

Land Business Tracker | July 2022

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.

EMPLOYMENT

Implement now

Regulation	Description	Key dates	Action
National Living Wage and National Minimum Wage rates	The rates for the National Living Wage (NLW) and the National Minimum Wage (NMW) have been increased to:	With effect from 1 st April 2022.	Consider what changes in wage rates your business will apply.
(UK) <u>Find out more</u> NB This is separate to the voluntary 'real living wage' campaign, which increased its UK hourly rate to £9.90 from £9.50 from 15 th November 2021.	 NLW – workers aged 23 and over – £9.50, up 6.6% from £8.91. NB the lower age limit was previously 25 years old. NMW – 21 to 22 year olds – £9.18, up 9.8% from £8.36. NMW – 18 to 20 year olds – £6.83, up 4.1% from £6.56. NMW – 16 and 17 year olds – £4.81, up 4.1% from £4.62. NMW – apprentices – £4.81, up 11.9% from £4.30. 		For more details or to speak about recommendations for wage reviews, speak to <u>George Chichester</u> .
Personal Protective Equipment at Work (Amendment) Regulations 2022 (UK) <u>Find out more</u>	The new Regulations extend an employer's duty to provide PPE to more employees, including casual or irregular workers with an employment contract.	With effect from 6 th April 2022.	Review all workers' terms of employment. Ensure PPE is provided when required.

ECONOMY

Monitor now			
Regulation	Description	Key dates	Action
Levelling Up and Regeneration Bill (England and Wales) <u>Find out more</u>	 This replaces the earlier Planning Bill proposals. It is a wider Bill and includes: Four broad policy objectives, which the government will have a legal duty to deliver. Decentralisation of power to local leaders, including combined county authorities. A 'simple, non-negotiable, locally set' 	The Bill is going through parliament now.	Monitor.

 infrastructure levy to replace most of the current section 106 arrangements. New 'street vote' powers, for residents on a street to put forward proposals to redevelop or extend their property. 		
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ENVIRONMENT

Monitor now				
Regulation	Description	Key dates	Action	
Water abstraction and impounding licensing in England: changes to the regulatory framework (England) <u>Find out more</u>	The government has consulted on moving the regulation of abstraction and impounding licensing into the Environmental Permitting (England and Wales) Regulations 2016 from 2023 onwards. It also consulted on changes to groundwater activities and some related surface water discharge activities under the Environmental Permitting (England and Wales) Regulations 2016.	Consultations closed on 22 nd December 2021 Government response expected early summer 2022.	Monitor.	
Consultation on environmental targets (England) <u>Find out more</u>	DEFRA is consulting on setting a number of legally binding targets for its policies to achieve, which it is required to do under the Environment Act 2021.	Consultation closed on 27 th June 2022.	Monitor.	
Guiding principles on the environment: draft statutory guidance (Scotland) <u>Find out more</u>	The Scottish Government is consulting on draft statutory guidance for the five guiding principles on the environment.	Consultation closed 8 th February 2022.	Monitor.	
New National Parks for Scotland (Scotland) <u>Find out more</u>	The Scottish Government has consulted on what people value about Scottish National Parks and what these areas should deliver in future. It committed to establish at least one new National Park by the end of this Parliament in 2026.	Consultation closed 3 rd June 2022.	Monitor.	

FARMING

Implement now					
Regulation	Description	Key dates	Action		
Agricultural support schemes	 The seven-year transition period to move from EU-based rules to a new UK system started in January 2021. It includes: Reductions in Direct Payments under the Basic Payment Scheme (BPS) over a seven-year transition period starting in 2021: 	Various.	Read our <u>Basic</u> Payments 2022 guide for key dates for the		
(England)			main schemes.		
Find out more			Or <u>download our one</u> page chart on when		
NB Similar schemes will be separately developed for Scotland and Wales.			each scheme is likely to open.		

