold up, Capital Allowances - new investment (plant & machinery) on the first 50,000 invested each year, written down allowance on machinery falls to 20%, Agricultural Buildings Allowance is to be phased out. Energy Efficiency & Water Savings first year allowance is to be introduced, Capital Gains tax - 18% single rate, no indexation and taper relief whilst entrepreneurs relief is introduced and corporation tax is now down to 28%.



Agricultural Buildings allowance to be phased out

Looking at starting a caravan site

As we enter the Spring/Summer months now may be an appropriate time to consider diversifying your current activities and as Britain is made up of approximately 1.8 million caravanners, establishing a caravan site could be a viable option as it is reckoned that caravanners contribute approximately two hundred and fifty million a year to the rural economy.

What Makes A Good Site?

Dependant upon your market, smaller 5 van caravan sites which do not attract planning permission, generally require fewer facilities, however, any caravan site no matter what size will always require good access roads, waste disposal and washing facilities, water and electricity hook-up points and more recently, TV points. Larger sites often include shops, laundry facilities, shower blocks and play areas and attract a much larger customer base.

Ideally, your site should be approved by an organisation such as The Caravan Club or a similar organisation.



“A caravan site can provide a good income”

Larger clubs will not only have to be approved under the Caravan Sites Act for a licence to open a site they will also require full planning approval, which will involve submitting detailed plans, transportation assessment and other specialist reports that may be required. If you are proposing to open a site with a maximum of 5 caravans as previously mentioned, you do not require full planning permission, simply a certification Licence from The Caravan Club or similar organisation which limits the number of caravans you can have on site to 5 at any one time. If you are considering opening a site then it could be suggested that plans should reflect caravans and camping.

Other aspects that need careful consideration are, market demands, site layout, safety, electric and water hook up points, adequate washing and waste facilities, disabled facilities, small amenities whilst offering a visually pleasing site. If you are thinking of opening a site we would recommend you also consider insurance liability, business rates and seek additional information from the Caravan Club, Caravan and camping club and DEFRA on their site requirements.



Top Tips to consider

- Suitable Location
- Market Research
- Highways & Access
- Local Authority & Agent Advice
- Visual Impact
- Good Business Plan
- Public Liability
- Facilities & Services
- Safety
- Level of Visitors & Site Size
- Grant Aid

SPS 2008 - Make sure you know the changes

As one of the most talked about dates in the farming year draws closer, are you aware of the changes for 2008? Whilst these changes loom, we still need to address the current problems, namely incorrect payments and entitlement statements again being experienced this year. We are all now familiar with the SP5 form and cross compliance requirements it is essential that you check your form in detail it is also essential to read the 2008 guidance booklet on completing your SP5 for this year as there are some important changes to note:

- Part E—Entitlement activation
- BACS Payments (SP12)
- FVP Abolished
- 0% Set a Side
- 10 month rule
- Aid for Energy Crops

Housing Benefit Changes—How do they affect you?

From later this year housing benefit is set to change, with the introduction of Local Housing Allowance. This new way of working out housing benefit will be assessed on the area your tenant lives, who lives with them, how much they earn and any savings they have. The LHA is for people on low incomes who rent from private landlords. One key change is that the LHA is based on the number of rooms in the property, not how much the rent is.

Tenants who can not get LHA are those who are council housing or housing association tenants, those with tenancies that started before 1989 and those that live in a caravan or house boat, it is

important to stress that support through housing benefit may still be available to these cases. If you have existing Tenants claiming housing benefit, say the elderly then the old system shall continue.

Local Housing Allowance is designed to give the Tenant greater responsibility and sees the allowance paid to the tenant who then has to pay the landlord, the potential problem is non payment of rent and we are informed that a landlord can apply to the council for this payment but only after a prolonged period of non-payment. As the scheme now pays the Tenant direct

You may not know that they are claiming and we would urge you to check with your local authority and you are aware of the changes and the procedures that are being implemented under the LHA.



Is your tenant claiming LHA?

Our Success Continues...

Following the need to diversify their farming enterprise, at Cobley Lodge Farm, Near Geddington Kettering, We successfully achieved a change of use planning approval on the old dairy buildings to accommodate the well recognised Udder Pre-School Nursery and the creation of a luxury dog boarding kennels "Harkers Barkers" The approval will help to support for the existing farming enterprise.

Offering a top class livery business is all part of the service at Grafton Road Stables, Brigstock and we are pleased have recently received full planning approval for a permanent on-site dwelling allowing for a greater service and the essential on site presence that is required.

