

AGRICULTURAL UPDATE

Welcome to the first edition of our Agricultural Update, the Foot Anstey newsletter aimed specifically at farmers, landowners and rural businesses.

Our Agriculture and Rural Business Team boasts specialist lawyers in all areas of our practice, both geographically and in terms of legal expertise, who have a genuine interest in and understanding of the needs, problems and opportunities of a broad rural community. With a working knowledge of the diversification issues and growing regulation now affecting the rural community, our team is able to offer practical focused solutions to specific matters.

We are proud to be the panel firm of solicitors to the NFU in Devon and Cornwall and as such are pleased to offer all NFU members a 12% discount on our usual fees.

So please do read this Update and if there is anything in it which you would like to discuss further or to know a little more about then please do telephone or pop along to the NFU tent at one of the agricultural shows listed below where a member of the team will be waiting to talk to you.

Showtime - dates for your diary

As NFU legal panel members Foot Anstey are pleased to be supporting the NFU at shows across Devon and Cornwall. Details of the shows we will be attending can be found on our website www.footanstey.com/events

If you would like to arrange a free half hour consultation at a show near you, please call:

Charlotte Price, Foot Anstey's NFU administrator
0845 0020780
charlotte.price@footanstey.com

- 11 July - Liskeard Show
- 13 July - Stithians Show
- 16 July - Launceston Show
- 25 July - Mid Devon Show
- 29 July - Yealmpton Show
- 30 July - Totnes Show
- 05 August - North Devon Show
- 06 August - Honiton & District Agricultural Show
- 13 August - Okehampton & District Agricultural Show
- 27 August - Holsworthy Show
- 05 September - Kingsbridge Show



Philip Wolfgang

partner and head of the
Agriculture and Rural Business Team
01392 685287
philip.wolfgang@footanstey.com

Did you know that the rate of the first-year capital allowances is set to double. People investing in new plant and machinery will be able to set 40% of the investment against tax.



John Pindard, partner

01752 675571
john.pindard@footanstey.com

Why is it that politicians always seem to miss “the bleedin’ obvious”, to quote Basil Fawlty?

It certainly isn't through lack of the NFU telling them, but despite the unctuous outpourings oozing with ersatz sincerity from ministerial lips, old habits seem to die hard amongst those governing us who appear more focussed on short-term political gain than actually doing the right thing for the country by creating a nurturing and sympathetic climate for farmers and growers.



Despite the lack of interest in farming displayed by most post war governments, it is a really important sector – in fact the biggest onshore primary industry left in the UK, and must be seen as part of the wider economic fabric of the nation as well as the custodian of its countryside.

It lies at the centre of a rural economy that turns over £300 billion a year and employs 5.5 million people. It is part of a food industry that in manufacturing terms far outweighs such traditional industries as steel, shipbuilding or even car manufacture.

So farming is good business and is also good for business, and we at the NFU aim to put it right back where it belongs, at the heart of the British economy.

In fact, farming is one of the few industries we have left with reasonable prospects in the difficult period ahead. The key is stability. Agriculture is a long term industry, which cannot thrive in a climate of political or economic short-termism.

As Winston Churchill, probably our most famous member, observed at our 1953 dinner: “British agriculture is not a party issue. It is a national issue.”

As such, it should transcend party politics and be regarded as a national asset with long term goals and targets which will endure whatever happens at the ballot box and which will encourage environmentally enlightened and productive farming.

For far too long, our economy has been built on the “one trick pony” of financial services and, as we all know, that particular pony has now hobbled off to the glue factory! So it won't be banking leading us out of the recession, but agriculture and the food chain it supplies.

The world is waking up to the fact that doubling food production is critical and our farmers, well aware of their responsibility to safeguard the environment, need further impositions from ignorant and indifferent legislators, British or European, like a they need a hole in the head.

We might not have turned the corner of realisation here in the UK yet, but the public certainly values our role and relies upon us to deliver, with polls showing farmers consistently near the top of the tree when it comes to trust.

You wouldn't get very good odds on guessing who is most often at the bottom of these polls – that's right, politicians! So let's hope they take notice of the “bleedin' obvious” and support rather than hinder us.

Melanie Hall, regional director, NFU

Did you know that the Agricultural Property Relief (APR) now extends to land in the European Economic Area. This will offer tax benefits to UK investors planning to rent out land rather than farming it themselves.



Malcolm Emery, associate
01823 625623
malcolm.emery@footanstey.com

Casual Workers: What You Need To Know

American novelist Edgar Watson Howe is quoted as once having said that farmers only worry during the growing season, but that towns people worry all the time.

