

# Balfours

PROPERTY PROFESSIONALS

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CELEBRATING

200  
YEARS

1825-2025

NEWSLETTER WINTER 2024/2025



## FEATURED IN THIS ISSUE

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A Tax Recap

Planning Reform

Renters Rights Bill

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Net Zero?

## The Countryside under Attack

The Government has set out its agenda

The proposed cuts to Agricultural Property Relief (APR) and Business Property Relief (BPR) announced in the autumn are ill thought out and very damaging to the farming community. However for those wishing to pass on family farms or rural estates to the next generation, the significantly increased inheritance tax burdens will actively force the sale of many such farms that have been the backbone of our rural communities for generations and provide our food security. The

matter is going to be open for consultation, and for those of us who care about the countryside lobbying has never been more important. Does Labour really care or understand? I think not!

In other announcements the Government has set out its agenda with some bold if not unrealistic ambitions, not least in the housing and energy sectors. If we are to see a big increase in house building and green energy infrastructure, then it is land that is currently farmed

that will be taken. It seems to have gone under the radar that local authorities can acquire housing land for affordable housing, and now the associated infrastructure, without paying its full value. See Alex's article on "Hope Value".

In the private rental sector, the

**Continued on inside page...**

## Continued from front...

Government has made progress with the Renter's Rights Bill and the abolition of s21 evictions. More red tape and bureaucracy only incentivising residential Landlords to sell up and then the government wonder why there is

such shortage of rental property! With the significant changes to taxation affecting land ownership and with the continuing regulation within the residential letting market and both threats and opportunities from housing

development, farmers and landowners need not only discuss these matters with their professional advisors, but also lobby hard.



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## Farms and Land

### ELMS

Whilst some of the new government's policies will have a direct effect on farmers and landowners, there is no significant change proposed to the Environmental Land Management Schemes (ELMS). It is a disappointment that DEFRA has underspent £358 million over the last three years when farmers have seen their support payment cut. It seems the underspend happened because DEFRA was too slow in introducing the schemes promised to replace BPS. Farming groups are lobbying hard to ensure future budgets do not

assume ELMS can do without this cash.

### Tenancy Succession

From 1st September 2024 applicants to succeed to an Agricultural Holdings Act tenancy need no longer be disqualified on the grounds of already farming a commercially viable alternative holding.

### Land Values

Prior to the Chancellor's autumn statement, we were seeing steady demand for farmland, with headline values holding after inflation with

discerning purchasers focusing not just on land quality but also environmental and diversification.

### Profitability

Despite the reductions in direct support for farming, DEFRA's latest figures report good total returns from farming in 2023. Anderson's predict that whilst returns will decline they will remain in the range seen in recent years



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The history of Balfours starts back to 1825.

After working as a surveyor and valuer for Enclosure, and a tithe-collector for ten years, founding Partner Timotheus Burd (1794-1875) of Cardeston, Shrewsbury, was appointed agent for the land of an Oxford University College.



## Tax

### An Increased Burden

No one expected our taxes to reduce in the autumn, but for the burden to fall so squarely on business is challenging.

For those rural businesses reliant on people, the increases to the minimum wage and to Employers' National Insurance Contributions could mean those enterprises will need to restructure to survive.

For family farms through to landed estates, Agricultural Property Relief (APR) and Business Property Relief (BPR) have been very important in enabling the passing on of those farms and estates intact to the next generation without an unaffordable

Inheritance Tax Liability. From 6th April 2026 it is intended that the current 100% relief be reduced to 50% after the first £1m of combined agricultural and business property. Inevitably this would be an unsustainable cost for some wishing to pass on their farm business. Rachel Reeves suggested that the £1m 100% relief band would protect smaller farms, but it unfortunately means most farms would need to be so small as to be economically unviable to be valued at under £1m.

Capital Gains Tax (CGT) has also increased, but continues to be rebased on death. However, with

the levels of inflation we saw last year, it seems especially unfair that it can be a tax on inflation. Business Asset Disposal Relief offers a reduced rate of CGT to those disposing of their business. The rates will rise to 14% in April 2025 and match the lower rate of CGT at 18% in 2026.

We will be closely watching the consultation due early this year.

As they say: nothing is so certain as death and taxes.



**Frances Steer**

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## Badgers

Farmers Weekly report a peer reviewed scientific study has revealed a 56% fall in Bovine TB as a result of Defra's badger culling policy over 10 years.

## Planning and Development

### Can Labour deliver?

The Housing Secretary, Angela Rayner has said she wants to enable 1.5m homes built in the next five years and so reduce house prices. She wants to see "The biggest wave of council housing in a generation". Labour's proposed planning overhaul so far will re-introduce Local Planning Authority housing targets and make it easier for development on parts of the green belt (to be coloured grey). Whilst government can help to free up the planning system it is actually the large housebuilders who decide what to build and when. If the economy is doing

well and interest rates are low, they build more houses. Last autumn Barratt Homes reported that completions had reduced and that it proposed building fewer homes in the coming year.

Freeing up of the planning system, would be welcomed by many, but the speed of delivery of new houses probably depends more on the economy than the planning system.

In the meantime, our clients should be ready to take advantage of the opportunities we expect to see, in helping to provide a few of the much needed rural homes in the coming few years.



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## Residential Lettings

### Renters' Rights Bill

Introduced to parliament in the autumn, legislation could go through as soon as this spring with reforms implemented by late summer. The Renters' Rights Bill for England makes similar proposals to the Conservatives' Renters' Reform Bill with some notable differences including:

1. The abolition of so called "no fault evictions" would take place without waiting for reform of the courts.
2. The asking rent must be published and no higher offers may be accepted.
3. The "Decent Homes Standard" already applicable for Social Housing will be applicable in the Private sector.

