



WELCOME

As I look out of my office window whilst writing this, leaves are turning to the colours of autumn, the wind is howling and the rain is going past sideways and so, I suppose, summer must now be gone – as if we would notice!

It would be easy to be just as gloomy as the picture outside my window after the rigours of the (hopefully) just completed harvest and the financial and economical situation that we find ourselves in. However, there are still opportunities out there and in some ways,

while it might be hard to believe, it might actually be that the current situation could actually assist your financial position, if not now, in the future.

We have certainly gone forward with an air of optimism and are pleased to introduce two new members of staff, Rachel Padfield and Heidi Venn who have joined the property consultancy team. Inside we have a property review that is surprisingly not all bad news and articles on strategic

development, using your property as a film location and some notes on changes to the planning system.

The tree outside my window has definitely started to look a lot taller, heavier and a good deal less stable than it usually does! I hope you enjoy the following and that despite the worrying swaying, the economy and the tree remain upright! ■



RICHARD COULING

HOUSING CRASH IMPACT ON STRATEGIC LAND

When the housing market catches a cold, the development land market for consented sites catches pneumonia. Add to that a credit crunch and a few banks collapsing and it is difficult to be upbeat about the strategic land market.

The effect however on longer term strategic sites is actually more positive and depends not only upon the scale of the site and the likely timescale to planning, but also the timescale for delivery.

“A GLASS HALF EMPTY”

There is no doubt that consented sites have been hit the hardest and not just because of the 12-15% drop in house prices and the lack of confidence in them recovering for several years.

House builders' lines of credit have also been reduced and Section 106 commitments agreed just 12-18 months ago are in many cases no longer affordable

These factors and the resultant lack of confidence generally, have combined to effectively decimate the market for consented sites.

“A GLASS HALF FULL”

If you have longer term strategic land (that may have an opportunity to be promoted through Regional or Local Plan processes) the present crash could be beneficial.

Certainly the over inflated residential market could not have continued indefinitely and one optimistic view is that the quicker and harder it falls, the sooner it might recover.

Whilst we certainly cannot predict that there will be another housing boom for some time, the good news is that Section 106 obligations and the proposed Community Infrastructure Levy will have to be assessed against their affordability at the time.

Thus, whilst the market for 'oven ready' sites with planning consent for housing has been massively effected by the credit crunch and housing crash, the medium term strategic land market has been effected to a lesser

degree and arguably those with longer term land will be the ultimate beneficiaries.

HOW WE CAN HELP

We continue to successfully promote sites (often on “no win no fee” terms) through regional and local planning frameworks and to negotiate promotional agreements with third parties on the larger sites.

These parties include hedge funds, overseas investors, high net worth individuals, colleges and other institutions, property companies, family trusts and pure land promoters, even though, as you can imagine, not many house builders currently feature! ■





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EAST OF ENGLAND PLAN

The East of England Regional Assembly (EERA) published the East of England Plan on 12th May 2008 which provides the Regional Spatial Strategy for the East of England until 2021. EERA is committed to carrying out an early focused review of the Plan with coverage extended to 2031. The review is timetabled to be complete by 2011 and, in order to meet this target, EERA must submit the draft revised Plan to the Government by the end of 2009.

TIMETABLE:

STAGE 1: MAY-SEPTEMBER 2008

Prepare project plan and statement of public participation.

This stage is already complete: the project plan and statement of public participation was issued for consultation July-September 2008.

STAGE 2: 2008-EARLY 2009

Develop evidence base.

This will be prepared through a series of studies to examine the implications and viability of housing growth recommendations and highlight sustainability, transport and infrastructure issues. Some of these studies will be carried out 'in-house' and others commissioned from consultants or partners. Some have already been carried out and

others, for example the single issue reviews, are underway. Essex County Council has appointed consultants to conduct an Essex sub-regional study with the final report to be issued in December.

Call for proposals.

EERA has invited developers and local authorities to submit initial proposals for small new settlements and urban extensions. This is not an invitation for site allocation but an assessment of the deliverability of the regional spatial strategy.

STAGE 3: JANUARY-JULY 2009

Prepare development options and consult.

STAGE 4: AUGUST-DECEMBER 2009

Prepare draft revised Plan.

STAGE 5: DECEMBER 2009

Approve and submit the draft revision to the Plan.

STAGE 6:

Testing the draft revised Plan – examination in public.

STAGE 7:

Government's proposed changes.

STAGE 8: 2011

Publication of Regional Strategy.

This timetable is considered to be ambitious and there is widespread concern that it is unrealistic, particularly given the significant issues which will need to be addressed along the way. ■

London 2012

At the time of writing there are some 1,416 days to go until the biggest sporting circus hits London. Whilst that may seem a very long time – cue huge sighs of relief – there are still a number of opportunities available to profit from the Games.

The London 2012 website (www.london2012.com) outlines progress on planning and work that has been undertaken so far. CompeteFor (www.competefor.com) is the chosen site

of London 2012 for the publication of Games-related contract opportunities. It acts as a brokerage service between buyers throughout the London 2012 supply chain, and potential suppliers. Users can also gain access to business support services.

However, it is also worth considering opportunities outside the direct supply chain, for example, providing accommodation for visiting spectators or offering facilities for training camps. There will be further articles on these opportunities in future newsletters. ■





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Making changes to your home and the need for planning permission

The Town and Country Planning (General Permitted Development) Order 1995 is a Statutory Instrument which sets out what is Permitted Development i.e. what can be built without the need to obtain planning permission.

