



REVIEW 2024



WELCOME TO OUR REVIEW FOR 2024

The last twelve months has been a challenging period with major political and economic changes. These have been in addition to the usual forces which many farmers find themselves trying to overcome during the year.

A very wet Spring delayed turnout for many livestock producers and also further hampered spring drilling after an exceptional wet autumn.

April and May saw hoggets and cull ewes reach record levels with unprecedented demand for sheep meat. With the national breeding flock shrinking at an alarming rate, concerns are now being voiced about maintaining sufficient critical mass.

A greater supply of farms and bare land hit the market in early summer as some speculators forecast a general election, potential taxation reform, confirmed higher interest rates and increasing input costs.

Summer arrived early with many farmers able to make hay in June and the livestock benefited from the warmth. The longer days saw several blocks of bare land and residential farms come to the open market to a flurry of activity.

Demand for smaller blocks of 5 – 50 acres of land has remained consistent, where well located and sensibly guided. Interest exists from private and investor buyers together with those looking at Environmental enhancements, carbon sequestration and renewables. Active farmers played a lesser role in the land market throughout 2024.

A diverse range of farms were launched by our team in early summer with an initial flurry of activity and a high level of interest. Speculation around the General Election took hold as the summer wore on and potential tax reforms were again hitting the headline. A land slide at the UK Election in July saw a change of government for the first time in 14 years. Speculation soon followed about changes to Inheritance Tax and Capital Gains Tax, despite the promises from ministers whilst in opposition.

Back-end sales of Breeding and Store Sheep were again met with a huge demand despite numbers remaining tight and record price being achieved. Autumn was focused on the impending budget on 30th October and the Prime Minister had been keen to inform the electorate that taxes needed to change to plug the 22 billion pound black hole in public finances.

The budget announcement on the 30th October took many by surprise, the ferocity of the changes affecting farmers and landowners was unprecedented and has caused a huge backlash and protest across the UK.

Agriculture was not the only group to face the axe from the new chancellor, Rachel Reeves. Pensioners winter fuel payment would now become means tested and employers National Insurance contributions (NICS) would increase also, together with higher rate of Capital Gains Tax (more on APR and BPR later).

As the year begins to draw to a close, it's time to reflect on the good bits and plan for the future. The recent budget has brought succession planning to the forefront of many minds and it's not too late to make plans. As the dust begins to settle and Accountants and Tax Specialists interpret the finer details of the budget, now is the time to seek professional valuation advice in order to make the best informed decisions for your family business.

DATES FOR YOUR DIARY

15th May 2025

Deadline for submission of applications for Single Farm Payment 2025

Deadline for transfer of BPS
Entitlements for 2025

Saturday 2nd August 2025
Brecon County Show,
Brecon

Friday 22nd August 2025 Sheep Sale at Usk Showground, Usk

Saturday 13th September 2025 Usk Show, Gwernesney, Usk

All dates are subject to change

Please feel free to contact one of our Team for a confidential discussion.



A SELECTION OF OUR PROPERTY/LAND SALES OF 2024



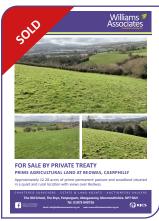


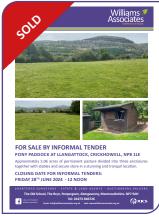


























PROPERTIES CURRENTLY AVAILABLE















Are you thinking of selling this year?

We offer a wide range of services to property owners including a **FREE** Market Appraisal.

Sales by Private Treaty, Informal or Formal Tender and Public Auction.

Contact our Team for a confidential discussion, Stephen, Eifion or Sally.



PROPERTY UPDATE

As a small team we are able to tailor our services to suit any individuals circumstances and timeline.

During 2024 we have successfully sold property by Informal Tender, Formal Tender, Private Treaty and Public Auction. The type of property often determines the most suitable disposal method.

This year also saw our team handle the marketing of a substantial 250 acre livestock holding for let in central Monmouthshire for a private client. This is in addition to the 2,000 acres of Summer and Winter Grazing we manage on an annual basis.

Next year already looks busy with several new and exciting instructions on the books. We will be planning to hold our next property auction in the Spring, if you would like an informal and confidential discussion please feel free to contact one of our team, Stephen, Eifion or Sally.

COLLECTIVE SALE OF TRACTORS, IMPLEMENTS AND LIVESTOCK EQUIPMENT

In June we held a Collective Sale of Tractors, Implements and Livestock Equipment at a new, more compact, venue of Junction Yard, Ross Road, Abergavenny. The sale yard is all on a hard standing and ideally located within ¼ mile of the A465 at Maindiff.

The sale was also available online via MartEye which saw a high level of interest around the UK for the higher value lots.

Good quality and well-maintained lots were easy to place. Top selling was the Stewart 20' twin axle trailer with alloy livestock container at £10,350. An Ifor Williams triple axle livestock trailer with folding sheep decks realised £5,800. Livestock equipment was good to sell with a Bateman Ambassador manual squeeze crush selling to £3,920.





Due to the high price of finished hoggets in Spring 2024, a high percentage of ewe hoggs were slaughtered, leading to reduced numbers of yearling ewes available in August/September.

The tighter supply of yearling ewes was tempered by the overall contraction of the breeding sheep flock across the UK.

We were able to catalogue approximately 1,500 top quality yearlings, flock ewes, ewe lambs and breeding rams for 30th August 2024.

Demand was outstanding and the quality of the sheep forward was also excellent throughout, credit and thank you to our vendors.

