



It's been an odd year! Despite it all, our property and agricultural teams are busier than ever and we welcome our newly-qualified Emma Blamire to the team of solicitors. Tim Cartmell gave me some advice at that stage of my career – “keep learning until you die,” which was both characteristic and spot on.

The icing to the cake is that both major, national legal reviews have now put Cartmell Shepherd in their top rankings for agriculture, based on client feedback of what we do. To have recognition for the team from both Legal 500 and Chambers & Partners is nice, but we have to continue to live up to that. Lots of things are uncertain, but we hope the quality and common sense of the advice we give will remain a constant.

As we look back on a year of change, and forward to another that will undoubtedly bring something else to test the little grey cells, let's hope we all keep on learning.



Jonathan Carroll
Director & Head of Agriculture

"Some decisions stay the same but our advice moves with the times"

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Emma joins the farming team

For newly qualified solicitor Emma Blamire, living and working in Cumbria is the best of all worlds. Having grown up on a farm just outside Carlisle, she loves the outdoor life and is now combining that with her chosen career in law.

Emma, 24, qualified as a solicitor in September and is now part of Cartmell Shepherd's Agriculture and Estates team, one of the leading agricultural law departments in the north of England. "It's great to be part of a team which has such an excellent reputation," says Emma. "I wanted to specialise in this area because I can relate to it. Living on a farm, I know from personal experience some of the issues our clients face. I now have the legal understanding of those same issues which means I can help through my knowledge of both the sector and the law."

Emma lives at Mid Whinnow Farm near Thursby with her parents, Ian and Gillian, her sister Amy, 23, and her brother Tom, 21. Amy is a veterinary nurse at Belle Vue Vets in Wigton and Tom works at home on the farm and is currently chairman of Raughton Head Young Farmers, a club with which the family has a long association.

Emma has held the positions of treasurer and secretary for the club and regularly takes part in competitions, particularly public speaking. She studied for her A-Levels at Nelson Thomlinson School in Wigton, going on to read law in Liverpool John Moores University followed by a one-year Legal Practice Course at Northumbria University.

While in her second year at university, she got chatting to Mark Jackson, a director in Cartmell Shepherd's Agriculture and Estates department at the firm's stand



at Dalston Show who invited her to do some work experience with them. She then successfully applied for a two-year training contract, spending six months in different departments to gain experience.

Emma's ambition is to become an integral part of the Agriculture and Estates team. "I absolutely love working at Cartmell Shepherd," she adds. "I'm looking forward to building relationships with clients and becoming the person they can trust to do a good job."

"It's great to be part of a team which has such an excellent reputation!"

IN THE NEWS



Sam Lyon has joined the firm as the Head of our Corporate and Commercial team.

Previously a corporate partner at Burnetts and Head of Legal at Cumberland Building Society, where he was a member of the Cumberland executive team with responsibility for customer service operations. In addition to his extensive legal experience, Sam's career has also seen him hold responsibility for delivery of strategic change projects and serve as a director of various companies, both commercial and not-for-profit.

Sam's aim is to deliver exceptional legal solutions and service to our clients, utilising his first-hand experience of the challenges and commercial realities businesses face.

Sam's work for our agricultural clients in relation to both farming and diversification projects includes setting up company and joint venture structures, financing arrangements and commercial contracts.

You can contact Sam by calling 01228 516666.

Firm's commitment to agricultural sector rewarded with highest accolade

A LEADING legal firm has been recognised for its commitment to the local farming community. Cartmell Shepherd Solicitors, which operates across Cumbria and Northumberland, has been ranked among the best in the country for its expertise and knowledge of the agricultural sector.

Its Agriculture and Estates department was placed in the top tier of legal firms nationally for the first time by the Chambers UK Guide, which ranks lawyers and law firms throughout the UK.

Head of department and director Jonathan Carroll was also included on the individual list for the second consecutive year, along with Cartmell Shepherd director Mark Jackson. Cartmell Shepherd associate solicitor Katherine Pretswell-Walker was also highlighted as an associate to watch.

Jonathan Carroll is described in the guide as "an extremely technically gifted lawyer." He leads the agriculture team and advises on a range of agricultural matters such as farm sales and purchases, partnership matters and AHA tenancy disputes. A client comments: "He is a well-respected, confident and practical individual who is capable of getting to the heart of an issue and providing sound advice to clients."

