Chewing the Cud

Next week is Show week and I can’t wait! Looking forward to our annual working holiday. I look forward to seeing as many of you there as possible and if not at Builth perhaps at the NSA Sheep Event in Malvern or Pembrokeshire County Show. The Summer Shows are bound to have high attendance this year with the majority of us having got our silage and shearing done in good time thanks to the weather.

It has been busy at Agri Advisor with a number of new additions to the team including Erica, Nia and Branwen - looks like we will soon need an extension to the car park. Congratulations as well to both Erica and Nia on receiving Commendations in their Legal Practice Course this week. As the team expands and the geographical areas where we have clients increases, we have made the decision to open a second office in Welshpool. This will give us a more convenient base for seeing our Mid and North Wales and over the border clients. Rhodri will be based there full time with the rest of us there when required for meetings. We also have a new website with full details of our services and the team of specialists that work at Agri Advisor.

Gail is back from her travels and will soon be back at work just in time to deal with the Common Agricultural Policy reform appeals and questions that are now coming to the fore. We are still working without answers to a number of questions in relation to CAP Reform which means that we are still advising farmers to delay important decisions within their businesses. It is disappointing that the announcements and information that has come from Welsh Government during the last month have not been more comprehensive and no clear indication as to when that information will be available. There seems to have been movement as well in the property market with more and more farm sales and purchases crossing our desks. Grid connection is still a stumbling block for renewable energy projects.

In the Autumn, we will have a number of events being hosted at our Pumsaint offices for rural businesses including our Lantra approved courses for farmers and landowners. The timetable of courses and events will be available in August via our website but we will also put links on via our social media pages for those who are interested in attending.

I look forward to seeing you at the Shows!
Welshpool Office

Agri Advisor Solicitors are pleased to announce that we have opened a new office in Welshpool. Rhodri Jones will be at the office full time from the 28th July and will be joined by others from our Pumsaint office.

We are situated at: Unit 15, Severn Farm Enterprise Park, Welshpool, Powys, SY21 7DF. Office hours will be from 8am-6pm on a Monday and 9.30-5.30 Tuesday to Friday.

Staff Update

At our office Llys y Llan, in Pumsaint we are joined by two new members of Staff, Erica Williams and Nia Griffiths. Erica completed her Access to Masters with the company last year on the subject of the Common Agricultural policy, and has just completed her LPC and will be starting her training contract in September and putting her knowledge to practice.

Nia is a farmer’s daughter from Upland Arms near Carmarthen. Having completed her law degree and LPC in Cardiff University, she is joining us over the summer months to gain experience in the field of law and agriculture as part of her Go Wales Placement Scheme.

Website & Social Media

After a long wait; our website has been modernized and updated! We hope the design appeases the eye, is easy to navigate and helps you with your search.

The new website will be updated on a regular basis with news/blogs and articles to keep you updated on developments in the agricultural industry.

As many of you are aware, we are also on Facebook and Twitter. Follow us to keep up to date with the Farming industry news and new policies and regulations.

Nuffield Experience

If any of you are following us on Facebook or Twitter, you will have seen Gail’s recent blogs on her Nuffield Scholarship. So far, she has been to New Zealand, Australia and Ireland.

Throughout her trip Gail has been exploring the topic “Sustainable Land Tenure for the Farmer and the next Generation”

She will be attending the Royal Welsh Show, in Builth before returning to work in August.

Gail’s blogs are available to read on our website: www.hagriadvisor.co.uk/news-and-events
Royal Welsh Show 2014

There is a warm welcome to all to our Elevenses Reception on Monday. We are in the YFC building between 10 and 12 noon where you can have a cup of tea, something to eat and meet the Agri Advisor team. If you would like to attend please email or phone Branwen on branwen@agriadvisor.co.uk or 01558 650 381.

Also we will be at the FUW stand all day on the Wednesday and if you have any particular queries or want to meet up please come and visit us there or phone to arrange a meeting time to suit you.

Research Project on carbon offsetting

Access to Masters student Linda Thompson is seeking the opinions of Ceredigion farmers on climate change, sustainable agriculture and strategies to offset carbon as part of a Masters dissertation through the Aberystwyth University and Agri Advisor.

Linda's research has the potential to influence future Welsh sustainable development policy and your opinions are important and could influence any recommendations made. Please rest assured that identities will remain confidential and your anonymity will be respected.