Band £000 <£30 £30 - 50 £50 - 150 >£150	2021 -5% -10% -20% -25%	9 2022 -20% -25% -35% -40%	% 2023 -35% -40% -50% -55%	2024 -50% -55% -65% -70%	Speak to our farming and land management team to discuss how you could respond to the changes. Speak to <u>Jonathan</u>
(previo - Local N	of some BPS pay t to farm ronment eme com nable Fa busly kno Nature R cape Rec Countrys from 202 rastructu ution. ent for th	cross-co ments sc the land al Land I prising th rming Ind wn as tie ecovery covery (ti ide Stew 3. re grant	mpliance o there is Managen nree leve centive (\$ er 1) (tier 2) er 3) ardship t from 202	e rules. no nent ls: SFI) to new 22 to help	Armitage to run your farm or estate through our model to assess how the transition to new farm support policies will affect your profits.

FOOD

Monitor now						
Good Food Nation (Scotland) Bill (Scotland) <u>Find out more</u>	The Bill aims to address food-related issues by requiring the Scottish Government, local authorities and some public bodies to produce good food plans, so that Scotland is a Good Food Nation by 2025.	The Bill is going through parliament now.	Monitor.			

PLANNING

Monitor now		r	
Regulation	Description	Key dates	Action
Local development planning - regulations and guidance: consultation (Scotland) <u>Find out more</u>	Significant changes to development planning were made by the Planning (Scotland) Act 2019. To implement the changes, a number of documents are required and the Scottish Government is now inviting views on them.	Closed 31 st March 2022.	Monitor.
Draft National Planning Framework 4 (Scotland) <u>Find out more</u>	The Scottish Government has opened a consultation seeking views and comments on the draft National Planning Framework 4 (NPF4), which will set out its priorities and policies for the planning system up to 2045. NPF4 covers a wide range of topics, including national developments, the National Spatial Strategy and national policies.	Closed 31 st March 2022.	Monitor.

Permitted Development Rights review	Phase 2 of this review is focussing on electric vehicle charging infrastructure, changes of use in town and local centres, and port development	Consultation Monitor. closes 3 rd August 2022.	Monitor.
(Scotland)	town and local centres, and port development. Au		
Find out more			

PROPERTY

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Implement now			
Regulation	Description	Key dates	Action
The Economic Crime (Transparency and Enforcement) Act 2022 (UK) <u>Find out more</u>	Overseas companies which own property in the UK must confirm the identities of their 'beneficial owners', which will be recorded on a new public register. Criminal penalties apply for non-compliance, including fines of up to £2,500 per day or up to five years in prison.	With effect from 15 th March 2022.	Property owners and their agents need to ensure compliance, alongside anti-money laundering procedures.
The Building Safety Act (UK – but application varies) <u>Find out more</u>	 The Act proposes significant changes to the regulatory regime for the construction of new buildings to which the Building Regulations apply, and to give residents more say in the management of their buildings: The introduction of a Building Safety Regulator. Revision / new roles under the Construction (Design and Management) Regulations 2015. There are additional proposals for higher risk buildings, including tall buildings. NB Amendments removed the proposals for a Building Safety Manager and also proposals for a Building Safety Charge. 	Royal Assent received April 2022. Expected to be implemented in phases between 2022 and 2024.	Monitor.
Business rates relief (UK) <u>Find out more</u>	Business rates relief is to continue for properties in the retail, hospitality and leisure sectors at 50% relief on rates bills (taking over from earlier COVID-19 reliefs) up to a maximum of £110,000 per business.	Ongoing until April 2023.	Ensure that eligible businesses continue to claim relief.
Changes to permitted development rights allowing commercial premises to be converted into homes (England) <u>Find out more</u>	These new permitted development rights allow for change of use from commercial, business and service use (Class E) to residential use (Class C3), opening up new opportunities for farmers and landowners. The new class MA allows a wider range of buildings to be converted than under the Class E designation introduced in 2020.	Class MA rights take effect from 1 st August 2021.	Review conversion opportunities. Contact <u>Simon Beeby</u> for further details.
Boiler Upgrade Scheme (England and Wales) <u>Find out more</u>	Grants of up to £6,000 per property to encourage domestic and non-domestic property owners to install low carbon heating systems, such as heat pumps.	Scheme opened for applications on 23 rd May 2022.	Consider low carbon options when replacing boilers.
The Fire Safety Act 2021 (England and Wales)	This Act clarifies which the parts of a premises the Regulatory Reform (Fire Safety) Order 2005 (the FSO) applies to.	Royal Assent received April 2021.	Review fire risk assessments for relevant properties.