Part One of this Order refers specifically to development affecting dwelling houses and has, in recent years, come under increasing criticism in terms of the requirement under its provisions for the need to apply for planning permission often for relatively minor developments, such as small extensions for example, which have little or no effects on neighbouring properties.

As a result, Government began consultation last year in regard to changes to this particular part of the Order with the intention of streamlining procedure in order to reduce the numbers of minor household planning applications. This is indeed a good thing; however in certain respects it has become apparent that the proposed revisions to the Order are actually

more restrictive than those existing provisions that they propose to replace!

One such an example relates to hard surfacing. At present, in the majority of cases, planning permission is not required to hard surface the front of your garden. However, under the new regulations, planning permission will be required, unless the materials to be laid are permeable.

The timescales for the changes to become effective is the 1st October, which has left Local Planning Authorities and members of the public little time to familiarise themselves with the recently announced changes.

If you require any further advice or simply wish to discuss any planning issues, then please do not hesitate to contact our

Chartered Town Planner, Martin Ranner, who will be only too happy to help. ■



Filming & Event Locations

Have you ever been interested in putting forward your property for films, locations or photo shoots? Being close to London offers significant advantages in this respect. We have now made contact with one of the largest and busiest location resources in the UK, who is a magnet for film makers, as well as stills photographers, event organisers and many others.

They are keen, for instance, on unique residential properties, derelict or converted barns, working farms and farm yards. This not an exclusive list and if you would find

this of interest and you think your property could earn money as a location then please contact us to discuss your options. ■



New Joiners

Heidi joined Sworders in August as a graduate surveyor following a Masters Degree from The Royal Agricultural College, Cirencester. Heidi comes from a mixed farming background in Hampshire and is now training to qualify as a Chartered Surveyor.

Rachel joined Sworders in summer 2008 having previously worked in London for ING Real Estate as an asset manager specialising in commercial investment property. Rachel qualified as a Chartered Surveyor in 2007 after obtaining a Masters Degree in Property Valuation and Law at City University and an undergraduate degree in Geography from Exeter. ■

Property Commentary

Unless you are one of the very fortunate few who have been out of contact with the world in recent times, (or in whose combines or tractors the radio has broken) you will be quite aware of the downturn we have experienced in both the residential and commercial property markets.



Unless you are one of the very fortunate few who have been out of contact with the world in recent times, (or in whose combines or tractors the radio has broken) you will be quite aware of the downturn we have experienced in both the residential and commercial property markets. However, the situation is not all bad and whilst I would not go as far as to say that there is light at the end of tunnel, there are a few glimmers coming through the gloom. Whilst selling residential property at anything approaching prices we enjoyed only 12 months ago is very difficult indeed, residential lettings are doing reasonably well and this could present you with an opportunity to maximise the income from your let cottages and houses at what could become a difficult time.

Of late, rural business space has been very difficult to let or sell. This market is something of a paradox at the moment. There seems to be equally interest from those who have a measure of confidence and those looking for the cheapest space possible in an attempt to cut costs as far as possible in anticipation of difficult times to come. In fact, we have seen several examples of businesses leaving premises and consolidating their enterprises to cut costs. In some cases this has been where rent has been quite reasonable in comparison to the market. There are still some opportunities that exist but most have been for very small units for low cost storage uses.

Land has, of course, been completely different and blocks of agricultural (and by agricultural I

refer to those blocks that are too large for the majority of amenity buyers) have seen a very strong market indeed with a good number of proclamations that the average land price has exceeded figures more than double those we saw less than 2 years ago and we are all able to give examples where premiums far in excess of that figure have been achieved. It would appear that there has been something of a slow down in this growth of late. This is doubtless due to difficulties with securing finance, concerns over crop prices and more specifically, crop prices in comparison to input prices. However, there is still demand for small blocks of amenity land. This market has suffered, if not from a lack of interest, from a lack of funds. This hasn't meant that areas are going unsold but it certainly takes a good deal more work to achieve the results now that we have been used to in recent years.

There remains some areas within property portfolios where there are opportunities to improve income or obtain capital sums from your property assets and these could well prove to be important in the coming years. If you feel a full review of your property assets would be of benefit, please do call. ■

AHA and FBT markets

The last few months have seen somewhat interesting market conditions with regard to new rents being agreed along with the back drop of the economic climate. It was apparent that for the first time in a while, Landlords would see a modest return from their investment and although there is still a clear argument for an increase, the significant increases have not been to the level expected 12 months ago.

Over the last few months we have reviewed a number of rents and due to the significant increase in the price of oil having led to some difficult discussions,

this was coupled with a weakening commodity price through Harvest. This said, over the last few weeks oil has weakened significantly. Commodity markets continue to fluctuate and, as such, a pragmatic view has been needed to be taken by both parties during discussions over rent reviews.

The number of variables with the market indicate that the route to arbitration could prove interesting.

Sworders act for a number of Landlords and Tenants and due to our placement



within the market we are well informed to provide proactive advice. If you would like to discuss any Landlord or Tenant issues please contact us. ■

The articles featured in this publication have been selected and prepared with a view to disseminating key information and are not intended to be comprehensive nor to provide advice. Before taking action advice should be sought for specific queries.