We must hope that delays in the courts do not lead to unnecessary



Apley Park Mews

hardships where there are disputes. The Bill abolishes Assured Shorthold Tenancies which will become Assured Tenancies. Tenants will have the right to give two months' notice at any time.

As requested by the CLA – tenancies with a fixed term of over seven years will fall outside the

new regime and be contractual, so governed by their own terms (including maintenance and repair matters) and common law. This may be very helpful for many of our farming and estate owning clients.



Clare Amey  
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## West of Offa's Dyke

### Farm Support

BPS will remain the principal farming support mechanism this year alongside the Habitat Wales Scheme. Introduction of the Sustainable Farming Scheme (SFS) is delayed to 2026 and currently still proposes 10% of the farm as woodland and 10% as semi natural habitat. A big ask.

### Rent Smart Wales

Last year we were audited by Rent Smart Wales as agents to the many residential properties we manage for clients in Wales. Whilst we passed the audit it was rather like an HMRC investigation, with proof of compliance required, such as photographs of the smoke and carbon monoxide detectors in place, evidence of past

as well as current safety certificates and email trails of how tenant queries or other property issues were responded to and addressed.

It is not just agents working in Wales who can expect such audits but owners too. Furthermore, surely it is only a matter of time before those in

England can expect similar legislation. Our advice is to keep meticulous records and conduct internal compliance audits whether your property portfolio is one or one hundred properties. Failure to do so means landlords or their agents may lose the right to manage.



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## Valuation

### Compulsory Purchase

Under the previous Governments' Levelling Up and Regeneration Act 2023, Local Authorities have the power to apply to the Secretary of State to give permission to acquire land for social and affordable housing purposes, or for education or health uses without the need to compensate for hope value.

Hope value is that value attributed to land over and above its existing use value arising from its potential future value for, say development. It can be difficult to quantify and therefore can create a delay in agreeing value. Not only is the Act intended to reduce cost to the public, at the expense of the landowner, but also speed up the process of land acquisition for development.

It was envisaged that these powers would primarily be used

to release urban sites currently undeveloped and in limbo. However, the new Government has announced a proposed widening of these powers with the stated intention to make full use of them to help to facilitate the building of 1.5 million new homes over five years with a generation of new towns, presumably to be built on greenfield sites.

### Phone Masts

A recent tribunal decision at Vache Farm in Buckinghamshire concluded that the value of £750 per annum set for remote rural sites was wrong, and that £1,750 was a more appropriate figure and should be updated over time with reference to RPI or otherwise.



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## Residential Sales

### Ludlow



Cathrine Barre

Sales Office Manager  
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Foldgate Farmhouse walking distance to Ludlow. Asking Price £ 900,000.

Our Ludlow office continues to grow following our recent move to larger, higher profile premises in the heart of the town, putting us in a strong position to service clients

in South Shropshire, Herefordshire, West Worcestershire & Mid Wales. We've now been joined by our South Shropshire estate management team formerly based in Craven Arms.

## Environment

### Net Zero by 2030?

The Government recently acquired the National Grid's Electricity System Operator (ESO) and launched its own system, the National Energy System Operator (NESO). NESO will oversee the running and development of existing and future energy supplies in the UK and will be instrumental in seeking to achieve the Government's commitment to achieve carbon net zero in our domestic energy market by 2030.

Ed Miliband, Secretary of State for Energy Security and Net Zero, has said that GB Energy will partner with the Crown Estates to supply 20 million homes from offshore wind and has pledged to double onshore wind capacity, triple solar and quadruple offshore wind. All this within the next six years?

The biggest hold up for new energy generation schemes has been the capacity of the national grid. Whilst this is being beefed up sources report that some of today's wind farm developers have been told that the current estimate for a connection is 15 years. This is not helpful if our net zero target is six years. So, if the Government is to get anywhere near meeting its targets, we can expect to see some radical changes to enable the necessary infrastructure projects move ahead across the UK.



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## People

### Promotions



**Matthew Doyle**

**Promoted to Associate**

Matthew joined Balfours in 2021 and has successfully passed his RICS APC (Royal Institution of Chartered Surveyors Assessment of Professional Competence) exam this summer, earning him a promotion within the firm to Associate.



**Cathrine Barre**

**Promoted to Sales Office Manager - Ludlow**

Following the move to our new offices in Ludlow, we are pleased to announce that Cathrine has been promoted to Office Manager to reflect the hard work and dedication she has put in and the great results she has achieved.

### New recruits



**Amy Meldrum-Beechey**

**Sales Office Manager – Shrewsbury**

Amy brings more than 15 years' experience in the property sector, the last 10 being spent honing her skills in Shropshire & the surrounding counties' residential & country house market.



**Elly Carpenter**

**Residential Sales Negotiator**

We are delighted to welcome Elly to our sales team in Shrewsbury, who brings a wide range of experience from previous roles within the residential property sector.



**Francesca Gelmetti**

**Lettings Administrator**

Born and bred in Shrewsbury, Francesca has recently joined our lettings team following her graduation in 2022 from the Shrewsbury campus of Chester University.

# Balfours

PROPERTY PROFESSIONALS

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### Staff Day

In July we hosted an away day for staff from our four offices at the renowned stately home & tourism destination of Weston Park. The day was a great success for many reasons: Seeing what goes on

first hand on a thriving multi-discipline estate, also enabling staff from different offices to mix & put faces to names. We saw the culmination of colleagues who have project managed the conversion of redundant buildings

into commercial lets, we enjoyed group tours of the house & we viewed luxurious holiday lets whilst learning about the busy events calendar from Camp Bestival & Tai Chi to Fine Arts & Go Wild.