Find out more NB Part B of The Building Regulations 2010, which relates to fire safety, has also been amended and takes effect from 1 st December 2022.	The FSO applies to all non-domestic premises, including multi-occupied residential buildings such as blocks of flats. Individual flats are excluded. The FSO requires a responsible person to undertake, and review regularly, a fire risk assessment of the building and maintain precautions that manage the risk of fire. Other amendments to the 2005 Order introduce new fire safety measures for high rise residential buildings.	Sections 1 (premises to which the FSO applies) and 3 (guidance on duties under the FSO) take effect from 16 th May 2022. The Act is in force in Wales from 1 st October 2021.	
Increased transparency in land ownership (Scotland) <u>Find out more</u>	The Regulations' aim is to increase transparency in relation to who has control over decision- making in relation to land, including vacant and derelict land. They create the framework for a new register, which will be maintained by The Registers of Scotland.	The register became operational on 1st April 2022.	Non-compliance carries criminal penalties, although there is a one year transitional period until 1 st April 2023.

Monitor now

Regulation	Description	Key dates	Action
Heat and buildings strategy (UK) Find out more NB The Scottish Government separately published its <u>Heat in</u> <u>Buildings Strategy</u> in October 2021. NB See Boiler Upgrade Scheme above.	 As part of the UK Government's Net Zero Strategy, and building on the earlier 2017 Clean Growth Strategy, proposals to de-carbonise buildings include: Phasing out installation of new gas boilers by 2035. Phasing out the installation of fossil fuel heating systems in properties not connected to the gas grid from 2024 for non-domestic property and 2026 for domestic property. Reductions in costs of heat pumps by 25-50% by 2025 with grants for installation. Changes in electricity pricing to encourage use of heat pumps. Additional funding for research into low carbon technologies. Minimum EPC ratings of C for houses by 2030 - 2035. 	Published 19 th October 2021. Implementation of many measures will need further consultation and regulation.	Start planning how to decarbonise existing to meet new upcoming regulations on the pathway to Net Zero.
Changes to permitted development rights for electronic communications infrastructure (UK) Find out more	Proposed changes to permitted development and other rights to help improve broadband and mobile networks. This includes allowing existing masts to be increased in height up to 25 metres height under permitted development rights.	Consultation response published 7 th March 2022.	Monitor.
The Council Tax (Long- term Empty Dwellings and Dwellings Occupied Periodically) (Wales) Regulations 2022 (Wales)	These Regulations allow a local authority to increase the council tax charged by up to 300% on long-term empty dwellings or a dwelling occupied periodically.	With effect from 1 st April 2023.	Review whether it affects any properties owned.

Find out more			
Proposed Land Transaction Tax higher rates for second homes	The Welsh Assembly is consulting on introducing a 4% additional rate of Land Transaction Tax on purchases of dwellings which are not the owner's main residence and are used on an occasional basis.	Consultation closed 28 th March 2022.	Monitor.
(Wales)			
Find out more			

