



## Property & Business

Summer 2007

Sustainable Resource Management

Planning For Succession

The County Property Auction

Farm Machinery Auction

The Land Market

Sugar Reform



# Property & Business - Foreword



Welcome to our summer edition of Property & Business. I hope that you enjoy reading it.

We were delighted with the large number of positive comments we received following the publication of our Spring Edition. By increasing the size of JHWalter Property & Business, we are able to provide more information on a wide range of subjects that may affect you.

JHWalter has been party to the debate on renewable energy and managing the rural resources of our region, in a sustainable way, for a number of years. I am particularly pleased to welcome to the JHWalter team Nigel Lowthrop and colleagues. Nigel will be well known to many of you and he leads our new team, advising on Sustainable Resource Management, which is previewed in this edition of Property & Business.

I know that many of you will be attending the Lincolnshire Show. Please find time to visit JHWalter who have a stand in "The Mews", where refreshment and information await you.

I trust that you have an excellent summer, be it at work or play!

Ian Walter

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## The Lincolnshire Show 2007

The County event of the year, 20th & 21st June 2007.  
For more information please visit [lincolnshireshowground.co.uk](http://lincolnshireshowground.co.uk)

Property & Business is published by JHWalter  
Editor - Henry Denchfield Executive Editor - Richard Loynes Graphic Design - Tom Bradley & James Mulhall

Property & Business is printed on recycled paper.

This publication is intended as a general guide, and although every effort has been made to ensure accuracy, liability cannot be accepted for any errors of fact or opinion. Always seek professional advice.

# Sustainable Resource Management



**Sustainability touches everything we deal with – including planning and development.**

Achieving sustainable goals in the rural environment can be particularly difficult. This is why JHWalter has extended its planning department by establishing "Sustainable Resource Management".

SRM provides consultancy and training in sustainable development, social enterprise, renewable energy, and sustainable building design.

We are delighted that Nigel Lowthrop and Magz Knight have joined us and they will be leading the delivery of SRM. Nigel will be known to many for his remarkable achievements at Hill Holt Wood, to the south of Lincoln. Here, he has transformed a 35 acre wood into the base of a significant business/social enterprise with offices and workshops and now a residential home. The buildings are all off the grid and not connected to any services. They are therefore self-sustaining and designed to be very low impact in both their construction and operation. Whilst practising what he preaches locally, Nigel's time is also committed to national issues and is increasingly called upon by Government to advise on sustainability and social enterprise.

## What Can SRM Offer You?

The SRM team of Nigel, Magz, David Wright and Steve Catney will be able to provide advice and add value in situations where obtaining planning may not be straightforward and where a sustainable approach incorporating environmental and social benefits will assist in working towards the desired outcome.

We will also work with companies seeking to improve their approach to sustainability and their corporate social responsibilities. In many cases these improvements can bring not just social and environmental gains but also economic advantages as the consumer becomes increasingly conscious of the environment, global warming and social issues – and buys accordingly.

In addition to specialist consultancy work, training workshops and seminars, we are organising a major "Sustainable Countryside Management" conference this year in Lincoln to inform and assist anyone involved in land ownership and development. The four themes of the conference will be social, economic and environmental "sustainability" and sustainable building design. It will include presentations from nationally recognised speakers as well as a series of practical workshops, giving you the opportunity to learn, question and debate.

For more information or to be added to the mailing list to receive information about SRM and the forthcoming courses and conferences contact:

**Magz Knight** 01522 504319 or  
magzknight@jhwalter.co.uk

**"... a sustainable approach incorporating environmental and social benefits will assist in working towards the desired outcome."**

**"Sustainability touches everything we deal with..."**

Pictured left to right: Magz Knight, Steve Catney, Nigel Lowthrop, David Wright.

# Succession Planning



The modest rise in IHT allowance to £300,000 in Gordon Brown's last budget frankly does little to help many of those whose business and personal interests involves property.

