

Land Business Tracker | December 2018

Welcome to our quarterly tracker of key land management, farming, planning and energy regulation and legislation.

Please contact your local Strutt & Parker rural team for further information on anything you read here.

Implement now

Regulation	Description	Key dates	Action
<p>RESIDENTIAL LETTINGS</p> <p>Changes to the operation of section 21 notices for assured shorthold tenancies (ASTs) in England</p> <p>(England only)</p> <p>Implements powers contained in the Deregulation Act 2015.</p> <p>Find out more</p>	<p>All 'no-fault' evictions must use Form 6a, which replaces section 21 (1)(b) and (4)(a) notices.</p> <p>The minimum notice periods are:</p> <ul style="list-style-type: none"> For fixed term ASTs – two months (and the notice is valid for six months) For periodic tenancies with quarterly rent - three months (and the notice is valid for four months) For periodic tenancies with half-yearly or annual rent - six months (and the notice is valid for four months) <p>Proceedings to regain possession must be started during the notice's validity period for it to remain effective.</p>	<p>Applies from 01.10.18.</p>	<p>Ensure that the correct form is used for all notices served.</p>
<p>ENVIRONMENT</p> <p>Water Abstraction Plan</p> <p>(England only)</p> <p>Find out more</p>	<p>The Environment Agency is increasing its regulation of abstraction licences to protect the environment. This includes reviewing:</p> <ul style="list-style-type: none"> time limited licences (up to ~ 2,300 licences) permanent licences (~150) unused (~600) historically exempt abstractions (~5,000) that are environmentally damaging by 2020 – 2021. Reviewing all licensing strategies in catchments by 2027. <p>Previously exempt activities, such as drip irrigation and irrigation that supports environmental schemes and sites, now requires an abstraction licence where more than 20 cubic meters a day is abstracted.</p>	<p>Proposals announced 15.12.17.</p> <p>Policy paper updated 29.05.18.</p> <p>Closing date for applications for previously exempt activities 31.12.19.</p>	<p>Review the use of and impact of all licences held.</p>
<p>ECONOMY</p> <p>Changes to capital allowances</p> <p>(UK)</p> <p>Find out more</p>	<p>Changes to capital allowances which allow businesses to write off the costs of capital assets, such as plant or machinery, against their taxable income. The changes were introduced in the Budget in October 2018:</p> <ul style="list-style-type: none"> An increase in Annual Investment Allowance (AIA) for 2 years from £200,000 to £1 million. Reduction in the rate of writing down allowance on the special rate pool of plant and machinery from 8% to 6%. 	<p>AIA from 01.01.19.</p> <p>Writing down allowance from 06.04.19</p>	<p>Review whether any investments qualify for the allowances.</p>



<p>ENVIRONMENT</p> <p>Guide for farmers to help reduce air pollution from ammonia</p> <p>(England)</p> <p>Find out more</p>	<p>The Code of Good Agricultural Practice for Reducing Ammonia Emissions sets out how farmers can reduce ammonia emissions to improve air quality.</p> <p>Free advice and training is available in Catchment Sensitive Farming areas in England.</p> <p><i>(NB This is a new Code and works with the Code on 'Protecting our Water, Soil and Air', published in 2009)</i></p>	<p>Guidance published 27.07.18.</p>	<p>Read the new guidance.</p> <p>Use grants under the Countryside Stewardship and Countryside Productivity schemes to buy equipment or implement changes to cut emissions.</p> <p>See our briefing paper on the Code</p>
Track now			
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<p>FARMING</p> <p>Agriculture Bill 2017 – 2019</p> <p>(UK)</p> <p>Find out more</p>	<p>This draft legislation provides the Government with powers to set agricultural policy, spending and related powers once the UK leaves the EU.</p> <p>It was published alongside a number of other documents that jointly set out the direction of Government policy and how it intends to implement it.</p> <p>Many of the details restate previous announcements but there are some new elements, the most significant of which is that direct payments to farmers will be phased out from 2020 to 2028.</p> <p>There are, as expected, some omissions, the most significant of which is what the overall support budget for farming will be in the future.</p>	<p>Bill published 12.09.18.</p> <p>Currently in Committee stage in House of Commons.</p> <p>Expected to come into effect by 29.03.2019.</p>	<p>Track.</p> <p>Although it is difficult for land managers to start planning properly for the changes until detail has been confirmed, they can consider S&P's 5 principles to get ready for the future.</p> <p>See our summary of the Bill</p> <p>Use our calculator to see how Basic Payments will be cut from 2020 to 2028</p>
<p>RESIDENTIAL LETTINGS</p> <p>Tenant Fees Bill</p> <p>(England and Wales)</p> <p><i>N.B. In Wales, the equivalent Bill is called the Renting Homes (Fees etc.) (Wales) Bill</i></p> <p>Find out more</p>	<p>This draft legislation aims to prevent tenants being charged any fees or premiums when being granted with or renewing a tenancy.</p> <p>The aim is to improve fairness, competition and affordability in the lettings sector. The Bill applies to assured shorthold tenancies and licences to occupy; it does not cover long leaseholds, tenancies of social housing and holiday lets.</p>	<p>Bill published 01.11.17.</p> <p>Expected to come into effect in 2019.</p>	<p>Track.</p> <p>See our summary of the Bill</p>
<p>HEALTH & SAFETY</p> <p>Carbon monoxide alarms – Government review</p> <p>(England)</p> <p>Find out more</p>	<p>The Government is reviewing the current regulations, including whether there should be a blanket requirement to install alarms for all methods of heating, including gas and oil.</p>	<p>Review announced 30.04.18.</p>	<p>Track.</p>