Should you be interested in chatting with Linda and voicing your opinion please could you contact her through one of the following:

Email: lit9@aber.ac.uk
Mobile: 07972 840 976

She will also be available during the Royal Welsh Agricultural Show should you wish to make an appointment to meet with her.

Linda would very much appreciate your opinions and contributions.

NSA & Pembrokeshire Shows

For the first time, Agri Advisor will be attending the NSA Sheep Event in Malvern. We have a Stand at the Event in conjunction with Catherine Nakielny of KN Consulting and the exciting new Ram Shop. We will be at the event all day offering refreshments so please call by our stand to see us.

We are regular visitors to the Pembrokeshire County Show. However this year we have decided to have a stand in conjunction with CARA Wales, a group of farm business consultants. The Stand is located next to the Livestock Ring and you are welcome to call in any time of day for a cup of tea or coffee, some bara brith and a chat.

We are also offering Cheese and Wine over lunch between 11am and 2pm if bara brith does not tempt you!
In our previous newsletter, we discussed the decisions of the Welsh Governments in the reform of the Common Agricultural Policy. Since then further information has been released.

On the 1st of July 2014, the then Minister for Natural Resources and Food, Alun Davies issued a statement with further information on how Pillar 1 schemes will operate in Wales from 2015. It promised that in mid-July, Rural Payments Wales would write to CAP recipients in July providing further in depth information on the basic payment scheme enclosing a booklet titled *Your Guide to the Basic Payment Scheme in Wales* which again will provide further details of the Welsh Government’s decisions. You should have by now received this and it is important that you check the information in the booklet carefully to make sure it is correct and also to check the designation your land has been given.

**Allocation of Entitlements:** New entitlements will be allocated in 2015. The value of entitlements held in 2014 will be used as a basis for calculating the entitlement unit rate for 2015. Entitlements will be available to persons who can provide evidence that they produced agricultural products in 2013 irrespective of whether they made a SPS claim that year.

**National Reserve:** There will be a reserve established for each of the three land regions used for payments i.e. in Wales there will be three ‘Regional Reserves’ rather than one ‘Welsh ‘National Reserve’. Priority to the reserve will be given to young and new entrants.

**Active Farmer:** Rural Payments Wales will be taking the approach that where more than one person wishes to claim on the same parcel of land the person who can prove they are undertaking the farming activity and has the land at their disposal will be granted the entitlements. WG will not be adding to the EU negative list, this means that unless a claimant can prove that their agricultural activities are not insignificant, airports, railway services, waterworks, real estate services and permanent sports and recreational grounds will be excluded.

**Greening - Ecological Focus Areas:** In Wales claimants will be allowed to include fallow land, hedges, stone walls, short rotation coppice, afforested land and land used for nitrogen fixing crops as Ecological Focus Areas (EFA) from 2015. The conversion factors and weightings in the EU regulations will apply in Wales. WG is proposing to carry out an exercise later this summer to map and register EFAs for farmers with arable land. A significant proportion of farmers in Wales will qualify for Greening on the basis of the amount of permanent grassland they farm or as a result of the limited hectares of arable crops they grow. WG will provide further information on EFAs, Crop Diversification and exemptions to these requirements in mid-July.

**Young Farmers:** Payments will be based on the number of eligible hectares the claimant has, up to a maximum of 25 hectares. The payment rate will be calculated by using 25% of an
As many of you are already aware, Alun Davies has been removed from his position as Minister for Natural Resources and Food. This has come at a crucial point in the year, when important decisions regarding the agriculture industry are taking place and also of course in the middle of the CAP reform.

At the moment, Edwina Hart will replace Alun Davies whilst his duties are split between her, John Griffiths adding the environment to his portfolio and Rebecca Evans being promoted from the back benches to become Deputy Minister for Agriculture and Fisheries.

After the announcement of her new duties, Edwina Hart issued a statement on the New Rural Development Programme announcing to farmers how she planned to spend the 15% the former minister had redirected from their direct payments. “There will be a single scheme for common land and new and enhanced provision for part-farm approaches to agri-environment schemes,” she said. “These measures will sit alongside an organic scheme and work to address woodland creation, management and support for plant disease threats currently faced by woodland managers.”

Payment Region Classifications: In January the Minister announced that the Basic Payment Scheme would be based on Welsh farmland being classified in three payment regions: moorland, SDA, and DA / lowland in a combined region. There will be a 5 year transition period with claimants moving over to a wholly area based payment system by 2019.