Mark Jackson handles a number of agricultural matters, including land sales and purchases, AHA tenancy matters and estate management. The guide states: "If he has a point, he makes it clearly and concisely. He is a fantastic listener and is willing to listen to other points of view. He is really pleasant to deal with, really knowledgeable and approachable."

Katherine Pretswell-Walker advises agricultural clients on a wide range of matters including sales and acquisitions of farms, mineral and sporting rights, and overage agreements. The guide states: "She is a really good lawyer. She is knowledgeable, good with clients, good to work with and extremely thorough."

Peter Stafford, managing director of Cartmell Shepherd Solicitors, said the latest recognition for the team by The Chambers UK Guide 2021 was a reflection of the firm's commitment to the agricultural sector.

He said: "We are committed to providing the highest quality legal advice and support for our clients across all aspects of Agriculture and Estates. To be recognised nationally for our work in the sector is reflection of the expertise and experience of the team."

Earlier this month, Jonathan, Mark and Katherine also received accolades in the Legal 500, which analyses the capabilities of law firms across the world. Jonathan and Mark were highlighted as "leading individuals", while Katherine was described as a "rising star".



Greening requirements to be removed from BPS for 2021

Defra has announced that all three greening requirements will be removed from the 2021 Basic Payment Scheme (BPS). This means that farmers in England will no longer have to comply with complex rules relating to crop diversification, Ecological Focus Areas (EFA) and permanent grasslands in order to receive BPS payments. The change means that 30% of the current overall BPS payment associated with greening requirements will be reallocated to 2021 BPS entitlements.

In March 2020, the greening requirement relating to the three crop diversification rule was temporarily suspended for farmers in England, following a period of heavy and sustained rainfall that made it impossible for many farmers to plant and establish crops in accordance with the rules. The NFU, which had been seeking clarification about the 2021 crop diversification requirements for many months, welcomed the decision to remove them permanently from BPS rules. The NFU claims that the greening rules have never been applied with the flexibility that is needed to adapt to the varying weather and farming conditions in Britain.

The withdrawal of the greening requirements is part of an agricultural transition period during which the BPS Direct Payments that have historically been made to farmers in England under the terms of EU schemes will be gradually phased out. The payments will be replaced with a new Environmental Land Management (ELM) scheme, which is expected to be introduced in 2024.

According to Defra, the EU greening rules have not improved the UK's environmental efforts and the ELM scheme will be more effective in delivering 'public goods' such as tree and hedge planting, flood management and the conservation or preservation of wildlife habitats.

Reacting to Defra's announcement, the NFU is confident that farmers will use their experiences of greening to develop existing approaches to land management. The NFU also believes farmers will build on their invaluable role working to protect and enhance the environment as they prepare for the introduction of a new domestic agricultural policy and the ELM scheme.

Although the greening requirements will be removed from 2021, requirements for the 2020 BPS scheme year remain unchanged, which means that farmers who have committed to growing catch and cover crops in 2020 must establish and maintain them as usual during autumn and winter.

Read more about the greening requirements at:

www.gov.uk/government/news/government-to-cut-red-tape-for-farmers-as-they-plan-for-2021



Jonathan Carroll
Director & Head of Agriculture

Agricultural land values hold steady

The value of agricultural land in England and Wales remained steady during the third quarter of 2020 despite continuing Brexit and Covid-19 uncertainties. The Knight Frank Farmland Index has revealed that land values rose by 0.5% between June and September 2020 and the average price per acre reached £7,000 for the first time in over a year. Due to a small drop at the beginning of the year, 2020 values only slightly increased on 2019.

Land values were kept steady by long term pent up demand and by a shortage of available land. According to the Farmers Weekly Land Tracker, the amount of land made available for sale so far in 2020 is down 40% compared to 2019, partly as a result of the pandemic. Large blocks of quality land are reaching as much as £10,000 per acre as buyers are bidding more competitively due to restricted opportunities in the land and property market.

The main purchasing groups of bare agricultural land were farmers (41% of buyers), often backed up by rollover funds (business asset rollover relief) following sales of their own farmland for development, or due to a compulsory purchase. The second largest group were 'lifestyle buyers' (36%) then investors (20%).