Energy Performance Certificates

As Energy Performance Certificates (EPC) are emerging rapidly they will be required on many buildings including rented properties, offices and industrial units.

The need for Energy Performance Certificates is required due to EU Legislation for the UK under 2002/91/EC. This legislation details that an EPC is required for social landlords, private landlords & housing associations for both new & existing property.

The legislation for rented properties is effective from 1 October 2008. Landlords are required to provide an EPC for tenancies commencing on or after that date similar to the introduction of the Tenancy Deposit Scheme. I am awaiting clarity on is whether a renewal of a tenancy will also trigger the need for an EPC; once we have this information we will inform you accordingly.

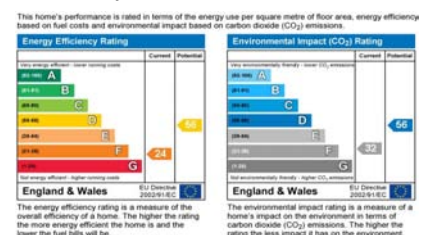
We are also seeking clarity for properties let under Rent Act tenancies, although we do not think at this stage it will apply.

When letting commercial premises or buildings other than dwellings with a floor area over 10,000m² an EPC will be required from 6 April 2008. For commercial buildings other than dwellings with a floor area of 2,500 m² an EPC will be required from 1 July 2008. For buildings other than dwellings with a floor area of less than 2,500 m² an EPC is required from 1 October 2008. It is important to note that Energy Performance Certificates will need to be displayed in commercial property buildings as will air-conditioning inspections if these are applicable.

In the short-term it would be advisable to improve the energy performance of your properties and buildings, reviewing insulation, double glazing, boilers and heating systems etc. as investigating these facts at his stage will ultimately achieve a better result when an assessment is undertaken.

In some cases, there are grants available in many areas for some properties to make improvements, all enquiries should be made with your local authority to find out what is available. Once you have had your EPC undertaken it is valid for a period of 10 years.

Your EPC should be undertaken by an approved Domestic Energy Assessor, details of a DEA for your area can be found at www.homeinspector.co.uk, or alternatively through your local authority.



Planning Policy Statement 4 - A Welcome Response

As news arrives of PPS4 Planning for a Sustainable Economic Development arrives it is a welcoming thought that the document encourages planners to take a proactive approach for economic development towards new businesses that encourage economic growth.

Whilst this document only appears in a draft format it recognises that economic development covers a wide range of developments, businesses and infrastructure including agriculture. The urge for regional planning bodies and local planning authorities to plan positively for promotion of economic development, and to develop policies which respond to this change is also emphasised and will help ensure that regional local strategies address the need for rural areas, both in economic and employment terms.

One of the most encouraging paragraphs to arise from this policy document is *"new uses for vacant and derelict buildings, including historic buildings and buildings in rural areas will be encouraged"*. The policy indicates that a need to convert a building must be demonstrated, taking into account many factors and in terms of rural buildings will look at both the ability to contribute to an areas economy whilst conserving and/or improving the look of the natural landscape.

The document does by no means open the door for every rural building to be converted and strong reference is made to buildings having high quality design and sustainable materials that will help to promote and conserve the environment and landscapes around them which can bring wider economic benefits to the area such as public access, education and tourism related enterprises.

It is also encouraging that the document recognises main stumbling points in previous and current applications. The document makes reference that local planning authorities should: Support funds for Farm Diversification schemes, Recognise that a site may be an acceptable location although it may not be readily accessible by public transport, Support sustainable rural tourism and leisure developments, Support small scale economic developments in remote locations and where there are poor transport links.

The government are recognising the need for local authorities to plan positively for the future of economic development. By creating a more sustainable countryside appears to be a step in the right directions for the rural economy and whilst the final document is not due to be completed until summer 2008, this draft document provides for a positive approach.

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

Badminton Horse Trials - Gloucester
1st - 4th May

Leicester Agricultural Show - 4th-5th May

Property Investor Show - Manchester
9th -11th May

Pig & Poultry Show, 13th-14th May, Stoneleigh

Grassland & Muck 2008 Stoneleigh
21st-22nd May

SED 2008—Rockingham
14th-15th May

Open Farm Sunday, National Event
1st June

Cereals 2008 - Lincolnshire
11th -12th June

East Of England Show -
Peterborough 13th-15th June

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