<p>RESIDENTIAL LETTINGS</p> <p>Mandatory client money protection schemes for property agents</p> <p>(England)</p> <p>Implements powers contained in the Housing and Planning Act 2016.</p> <p>Find out more</p>	<p>This proposed legislation makes it mandatory for someone letting and managing a private rented house to be a member of an approved client money protection scheme.</p> <p>The aim is to give landlords and tenants confidence that their money is safe when it is being handled by an agent.</p>	<p>Comes into effect 01.04.19.</p>	<p>Track.</p> <p>Property owners who manage their houses themselves are also likely to have to join an approved scheme.</p>
<p>EMPLOYMENT</p> <p>Increases in minimum contributions for automatic enrolment pensions</p> <p>(UK)</p> <p>Find out more</p>	<p>Minimum contributions to employees' pensions will increase to 8%, comprised of at least 3% from employers and 5% from employees.</p>	<p>Effective from 06.04.19.</p>	<p>Be aware of and budget for the changes.</p>
<p>RESIDENTIAL LETTINGS</p> <p>The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015</p> <p>(England and Wales)</p> <p>Find out more</p>	<p>The Government is reviewing the exemptions from the Regulations.</p> <p>From April 2018 a landlord will not be able to grant a lease to a new or existing tenant of private rented properties (domestic and non-domestic) in England and Wales with an EPC rating of F or G.</p> <p>From 1st April 2020 a landlord must not continue letting a relevant domestic property if it has an EPC rating of F or G; or a non-domestic property from 1st April 2023.</p> <p>A landlord must carry out relevant energy efficiency improvements if a property does not meet the minimum standard.</p> <p>There are a number of exemptions, most of which last for five years, and must be registered on the Private Rented Sector (PRS) Exemptions Register (which is now running on a pilot basis pending finalisation).</p>	<p>Implemented on 01.04.16 with provisions effective from:</p> <p>01.04.18</p> <p>01.04.20</p> <p>01.04.23</p>	<p>Track carefully as exemptions are being amended.</p> <p>Use our flowchart to plan how to implement MEES and register for exemptions.</p> <p>Review insulation and the efficiency of heating systems.</p> <p>Review energy costs – contact Alexander Creed for details of Strutt & Parker's Energy Basket.</p>
<p>DEVELOPMENT</p> <p>Land Value Capture inquiry</p> <p>(UK)</p> <p>Find out more</p>	<p>The inquiry, by the House of Commons Housing, Communities and Local Government Committee, is examining the need for and current methods of capturing any uplift in the value of land due to the granting of planning permission or nearby infrastructure improvements.</p>	<p>Report published 13.09.18.</p> <p>Awaiting Government response.</p>	<p>Track.</p>
<p>PROPERTY</p> <p>Consultation on leasehold enfranchisement reform</p> <p>Find out more</p>	<p>Consultation on proposals for new qualifying criteria for enfranchisement rights, which would allow qualifying tenants to extend their lease or buy their freehold. It also proposes a new unified procedure for all claims.</p>	<p>Consultation closes 07.01.19</p>	<p>Track, especially if any houses are let on very long leases.</p>
<p>PROPERTY</p> <p>The Taxation of Trusts: A Review</p> <p>Find out more</p>	<p>The consultation highlights areas where the Government believes the tax rules may not be meeting the principles which underline the taxation of trusts. It seeks views and evidence on the case for and against reform.</p>	<p>Consultation closes 30.01.19</p>	<p>Track.</p>



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