

Land Business Tracker | July 2019

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 or for a copy of a previous edition as many of the topics remain relevant.

Implement now			
Regulation	Description	Key dates	Action
TAXATION Capital Allowances for structures and buildings (United Kingdom) Find out more	<p>A new relief for expenditure on new structures and buildings intended for commercial use, and the improvement of existing structures and buildings, including the cost of converting or renovating existing premises to qualifying use. Relief is limited to the original cost of construction or renovation and given across a fixed 50-year period, at an annual flat rate of 2% regardless of changes in ownership.</p>	<p>Relief available from 29.10.18</p> <p>Draft legislation consultation closes 24.04.19</p>	<p>Identify expenditure available for relief.</p> <p>Contact Jonathan Smith for further details.</p>
RESIDENTIAL LETTINGS Tenant Fees Act 2019 (England) Find out more NB The Renting Homes (Fees etc) (Wales) Bill will do something similar.	<p>This Act 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.</p> <p>The Act applies to assured shorthold tenancies and licences to occupy; it does not cover long leaseholds, tenancies of social housing and holiday lets.</p> <p>Most fees charged by landlords and their agents to tenants will be banned, apart from a number of 'permitted payments'.</p>	<p>Effective from 1 June 2019 for new and renewal assured shorthold tenancies and licences to occupy.</p> <p>It will apply to pre-existing tenancies from 1 June 2020.</p>	<p>Landlords and their agents must ensure that their practises are compliant.</p> <p>Tenancy agreements should be reviewed to ensure they do not charge or refer to any prohibited payments.</p> <p>Read our briefing paper or contact Jess Waddington for further details.</p>
SHOOTING General licences to shoot birds (England) Find out more	<p>Defra has issued three new general licences for controlling certain wild birds. The new licences were needed as the previous ones were withdrawn by Natural England as a direct result of a legal challenge made against them by Wild Justice. The GWCT says that the new licences are fit for purpose.</p>	<p>New licences published 13 June 2019.</p> <p>Detailed review of general licences later in 2019.</p>	<p>Apply for one of the new licences so that any activities to control wild birds are legal.</p> <p>Contact Rhodri Thomas for further details.</p>
TAXATION VAT: reverse charge for building and construction services (United Kingdom) Find out more	<p>Sub-contractors working for a main contractor will not have charge or account for VAT on supplies to the main contractor. Instead, the main contractor will have to account for VAT on their onward supply to the final customer. This will affect sub-contractors input VAT and they may be able to deregister from the Flat Rate Scheme.</p>	<p>Comes into effect from 1 October 2019.</p>	<p>Businesses acting as sub-contractors need to calculate the impact on their VAT position.</p>



<p>TAXATION</p> <p>Off-payroll working through an intermediary (IR35)</p> <p>(United Kingdom)</p> <p>Find out more</p>	<p>Where personnel are employed on a contract through a personal service company (as an intermediary), responsibility for deciding employment status will pass from the intermediary to the party engaging the worker. If IR35 applies, the business, agency or third party paying the intermediary must deduct income tax and employee NICs. It will also become liable for employer NICs.</p>	<p>Comes into effect from 4 April 2020.</p>	<p>Review arrangements for payment of contractors and advisors.</p> <p>Contact Alex Heffer for further details.</p>
Monitor now			
<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 'no cost to the landlord' exemption will no longer be available and will no longer appear on the PRS Exemptions Register after 31 March 2020 (instead of after five years).</p> <p>Under the new rules' landlords will be expected to contribute up to £3,500 per property to raise the EPC rating to a minimum level of E.</p> <p>The "consent exemption" will also no longer be available where a sitting tenant has refused a Green Deal finance plan.</p>	<p>Existing exemptions expire 31 March 2020.</p>	<p>Re-assess property previously exempt on "no cost to landlord" grounds although affected landlords will be contacted directly by the Government.</p> <p>Contact Alice Robinson for our updated flowchart to plan how to implement MEES and register for exemptions.</p>
<p>RESIDENTIAL LETTINGS</p> <p>End to unfair evictions from assured shorthold tenancies</p> <p>(England)</p> <p>Find out more</p>	<p>The Government is consulting on changes to assured shorthold tenancies that would end the landlord's ability to serve a notice to end a tenancy without a good, specified reason. There would however be two new grounds for possession, which are the landlord wanting to sell or move into the property themselves. NB This is an outcome of the consultation on overcoming the barriers to longer tenancies.</p>	<p>Consultation to be announced.</p>	<p>Monitor.</p> <p>Contact Jess Waddington for further details.</p>
<p>FARMING</p> <p>Agricultural tenancy consultation</p> <p>(England)</p> <p>Find out more</p>	<p>Defra is consulting on reforms of agricultural tenancy law in England to remove barriers to productivity improvements and to facilitate structural change in the tenant farming sector, together with changes to mortgage restrictions. A similar consultation is happening in Wales.</p>	<p>Consultation closes 2 July 2019.</p>	<p>Monitor.</p> <p>Strutt & Parker will be submitting a response.</p> <p>Contact Alistair Cochrane for further details.</p>
<p>RESIDENTIAL LETTINGS</p> <p>Consultation on short-term lets in Scotland</p> <p>(Scotland)</p> <p>Find out more</p>	<p>Consultation on whether to regulate the registration and / or licensing of short-term lets, with the possible addition of a market-based mechanism to control numbers.</p>	<p>Consultation closes 19 July 2019.</p>	<p>Monitor.</p>
<p>RESIDENTIAL</p> <p>Housing Complaints Resolution Service for the entire housing market</p> <p>(England)</p>	<p>The Government has announced that a new housing complaints service, for both homeowners and tenants, will be introduced. Developers will have to belong to the new body by 2021 if they wish to participate in the government's Help to Buy scheme. Private landlords will be legally required to join a housing redress scheme.</p>	<p>Proposals announced 24 January 2019.</p>	<p>Monitor.</p>



Find out more			
FARMING Agriculture Bill 2017 – 2019 (UK) Find out more	<p>This draft legislation provides the Government with powers to set agricultural policy, spending and related issues once the UK leaves the EU.</p> <p>The most significant element is that direct payments to farmers will be phased out from 2020 to 2028.</p>	<p>Bill published 12 September 2018.</p> <p>Was expected to come into effect by 29 March 2019 but postponed and no new date announced.</p>	<p>Monitor.</p> <p>Farm businesses should consider applying S&P's principles to get ready for the future.</p> <p>Use our calculator to see how Basic Payments will be cut from 2020 to 2028.</p> <p>Contact George Chichester for further details.</p>



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