Whilst this may say a lot about modern city living, it is also testament to the seasonal nature of work in the agricultural sector. In times of the year where there are periodic bursts of intense activity, many will turn to casual labour to add flexibility and bulk up their existing workforce.

Whilst the term “casual worker” suggests an informal relationship, in many cases casual workers can be classed as “employees” and be entitled to paid holiday, sick pay, a minimum wage and maternity rights etc.

To avoid inadvertently giving your casual workers employment rights it is advisable to define your relationship with them in a clear contract and to ensure that the practical arrangements do not allow them to fall under the classification of ‘employee’.

The key issue to bear in mind is whether or not you are obliged to provide your workers with something to do and an obligation on them to do it. If not then the individual is unlikely to qualify under the legal definition of an employee.

However, even if a worker is not technically an employee, they are still likely to be entitled to a minimum wage and have protection from certain types of discrimination. Insofar

as wages are concerned, it is worth noting that agricultural workers are entitled to a higher minimum wage than workers in other sectors by virtue of the Agricultural Wages Order.

In summary, the term casual worker suggests an informal relationship between a farmer and his hired help, with little obligation on either side but agricultural employers should not be fooled. A casual worker can be an employee, have extensive rights and be considered permanent. Employers should therefore take care to ensure they engage with casual workers in appropriate terms and treat them appropriately or run the risk of potentially costly repercussions.

James Collings, associate
01872 243307
james.collings@footanstey.com



Did you know that from 2010/2011 tax year, the special tax privileges designed to encourage landlords to provide furnished holiday lettings will be scrapped.

Sarah Anderson, solicitor
01752 675105
sarah.anderson@footanstey.com



Foot Anstey Tax Team

Recognising the economic pressure on the agricultural sector, the Foot Anstey tax team strive to provide quality tax advice to it's agricultural clients in a simple and cost effective manner. We provide advice on business taxation, personal tax and estate planning, offering tax solutions for farmers of today and tomorrow.

For further information on the services we offer, please contact John Pindard on 01752 675571 or email john.pindard@footanstey.com



Farming crunch solutions

As the owner or manager of a farm business, it is vital that your procedures and legal agreements are robust and up to date to ensure a profitable and trouble free future.

Foot Anstey Farming Crunch Solutions is a new, speedy and cost effective way of making sure that your business is on a robust legal footing, capable of surviving the rigours of economic uncertainty.

It is designed to minimise the risk of your business getting into trouble by reviewing the key legal elements affecting your operating practices and cash flow.

Any legal weaknesses in the business framework will be identified in the Farming Crunch Solutions Report. Often a fixed price legal solution is offered to resolve them, whether they relate to the myriad of regulations under which you labour, succession planning, business structure, business agreements, credit control, brand protection, disputes, employment or property issues.

If any areas of weakness are identified you can deal with as many of them as you wish at a cost agreed at the outset.

And if our Farming Crunch Solutions Report gives your business a clean bill of health or you decide not to deal with any problems highlighted, it won't cost you a penny.

You will still benefit from increased confidence in your business decisions and can look to maximise opportunities, confident that the key legal aspects of your business have been independently evaluated.

So how does it work? Simply!

A three step, no obligation process minimises the time you need to contribute to it.

Step 1: An agricultural specialist solicitor will meet with you at a location of your choosing for a free, no obligation legal consultation. The aim will be to understand the factors impacting on your business and to get the information needed to provide you with a clear report.

Step 2: Using this information, we examine the legal issues affecting your business. Within five working days we will provide a Farming Crunch Solutions Report, specific to your business, highlighting any weaknesses, pinpointing where we can help and suggesting available Foot Anstey Farming Crunch Solutions products.

Step 3: You select the best solutions to deal with the issues identified in the Crunch Report. The lawyer you met at stage 1 will discuss these with you without any obligation.

So if you want the piece of mind that a Farming Crunch Solutions Report can give, please contact:

Charlotte Price, Foot Anstey's NFU administrator
0845 0020780
charlotte.price@footanstey.com



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legal solutions for life

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Senate Court
Southernhay Gardens
Exeter
EX1 1NT

t: +44 (0) 1392 411221
f: +44 (0) 1392 685220
DX: 8308 EXETER

Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

t: +44 (0) 1752 675000
f: +44 (0) 1752 675500
DX: 118102 PLYMOUTH 2

The Quad
Blackbrook Park Avenue
Blackbrook Business Park
Taunton
TA1 2PX

t: +44 (0) 1823 625600
f: +44 (0) 1823 625678
DX: 97177 TAUNTON (Blackbrook)

Princes House
Princes Street
Truro
Cornwall
TR1 2EY

t: +44 (0) 1872 243300
f: +44 (0) 1872 242458
DX: 81200 TRURO

enquiries@footanstey.com
www.footanstey.com

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