

Land Business Tracker | June 2020

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>ECONOMY</p> <p>National Living Wage and National Minimum Wage rates</p> <p>(UK)</p> <p>Find out more</p> <p>NB This is separate to the voluntary 'real living wage' campaign, which increased its UK hourly rate by 30p to £9.30 on 11 November 2019.</p>	<p>The rates for the National Living Wage (NLW) and the National Minimum Wage (NMW) have been increased to:</p> <ul style="list-style-type: none"> NLW – workers aged 25 and over – £8.72, up 6.2% from £8.21. NMW – 21 to 24 year olds – £8.20, up 6.5% from £7.70. NMW – 18 to 20 year olds – £6.45, up 4.9% from £6.15. NMW – 16 and 17 year olds – £4.55, up 4.6% from £4.35. NMW – apprentices – £4.15, up 6.4% from £3.90. 	<p>With effect from 1 April 2020.</p>	<p>Consider what changes in wage rates your business will apply.</p> <p>For more details or a copy of our letter on recommendations for wages reviews, speak to George Chichester.</p>
<p>FARMING</p> <p>Agriculture Bill 2019-20</p> <p>(UK, but some devolved powers to Scotland, Wales and Northern Ireland)</p> <p>Find out more</p>	<p>The Bill provides the government with powers to set agricultural policy on 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 over a seven-year transition period starting in 2021.</p> <p>It will be replaced by the Environmental Land Management System (ELMS), which will pay land managers for producing 'public goods', such as environmental improvements.</p>	<p>Date of report stage to be announced.</p> <p>Passing the Bill is still high priority.</p> <p>The 'policy discussion' on the ELMS in England is on hold due to COVID-19.</p>	<p>Read our summary of the Bill.</p> <p>Speak to Will Gemmill to run your farm or estate through our model to assess how the transition to new farm support policies will affect farm profits.</p>
<p>FARMING</p> <p>Drone operator registration</p> <p>(UK)</p> <p>Find out more</p>	<p>Anyone responsible for a drone or unmanned aircraft weighing between 250g and 20kg will need to:</p> <ol style="list-style-type: none"> Register as an operator (£9 renewable annually) Pass an online education package (free and renewable every three years) 	<p>Effective from 30 November 2019.</p>	<p>Relevant to recreational and professional uses of drones.</p>
<p>PROPERTY</p> <p>Septic Tanks & Sewage Treatment Plants</p>	<p>All private septic tanks or sewage treatment plants must comply with these regulations.</p> <p>It will not be permitted to discharge effluent from septic tanks (as opposed to sewage treatment plants) directly or indirectly into drains, ditches or other watercourses after 1st January 2020</p>	<p>Comply within a reasonable period after October 2019 (widely interpreted as meaning</p>	<p>Check all private systems are compliant and discharge less than the allowed amounts.</p> <p>Make good any obvious leaks,</p>



