

The Market Report

Professional Ponderings - October 2024

The task of writing this month's Ponderings has fallen to me. Looking back for inspiration, I can see that I last wrote the Ponderings in September last year. Back then, I talked about there being a fair amount of wheat still standing, when I returned from holiday on 20 August 2023. I understand that is the case for some, as I write these Ponderings on 2 October! I think it's fair to say that this year's harvest has been even more 'catchy' than 12 months ago, and Autumn isn't looking much better at present, with the extraordinary amounts of rain that we've endured over the past 7-10 days. The only saving grace is that the grass seems to have greened up, albeit the quality of it isn't likely to be the best.

At the time of writing, the earlier of the two Michaelmas dates (29 September or 11 October) has passed but there's still a few days until the later date. Therefore, I thought it might be useful to provide some commentary on the agricultural rental market.

What has happened to rents? As ever, the answer depends on the type of tenancy you have. If it's an agricultural tenancy protected by the Agricultural Holdings Act 1986, then I haven't seen or heard much evidence of rents being reviewed (up or down). Interestingly, we are involved with an Estate in Central Bedfordshire where the Landlord (represented by a well-known national firm of land agents) served Notice last year to review the rent this year but have decided not to act upon those Notices, presumably because there's little evidence to support a rent increase, either in terms of transactional evidence or sufficient profits.

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In respect of Farm Business Tenancy (FBT) rents, in September 2023 we still saw strong rents being tendered in the open market. We are seeing evidence that FBT rents are softening, and indeed we have been instructed to serve Notices on behalf of Tenants looking to reduce FBT rents where these have been tendered in the open market during better times ie Harvest 2022 when we had the benefit of relatively low fertiliser prices and relatively high grain prices. With diminishing De-Linked payments and the 'all or nothing' weather, we can see rents, especially FBT rents, reducing. If you have an 11 October term date, you may wish to serve Notice prior to this date to enable a rent review next year. You should dust off your tenancy agreement(s) to see if there's an opportunity to be doing something. As ever, you need to consider whether there is scope to better your position ie increase or decrease the rent, depending of course whether you are a Landlord or a Tenant.

As ever, please feel free to contact myself or Nicola Clayton-Bailey if you wish to discuss a particular tenancy.

Despite the softening of rents, the agricultural market remains relatively strong in the right places. Over the course of the past 6 months or so, Bletsoes have agreed sales (subject to contract) on:

- Approximately 39.21 acres of arable and permanent pasture at Old, Northamptonshire, sold STC as a whole
- Approximately 298.32 acres of arable land at Broughton, Cambridgeshire, advertised as 6 lots and sold (STC) as 3 lots
- Approximately 114.9 acres of arable land at Thurleigh, Bedfordshire, sold (STC) in 2 lots
- Approximately 138.18 acres of arable and woodland at Aldwincle, Northamptonshire, sold STC as a whole
- Approximately 135.76 acres of arable land and building at Upwood, Cambridgeshire, sold STC as a whole
- Approximately 39.46 acres of permanent grass at Castor, Cambridgeshire, sold STC as a whole

Prior to that, we sold Rectory Farm, Tibberton in Worcestershire, well in excess of the guide price.

A brief note to cover the 'pony paddock' market ie smaller parcels of land used for non-agricultural uses such as ponies, dog walking etc. The market appears to have eased somewhat which we strongly suspect relates to the increased cost of living/borrowing. We are still agreeing sales, but it's important that the guide prices are set at a realistic level, so as not to deter purchasers.

There is much activity in the offices of land agents, solicitors and accountants to try to get deals across the line before the Autumn Budget announcement on 30 October. It is speculated that the Labour Government will make changes to Capital Gains Tax and/or Inheritance Tax, which would see the amount of tax being paid by landowners increase, either through increasing the rate of tax or removing/tightening the reliefs available. If the Government does substantially alter capital taxations relating to land, then we could see a variation in land prices. All will be revealed by this time next month.

And now for something completely different. As you may have seen, the rules surrounding Permitted Development under Class Q have changed. To remind you, Class Q development rights allow the conversion of agricultural buildings to residential dwelling houses without having to pursue full planning, subject to meeting strict criteria. Clearly, this can be advantageous to the Landowner in terms of costs and timing. As part of an update to General Permitted Development, the Class Q requirements were amended on 21 May in order to allow greater flexibility for the conversion of existing buildings on an agricultural unit, which sees the number of dwellings and amount of floor space increased. It also introduced a new maximum size of dwelling. However, the ability to submit an application under the previous Class Q rules will remain in place until 29 May 2025 therefore it may be advantageous to make use of the transitional arrangements rather than the new arrangements. In order to discuss these opportunities, either under the 'old' or 'existing' Class Q regime, as well as any other potential Planning related matters, please contact our Planning & Development team on 01832 732241.

Finally, a note on the Sustainable Farming Incentive (SFI). It is now possible for non-Basic Payment Scheme (BPS) claiming land managers to enter into Sustainable Farming. Previously, this wasn't the case and you had to claim under the BPS scheme in order to qualify under an SFI. We are assisting a great number of clients with SFI applications and, with the pressure on farm incomes, this is something we would encourage all farming businesses to consider. If you are interested in SFI, please register your interest with the Rural Payments Agency. We have several members in our Agricultural Team who have a good working knowledge of the SFI and would be happy to assist, and we plan to run a drop-in Clinic in the Stratford Market on **22 October**, so make a note in your diary and come along.