According to Knight Frank, the outlook over the next 12 months will depend on the details of any future trade deal between the UK and the EU, as well as on the contents of the Government's delayed budget, which is expected in spring 2021. In the short term, land values are likely to remain steady due to a continuing shortage of supply. A no-deal Brexit could increase demand for UK land from overseas investors if the pound continues to lose ground against the euro.



Katherine Pretswell-Walker
Associate Solicitor

Increase in UK red meat exports



UK red meat exports were worth £733 million in the six months to June 2020, which is a 3% increase compared with the same period in 2019, according to data published by HMRC.

The biggest increase was in value exports of pork, which rose by 15% to £311 million. Pork exports to the EU fell by 10%, but this was more than offset by exports of pork and pig meat offal to non-EU countries, which increased by 17% when compared to the same period in 2019 and accounted for 59% of UK meat exports.

The volume of sheep meat exports to non-EU countries also increased sharply over the same period, rising by 129% due to commodity price cuts in countries such as Ghana and an increase in exports to Canada. Overall, the value of sheep meat exports rose by 2%, to £195 million.

Beef exports declined overall, as a result of strong domestic demand for beef and Covid related challenges faced by the global foodservice market. However, beef exports to non-EU countries increased by 46% in value and by 21% in volume.

One reason for the growth in non-EU beef exports was Japan's decision, in January 2019, to lift the ban on UK beef imports that was introduced in 1996 after the outbreak of bovine spongiform encephalopathy ('mad cow disease') among cattle in the UK. Almost 1,370 tonnes of beef were exported to Japan in the first six months of 2020, with a value of £4.7 million. UK exports to the Philippines and Canada have also increased.

The AHDB has warned that while the EU remains the most significant market for red meat exports, because of Brexit uncertainty it is imperative that the UK continues to take advantage of export opportunities to non-EU countries.



Mark Jackson
Director

Woodland Carbon Guarantee scheme

A scheme to tackle climate change by incentivising farmers and land managers to create new woodlands has been introduced in England. Unlike similar schemes, the Woodland Carbon Guarantee scheme does not cover the costs of planning, planting or early maintenance. Instead, it provides farmers and land managers who create woodland with a guaranteed long term income.

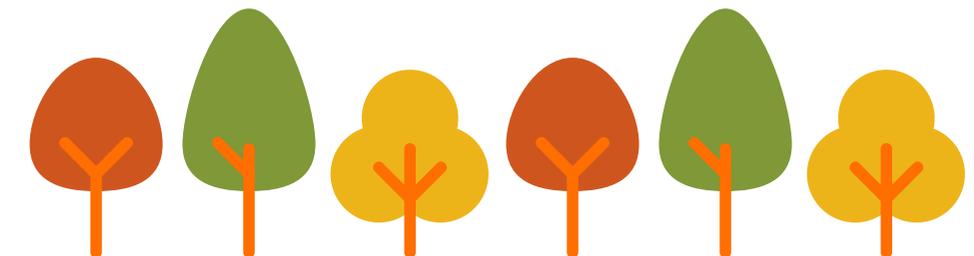
In order to participate in the scheme now in its third round; farmers and land managers would have registered their woodland projects with the Woodland Carbon Code (WCC). Registration only takes between one and two weeks and involves calculating how much carbon the woodland will remove or 'sequester' from the atmosphere. This value is used to calculate the number of 'Woodland Carbon Units' (WCUs) allocated to the project.

On successfully registering a project with the WCC, farmers and land managers take part in an online auction to set the price that the Government will pay for WCUs. The auction price is fixed against inflation and the Government is committed to purchasing WCUs every five or ten years until 2055/56. In addition, farmers and land managers can sell WCUs at any time to corporate buyers who are looking to address their sustainability and reduce their net greenhouse gas emissions.

The first round of the scheme resulted in the creation of 182 hectares of new woodland. A total of 18 contracts were awarded and the average price paid was around £24 per WCU. The second round resulted in the creation of 1,517 hectares of new woodland. A total of 27 contracts were awarded and the average price paid was around £20 per WCU.



Rebecca Toppin
Solicitor



*"This farm is more than just land
and crops, it's our family's
heritage and future ..."*



Greening removal to place some farmers at a disadvantage

Farmers affected by the removal of greening requirements from the Basic Payment Scheme (BPS) will be unable to amend their existing Countryside Stewardship agreements. Defra has confirmed that existing agreements are unable to be changed due to the terms of the UK Withdrawal Agreement from the EU.