<p>The Environmental Permitting (England and Wales) Regulations 2016</p> <p>General Binding Rules for Small Sewage Discharges</p> <p>(England)</p> <p>Find out more</p>	<p>(although widely interpreted as meaning October 2020).</p>	<p>October 2020), or before if pollution is already occurring or the dwelling is being sold.</p>	<p>overflows or broken parts.</p> <p>Plan and budget for upgrades and replacements.</p> <p>For more details speak to Alistair Cochrane.</p>
<p>RESIDENTIAL LETTINGS</p> <p>The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015</p> <p>(aka MEES)</p> <p>(England and Wales)</p> <p>Find out more</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 '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>The 'consent exemption' will also no longer be available where a sitting tenant has refused a Green Deal finance plan.</p> <p>NB Both the English and Welsh governments are consulting on further improving the energy efficiency requirements for new homes.</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>Energy Efficiency (Private Rented Property) (Scotland) Regulations 2019</p> <p>(Scotland)</p> <p>Find out more</p>	<p>From 1 April 2020 all new lettings of residential property will be required to have a minimum EPC rating of E, subject to prescribed exceptions below:</p> <ul style="list-style-type: none"> • Consent (where a tenant does not allow access to the property). • Negative impact on fabric or structure of the property. • Cost cap (if work to reach the minimum EPC rating exceeds the stated cost caps of £5,000 until 31 March 2022 and then £10,000). • Temporary exemption (for six months when a landlord purchases a property). 	<p>Effective from 1 October 2020 for new tenancies.</p> <p>Effective from 31 March 2022 for all tenancies.</p>	<p>Review property compliance and prepare for implementation of minimum standards.</p> <p>EPC rating D for all new tenancies from 1 April 2022.</p> <p>EPC rating D for all rental properties from 1 April 2025.</p>
<p>RESIDENTIAL LETTINGS</p> <p>Homes (Fitness for Human Habitation) Act 2018</p> <p>(England only)</p> <p>Find out more</p>	<p>The Act requires all rented homes to be 'fit for human habitation' at the start of the tenancy and to remain so throughout.</p> <p>It uses the 29 hazards listed in the Housing Health and Safety Rating System (HHSRS) to determine whether a house is "fit for human habitation".</p> <p>Applies to any dwelling let on or after 20 March 2019 for a term of less than 7 years, including renewed fixed term tenancies.</p> <p>NB The government intends to update the HHSRS and make it easier to understand.</p>	<p>20 March 2019 for new tenancies and renewed fixed term tenancies.</p> <p>20 March 2020 for periodic or secure tenancies in existence on 20 March 2019.</p>	<p>No action needed if let properties are reasonably maintained.</p> <p>Read our briefing paper on how it affects dwellings on farms, which is complicated.</p>
<p>RESIDENTIAL LETTINGS</p> <p>Renters' Reform Bill 2019-20</p> <p>(England)</p> <p>Find out more</p>	<p>The Bill will end a landlord's ability to serve section 21 notices to end an Assured Shorthold Tenancy without a good, specified reason. These are often called 'no-fault evictions'. Instead the government says landlords should use a revised and strengthened court process.</p>	<p>Announced in Queen's Speech on 19 December 2019 but no date is available yet for presentation of the Bill.</p>	<p>Landlords should consider the potential impact of the proposed changes on their properties. Some may want to consider the position of each residential tenant now.</p>



Monitor now			
Regulation	Description	Key dates	Action
ENVIRONMENT Environment Bill 2019 – 20 (UK) Find out more	<p>The Bill sets out proposals for environmental policy after the UK leaves the EU, and the structure for long-term environmental governance and accountability, including provision for the Office for Environmental Protection and measures for:</p> <ul style="list-style-type: none"> • Waste and resource efficiency • Air quality • Water management • Nature and biodiversity • Conservation covenants • Regulation of chemicals 	<p>Committee debate in Commons held on 19 March 2020.</p> <p>The Commons' Environment Bill Committee inquiry is on hold due to COVID-19.</p>	<p>Monitor.</p> <p>Consider whether development could be 'enabled' by offering Biodiversity Net Gain, by providing / selling it to developers. Contact Jeremy Dawson.</p>
ENVIRONMENT Energy Efficient Scotland: Improving energy efficiency in owner occupied homes (Scotland) Scottish Government	<p>The Scottish Government is consulting on setting the energy efficient standards for owner occupied homes.</p> <p>The standards will help reduce both greenhouse gas emissions and fuel poverty.</p>	<p>Consultation closed on 26 March 2020.</p>	<p>Monitor and plan for improving energy efficiency in advance of the legislation.</p>
RESIDENTIAL LETTINGS Agents' fees on tenants' repairs to let residential property Tenant Fees Act 2019 (England) Find out more	<p>Legal opinion sought by ARLA suggests that landlords will not be able to recover from tenants the costs incurred by agents in arranging repairs to residential property arising from tenants' acts or omissions, unless there is a clause to this effect in the tenancy agreement – and even this may be unenforceable.</p>	<p>Legal opinion is dated 10 July 2019 and 2 September 2019.</p>	<p>Residential property managers to check tenancy agreements and advise landlords.</p>
RESIDENTIAL LETTINGS Renting Homes (Amendment) (Wales) Bill (Wales) Find out more	<p>The Bill will extend the minimum notice period for tenancies to six months.</p> <p>The Welsh Assembly is also consulting on restricting the options for a landlord to regain possession of a let property.</p>	<p>Bill expected to be effective from spring 2021</p> <p>Changes to permitted payments from 28 April 2020.</p>	<p>Monitor.</p>
RESIDENTIAL LETTINGS Electrical safety in the private rented sector (England) Find out more NB Similar regulations already apply in Scotland.	<p>The regulations require landlords to have electrical installations in privately rented homes checked every five years.</p> <p>Properties that already have a valid electrical installation condition report will not need to replace it until five years have passed since it was issued.</p>	<p>1 July 2020 for new tenancies.</p> <p>1 April 2021 for existing tenancies</p>	<p>Anyone commissioning a check must make sure that it is done by someone competent and with current qualifications.</p>



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