Yearling ewes sold to £250 (twice), ewe lambs to £178, flock ewes to £168 and breeding rams to £850.

https://www.williamsassociates.org.uk/wp-content/uploads/2024/07/SALE-REPORT.pdf

RURAL SCHEMES AND BASIC PAYMENT SCHEME (BPS)

As readers will be aware, the Welsh Government has been preparing a new agri-environment scheme for the country, the Sustainable Farming Scheme (SFS), which is due to be introduced in 2026. The initial proposals put forward received significant backlash and protests, which resulted in the Welsh Government undertaking further engagement and consultation.

The latest version of the scheme was announced by Huw Irranca-Davies on the 25th November 2024, and included a number of changes/revisions:

WOODLAND COVER: The most notable change is the removal of the requirement for 10% woodland cover. Instead, entrants must now create a 'tree planting and hedgerow creation opportunity plan' by the end of the first year of the Scheme. An area (not yet defined) of planting will then need to be completed by 2030.

SITES OF SPECIAL SCIENTIFIC INTEREST (SSSI): SSSI were previously excluded from payment under the initial proposals, however this has now changed and payments will be made in the Universal Layer of the SFS.

COMMON LAND: Scheme participants will now receive a proportional part of the Universal Baseline SFS payment.

UNIVERSAL ACTIONS: Been reduced from 17 actions to 12, which includes the complete removal of universal actions relating to multispecies cover crop, management of heavily modified peatland and ponds and scrapes. The three previous universal actions relating to animal health and biosecurity have been merged into a single action.

The Welsh Government will now undertake an impact assessment of this new framework, along with other work with a view of publishing further details in Summer 2025 ahead of the new scheme opening in January 2026. Whilst many will consider the above as progress, as the old adage goes 'the devil will be in the detail.'

RURAL SCHEMES: IMPORTANT DATES & DEADLINES FOR 2025

Sheep and Goat Inventory Closing date: 31st December 2024

Agricultural Diversification and Horticulture Scheme

Opening date: 4th November 2024 Closing date 17th January 2025

Small Grants (Environment)
Opening date: 13th January 2025
Closing date: 21st February 2025

Small Grants (Efficiency)
Opening date: 3rd March 2025
Closing date: 11th April 2025

Habitat Wales Scheme 2025
Available on SAF

If you require assistance completing and submitting applications with regard to Rural Schemes and BPS, please contact our office.

TAXATION UPDATE

BUDGET HIGHLIGHTS

The recent budget has caused considerable alarm and protest from Farmers, Landowners and general public alike. Speculation around changes to Agricultural Property Relief has been rife for some time but few individuals predicted the severity of the changes that were announced by the Chancellor, Rachel Reeves.

Inheritance Tax (IHT) Business and Agricultural 100% relief will be capped at £1M from April 2026. Above the £1M threshold, the rate of relief will be 50%, giving an effective rate of IHT of 20%.

Inheritance Tax Bands the existing freeze on IHT Nil Rate Band (£325,000) and Residential Nil Rate Band (£175,000) will be extended to 5th April 2030.

Capital Gains Tax with immediate effect will rise to 18% for non and basic rate tax payers and 24% for higher and additional rate tax payers.

Capital Taxes annual exempt amount remains at £3,000 for individual.

Class I employer national insurance contributions (NICS) will be increased from 13.8% to 15% from 6th April 2025.

Double Cab Pick-ups with a payload of 1T or more from 6th April 2025 will be treated as cars for capital allowances. Existing pick-ups, purchased or leased before 5th April 2025, can continue using the previous tax treatment until 2029.

The budget appears to do nothing to encourage new start-ups or grow businesses. The increasing cost of employing staff, especially the lower paid and part-time staff, will further reduce the ability of businesses to invest for the future.

Dairy, horticulture, pigs and poultry, together with the food supply chain will all see their operating costs increase without increasing productivity.

Going forward, good valuation advice and the ability to back-up the figures will be essential. IHT Valuations will come under the spotlight like never before and a comprehensive and robust approach will be crucial.

If you require a confidential discussion on the above, please contact a member of our Team



www.williamsassociates.org.uk



Agricultural

- · Advice on Welsh Basic Payment Scheme Applications & Entitlement Trading
- Agri-Environment & Rural Development Scheme Applications

Landlord & Tenant

- · Advice on Agricultural Holdings Act Tenancies and Farm Business Tenancies
- Grass Keep Lettings
 Negotiation of Telecoms leases
- Contract Farming and Share Farming Agreements
- Negotiation of Option/Lease Terms for Renewable Energy Schemes

Valuation

All types of Valuations conducted by RICS Registered Valuers

- Tax Planning Inheritance and Capital Gains Tax Partnership Dissolution
- Matrimonial Disputes Purchase and Sale

Compulsory Purchase & Compensation

- Disturbance & Loss Claims following works to electric cables, gas & water pipelines
- Negotiation of Wayleaves & Easements
 Compulsory Purchase Schemes

Planning

- Preparation & submission of planning applications
- Agricultural Justification Reports for workers dwellings
- Negotiation of Option Agreements for Development Land

Rural Property

- Sale and Purchase of all types of Rural Property by Private Treaty, Tender & Public Auction, including Farms, Agricultural land, Smallholdings, Equestrian, & Development land, Redundant Barns & Brownfield sites.
- Boundary Disputes
 Mapping

Livestock

- On Farm Dispersal Sales
- Regular Sales of Tractors, Implements, Machinery, Small Tools and Building Materials.
- Sales of Store and Breeding Sheep at Usk Showground, Gwernesney, Usk.

Please contact Stephen Williams or Eifion Morgan for further information.
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