RESIDENTIAL LETTINGS

Implement now			
Regulation	Description	Key dates	Action
Right to Rent checks and 'share codes' (UK) <u>Find out more</u>	Landlords and agents need to ask prospective tenants for original documents or a share code to prove their right to live in the UK.	With effect from 6 th April 2022.	Confirm that tenancy set-up procedures are up-to-date.
	Biometric residence cards or permits are not acceptable.		For more details speak to <u>Sarah Roberts.</u>
Electrical safety in the private rented sector (England) Find out more NB Similar regulations already apply in Scotland.	The Regulations require landlords to have electrical installations in privately rented homes checked every five years. Properties that already have a report will not need to replace it until five years have passed since it was issued <u>if no changes have been made to the</u> <u>electrical system</u> .	With effect from 1 st July 2020 for new tenancies. With effect from 1 st April 2021 for existing tenancies.	Anyone commissioning a check must make sure that it is done by someone competent and with current qualifications. Download our <u>checklist</u> . For more details speak to <u>Sarah Roberts</u> .
Renting Homes (Amendment) (Wales) Act 2021 (Wales) <u>Find out more</u>	The Act introduces a 'standard contract' for the private rented sector. It also extends the minimum notice period for tenancies to six months and requires a working carbon monoxide alarm to be present in every room where there is a gas, oil or solid fuel burning appliance. NB The minimum notice period for the private rented sector has, for now, reverted back to two months.	Implementation delayed again. Now expected to be effective December 2022.	Confirm that tenancy procedures are up-to- date. Fit carbon monoxide alarms as soon as possible.
Monitor now			
Renters' Reform Bill (England) <u>Find out more</u>	The Bill contains a wide range of proposals, including ending a landlord's ability to serve section 21 notices to end an Assured Shorthold Tenancy without a specified reason. These are often called 'no-fault evictions'. Instead landlords will be able to use a revised and strengthened court process.	White Paper published on 16 th June 2022. Unclear when the Bill will come into effect.	Landlords should consider the potential impact of the proposed changes on their properties. For more details speak to <u>Sarah Roberts</u> .
Domestic smoke and carbon monoxide alarms (England) <u>Find out more</u>	 Landlords will be required to fit a carbon monoxide alarm: In any room used as living accommodation where there is a fixed combustion appliance. Next to all fixed combustion appliances of any fuel type (excluding gas cookers). 	With effect from 1 st October 2022.	All landlords should fit alarms as soon as possible.
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Improving the energy performance of privately rented homes in England and Wales (England and Wales) <u>Find out more</u>	 In each storey which has living accommodation. The key proposals consulted upon, and which are now part of the Heat and Buildings Strategy, are: Raising the minimum EPC rating to C – for new lettings from 2025 and existing ones from 2028. To increase the cost cap on a landlord's investment to £10,000 (inc VAT) from £3,500. Introduce a 'fabric first' approach to 	Consultation closed 8 th January 2021. Government response was expected in late 2021.	Start planning how to meet the requirements, which are highly likely to be introduced and be more rigorously enforced.
A New Deal for Tenants - draft Rented Sector Strategy consultation (Scotland) <u>Find out more</u>	energy improvements. Requiring the private rented sector to support the uptake of smart meters. This wide ranging consultation is seeking views on how the Scottish Government can deliver its vision that by 2040 everyone living in Scotland would have access to an affordable, high quality and energy efficient home. This consultation covers both the private rented and social sectors. NB The increased protection for private rented tenants facing evictions during the pandemic has been maintained by the Coronavirus (Recovery and Reform) (Scotland) Bill, which was passed on 28 th June 2022. The Bill removed the mandatory grounds for a landlord to evict a tenant and reclaim vacant possession for non-	Consultation closed 15 th April 2022. The Scottish Government plans to publish the final version of the Strategy by the end of 2022.	Monitor.
Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations (Scotland) <u>Find out more</u>	Earlier proposals have been replaced by these new regulations, which require all private rented sector properties to meet a minimum standard equivalent to EPC C by 2025, where technically feasible and cost-effective, at change of tenancy. All remaining existing properties must comply by 2028.	Consultation will take place during 2022.	Monitor. Review property compliance and prepare for implementation of minimum standards.

TAXATION

Implement now			
Regulation	Description	Key dates	Action
Annual Investment Allowance temporary cap and 130% 'super- deduction' (UK) <u>Find out more</u>	The Annual Investment Allowance, which provides tax relief on expenditure on plant and machinery assets of up to £1 million, was extended until 31 st March 2023. The <u>130% 'super-deduction'</u> first year allowance on qualifying plant and machinery investments has also been extended.	Both allowances extended until 31 st March 2023.	Review expenditure programmes. The rules on which assets qualify are complicated. For more detail, speak to our director of tax, <u>Jonathan Smith</u> .
Monitor now		Ormenthation	Manifer
Review of Property Income – Survey	The Office of Tax Simplification has consulted on aspects of property income taxation that are	Consultation closed 5 th June 2022.	Monitor.

(UK) <u>Find out more</u>	complex and hard to get right, and on suggestions for improvements.		
The Land and Buildings Transaction Tax - Additional Dwelling Supplement: A call for evidence and views (Scotland) <u>Find out more</u>	The Scottish Government has consulted on how the Additional Dwelling Supplement (ADS) is operating. The consultation is the first step in a review of the policy. NB The ADS is a 4% charge on purchases of residential property which is not a main residence.	Consultation closed 11 th March 2022.	Monitor.

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