Technical Review Process: You have 30 days to contest. Once you have been advised of your payment region classification it will be possible, through your RPW online account, to view your SAF maps with the regional land classification superimposed, this will also be the case where land classifications split a field parcel. To put forward a case for review you must objectively state why the land should be reclassified and be supported by evidence such as photographs. In the first instance this will be considered by technically trained officials who will decide whether the land in question should be reclassified. If officials believe that the provisional classification stands, the claimant would have a further 60 days to commission and supply a technical report on the quality of the land in question; this would need to be undertaken by a suitably qualified person. That report, along with the original and any further evidence, would then be considered by an independent expert panel.

We are offering a special fixed fee package to make these land classification appeals on behalf of farmers.

Contact us to find out more on 01558 650381 or email advisor@agriadvisor.co.uk
Planning for the Future

Three main financial planning areas for farmers

The farming industry is no different when it comes to planning for the future, it is probably more important that farmers have planned for the future in such areas as Succession and Tax Planning in order to safeguard the future of their business and income just as they would plan for next seasons harvest.

Below is some useful information by Osian Rees. Osian is a Partner at IRP Wealth Planning LLP based in Llandeilo and has been in the financial services industry for 19 years. He specialises in looking after clients over the long term, developing high trust relationships and working alongside them and their businesses.

Review existing arrangements. Including cash deposits, pensions and all other plans you have in place. Your finances need to be reviewed regularly as your risk and requirements change, e.g. income not growth. Planning here can make a big difference with what you already have.

Succession planning. Many farmers have children, one running and taking over the farm, the other/s with different careers. Arrangements can be put in place to help ensure that the non-farming child/children get a share of the estate as you wish, leaving the farming child with a sustainable business, keeping the farm you’ve developed working.

Tax planning. Annual tax, income tax and capital gains tax are dealt with by your accountant. Making sure you plan well ahead to mitigate inheritance tax is CRITICAL if you have sold your farm or are considering selling your farm there are potential inheritance tax issues and this tax could be minimalised if you are made aware of it and plan. The limit is currently only £650,000 for a married couple after which the excess is taxed at 40%.
Sheep Identification Regulations

It has long been a legal requirement to tag all sheep/goats and comply with the identification requirements set out by Westminster, the Welsh Government and European Regulations.

The rules and regulations, differentiate depending in which country you reside in. In England new regulations on electronic movement reporting has been imposed since the 1st April 2014 whereby all movements must be reported through the Animal Reporting and Movement Service (ARAMS). In Scotland the movements are represented by ScotEID.

From 1st January 2015 a new Welsh EID system will be in place. The new system will be called EIDCymru and will replace the current paper system. Since the 31st of December 2009, EID was made compulsory for any sheep born on or after that date.

In Wales the current law outlines that all breeding and store lambs kept beyond 12 months of age must have full Electronic Identification. However lambs that are intended for slaughter in a UK abattoir before reaching 12 months of age can be identified with a conventional or electronic slaughter tag as markets and slaughterhouses have to record all individual sheep which pass through their premises. Sheep EID allows the farmer to record enterprise performance date such as lambing results, live weight gains, sale weights and carcasses quality. It also allows for traceability from farm to fork and the ability to market speciality or regional products which can add value to lamb sales.

Every year 3% of all sheep holdings are selected for inspection and can be carried out any time during the year. A failure to comply with the identification requirements count as a breach and often result in a penalty being applied to your SPS or Rural Development Scheme payment such i.e. Glastir.

Missing or lost tags should be replaced within 28 days of discovery.
Diary

July
18th  CLA Game Fair
21st-24th  Royal Welsh Agricultural Show
26th  Mid Devon Show
30th  Cardigan County Show
30th  National Sheep Event

August
2nd  Chepstow Agricultural Show
2nd  Brecon County Show
12th  Anglesey County Show
19th-21st  Pembrokeshire County Show
21st  Denbigh and Flint Show
27th  Meirionnydd County Show
28th  Monmouthshire Show

September
13th  Frome Agricultural & Cheese Show
27th  All Wales Ploughing and Hedging Championships

October
21st  Welsh Dairy Show

If you require legal advice on rural issues, please contact our team of lawyers at:

Agri Advisor Solicitors
Henllan
Pumsaint
Sir Gaerfyrddin
SA19 8AX

Simply scan this QR code with your iPhone or iPad and download the app now!

FarmMed

The app is available to buy from the Apple App Store for a one of price of £9.99 – much cheaper than any other similar app on the market.

FarmMed is the simple way to keep records updated whilst on the go. Try it now!