Defra has also confirmed that as the 2021 Countryside Stewardship agreements will be made under UK regulations, farmers are able to change their agreements to include land that would have been part of an Ecological Focus Area (EFA) under the greening requirements of the BPS. This is land that had previously been excluded from Countryside Stewardship agreements to avoid breaking double funding rules.

Farming organisations and consultants are urging Defra to allow farmers with 2020 agreements to be given the same flexibility as those starting agreements in 2021 to avoid them being put at a disadvantage. However, according to Defra the existing EU CAP (Common Agricultural Policy) restricts its ability to make existing Countryside Stewardship agreements more flexible. The Withdrawal Agreement also means that pre-2021 agreements cannot be amended before they have run their course.

A Defra spokesperson said: "The Common Agricultural Policy currently restricts our ability to make existing Countryside Stewardship agreements more flexible, but leaving the EU means farmers will benefit from reduced bureaucracy as we move towards our ambitious new Environmental Land Management (ELM) scheme."



Jonathan Carroll
Director & Head of Agriculture

In Brief ...



Farmers urged to prepare for green home grants

Farmers who are planning to apply for funding through the Government's Green Home Grant scheme should start obtaining quotes from accredited tradespeople, according to property consultants Strutt & Parker. The scheme provides homeowners and landlords with grants to make their homes more energy efficient. Grants covering up to two-thirds of project costs are available, up to a maximum of £5,000 per household. However, demand for the scheme is expected to be high, and farmers have been encouraged to obtain quotes immediately to ensure they can benefit from the scheme.

New sugar beet contracts agreed

British Sugar and NFU Sugar have agreed new one and three year sugar beet contracts that will come into force from 2021. The one year contract will pay growers £20.30 per adjusted tonne of sugar beet, while the three year contract for 2021-23 will pay £21.18 per adjusted tonne. Growers will also receive a bonus when sugar beet prices exceed €375 per tonne for the one year contract, or €400 per tonne for the three year contract. In addition, the new contracts will introduce the Virus Yellows crop assurance fund, which will compensate growers for a proportion of yield losses suffered due to Virus Yellows being present in their crop.

Farm workers must self-isolate when returning to the UK

Defra has confirmed that farmers and other general farmworkers who are returning to the UK from countries outside the 'travel corridor' are required to quarantine for 14 days before returning to work. Previously, farmers were on the UK Government's list of key workers and were exempt from the mandatory 14 day quarantine period. The NFU has warned that changes to quarantine rules will make it difficult for farmers to run their farms and could lead to disruption in the food supply chain. However, some seasonal workers are currently exempt from the requirement.

Rural landlords can apply for exemption from new energy efficiency rules

Rural landlords that let listed and heritage properties that do not meet new energy efficiency rules may be able to apply for a temporary exemption. Since 1 April 2020, landlords can only let properties that are covered by the Minimum Energy Efficiency Standards regulations if they have an Energy Performance Certificate (EPC) rating of E or above. However, as it is more difficult to improve the EPC rating of listed properties on farm and rural estates in conservation areas, landlords can apply for an extension. The extensions are usually valid for five years to give rural landlords more time to improve the properties.

Wheat crop estimation is lowest since 1981

Defra's first estimate of the UK's 2020 wheat crop is 10 million tonnes, which is 37.5% lower than in 2019. The estimate is the lowest since 1981 and below the five year average of 15 million tonnes. The UK consumes around 15 million tonnes of wheat every year so a smaller wheat crop will result in a deficit and an increase in imports. The total barley harvest is estimated to be 3.9% higher (8.4 million tonnes) than in 2019 and above the five year average of 7.2 million tonnes. The final results of the UK's wheat and barley production will be published on 17 December 2020.

Grants to help farmers increase productivity

The third and final round of the Countryside Productivity Small Grants (CPSG) scheme is open for applications. Under the £25 million scheme, farmers can apply for grants of between £3,000 and £12,000 to buy new and innovative equipment to help improve productivity. Farmers who have already bought machinery in previous rounds of the scheme can still apply for grants in the final round. The deadline for applications is 4 November 2020.



Emma Blamire
Solicitor



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