Stay dry and best wishes.

Christopher Templar - Partner



Stratford Forthcoming Events

Tuesday 15th October

Prime, Cull & Store Sheep - 10.30am
Plants, Produce, Poultry & Misc - 10.00am

Tuesday 22nd October

Prime, Cull & Store Sheep - 10.30am
Plants, Produce, Poultry & Misc - 10.00am

Saturday 26th October

Tack Sale - 1pm
At Thrapston Livestock Market

Tuesday 29th October

Prime, Cull & Store Sheep - 10.30am
Plants, Produce, Poultry & Misc - 10.00am

Wednesday 30th October

Online Timed Auction Starts - 12 noon
See main advert for further information

Stratford Market Report 2024 Advertising Tariff

Advertising Charges

1/8 Page	£10 Per Week
1/4 Page	£20 Per Week
1/2 Page	£30 Per Week
Full Page	£50 Per Week
	+ VAT

Discounted Rates Available

For further information, or to place and advert, please contact
Beth Kitchener on 01832 732241 or beth.kitchener@bletsoes.co.uk

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REPORT FOR TUESDAY 8TH OCTOBER

127 Prime Lambs

Meat lambs saw a good trade with heavies continuing to out sell deadweight options. Lean lambs are hard sold with store lambs looking dearer than comparable lean lambs put in the fat. On the whole farmers are consistently commenting upon the difficulties of fattening off grass this year. Those who have fed lambs or put them on root crops are seeing the clear price benefits. SQQ 253.02p/kg. NA Dawson topped the day pence per kilo at 270p/kg for 41kgs Texels, with A Summers topping the day overall at £127.20 for 53kgs Texels. Only two pens were sold above 45.5kgs with MJ & IJ Gibbs seeing smart meat Charollais to £118.75 for 47.5kgs and 45.5kgs to £117.39.

To		From		Average	
<i>Standards (32.1-39kg)</i>					
261p	£100.62	228p	£82.08	254.9p	£93.04
<i>Mediums (39.1 - 45.5kg)</i>					
270p	£117.39	245p	£100.00	252.6p	£107.00
<i>Heavies (45.6 - 52kg)</i>					
250p	£118.75	250p	£118.75	250p	£118.75
<i>Over 52kg</i>					
240p	£127.20	240p	£127.20	240p	£127.20

91 Store Lambs

A tremendous trade this week with a full team of buyers looking for numbers. All in average £81.44. WJ Barnett & Son topped the day with big frame lean Charollais lambs at £95 with followers at £74; Crowleys Farm also saw their Texel lambs top to £95; N Wyatt penned a smart show of mid framed Suffolks selling to £83 with followers at £75; A Summer saw a smart show of Texel lambs small in fame but good shape to £81. Mid frame Continentals sold in the mid £70's with long term smart bred lambs mid to high £60's.

To	From	Average
£95.00	£65.00	£81.44

56 Cull Ewes & Rams

A steadier trade this week with trade dropping nationally and a lesser showing of big framed ewes. Averaging £74.34. A Baird topped the day at £104 for Texel Lleyms; MR & BE Baylis topped the Mules with big framed meat to £90 and followers at £84. Strong framed meat were seen at £90 plus with leaner sorts £75 plus. Feeding ewes were £40 to £55, size and breed depending.

To	From	Average
£104.00	£11.00	£74.34

**Auction of Produce, Plants, Hatching Eggs & Sundries
Every Tuesday at 10am**

We would be grateful of your entries for any of the sections.
If potential buyers know what is in the sale prior to the auction they have more chance of coming to the sale. If you would like to advertise your items presale to prospective buyers, please contact us.

SHEEP SCANNING

Holly Grant Sheep Scanning - 07585 951137
Call or text to get booked in for the coming season.



Speak up to stop rural crime.

Criminal gangs exploit our
local wildlife, environment
and communities.

Your voice can
make a difference.

Speak up to our charity.
100% anonymous.
Always.

CrimeStoppers.

0800 555 111

100% anonymous. Always.
crimestoppers-uk.org

Bletsoes

— EST. 1881 —

Grants Available in 2024

DEFRA have published a summary of grants available to look out for in 2024.

Grant	Important Dates
SFI Annual Health & Welfare Review	Applications Open
Laying Hen Housing for Health & Welfare	RPA will start to invite eligible applicants from October 2024
Cattle Housing for Health & Welfare	Those invited to make a full application have until 30 April 2025
Farming Equipment & Technology Fund 2024:	
Grant to Improve Productivity	Two application windows will open later in 2024
Improve Slurry Management	Two application windows will open later in 2024
Improving Farm Productivity (Round 2)	Those invited to make a full application have until 30 June 2025
Water Management Grant	Round 2 - Deadline for Full Applications end October. Round 3 open later in the year.

Contact the Agricultural Team on **01789 722677** for more information.

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— EST. 1881 —

A COLLECTIVE ONLINE TIMED AUCTION OF MACHINERY & EFFECTS



Starts: Wednesday 30th October at 12noon

Finishes: Wednesday 6th November from 12noon

For Entry Forms please visit our website

Important, entries **must** be returned by email to
beth.kitchener@bletsoes.co.uk

By 12 noon on Friday 18th October 2024

Entries will be lotted on a first come, first served basis.

Auctioneer in Charge: Alastair Brown 07885 804450