In the same way the increasing questioning of what represents "farming" and what qualifies as "agricultural property", (the Antrobus and McKenna cases), means that for many the assumed reliance on agricultural and business property relief may not be as straightforward as previously believed.

Protecting as much as possible of our property for the next generation will be the first objective. The next challenge is how to distribute these assets amongst the family. There is of course no simple answer to how to approach the question of succession planning. However, we can be certain that it is becoming more difficult to avoid tax and the expectations of the next generation for their share of parental wealth, whilst rarely expressed, are none the less significant.

## Some Innovative Solutions

We have found with many of our clients, that the ideal starting place is a review of plans coupled with a review of the assets held, their existing value and also potential value in the years ahead. In many situations we have been joined by Martyn Kirk of Hampton Dean, financial advisers based in Nottingham, who brings a depth of experience of succession planning for a wide variety of businesses coupled with some innovative solutions.

Undoubtedly a team approach is necessary for succession planning - land agent, accountant, lawyer and business advisers. These "times they are a-changing" and the objectivity of a third party can be both challenging and refreshing. What is important is not to treat the problem as either "too complex" or to assume that past reliefs will always apply or to assume the problem will go away!

## Make a start today!

For a no obligation initial review meeting contact **David Wright** on 01522 504321 or why not attend one of our joint Hampton Dean half day information seminars? The next one is being held on the morning of 28th June at the Clumber Park Hotel.

To book a place either phone or email **Sarah Ward** 01522 504358 or [sarahward@jhwalter.co.uk](mailto:sarahward@jhwalter.co.uk)

# Residential Tenancies - Important New Rules on Deposits

On the 6th April 2007, it became compulsory for anyone who rents out a residential property on an Assured Shorthold Tenancy (AST), and takes a deposit, to comply with the new Tenancy Deposit Scheme (TDS) legislation.

The TDS requires that the deposit is held by an authorised scheme, operated by an approved scheme operator. This does not apply if the tenancy started before 6th April 2007.

Importantly, if an AST landlord does not comply with the TDS legislation, it could result in the landlord having to pay to the tenant an amount equal to three times the deposit held and the landlord may be prevented from serving a notice to recover possession of the property at the end of the term.

**Ellen Allwood** 01522 504320



Ellen Allwood

## Summer Rent Reviews - A Calm Before The 'Storm'?



This spring has heralded a flurry, even if only small, of Landlord's notices to review rents under 1986 Act tenancies in spring 2008.

After 10 years of rent reductions and more recently no activity, some landlords have started to issue notices. The reasons for this inactivity have been threefold, namely, many rents had little room for movement following reductions in the late 90's; plummeting commodity prices with ever rising costs, and the uncertainty and chaos surrounding the introduction of the single payment scheme

### *One swallow does not a summer make*

Very few notices were served last autumn and so these spring notices will, potentially, start the ball rolling for rent reviews once more. But much depends on commodity prices. Without the price rises seen last autumn, we almost certainly would not have seen Landlord's notices this spring. But just as "one swallow does not a summer make", improved commodity prices are certainly not

the whole story. All costs associated with farming must be taken into account including those less easy to quantify, such as the cross compliance, ACCS, health and safety, waste and employment regulations, etc. It is essential that these negotiations are well argued and hard fought.

We shall also continue to see the 'non agricultural' income such as diversification and sub-lettings, being of great interest to the Landlord in so far as they affect the rental value of the holding.

Budgets will be important for these rent reviews and all comparable evidence used must be correctly interpreted, particularly where the amount of evidence is so limited.

Ellen Allwood 01522 504320

## Rural Grant Schemes



### "... way too optimistic!"

In the last edition of Property and Business I anticipated that a new programme of rural grant schemes, under the Rural Development Programme for England, (RDPE), would be rolled out sometime during the spring or early summer of this year.

### Well, it is now apparent that I was way too optimistic!

The cause of the continuing delay is the much publicised fall out between the European Parliament and the Commission and Council of Agriculture Ministers over Voluntary Modulation. This game of political ping-pong has been going on for most of a year to the benefit of no one and the detriment of many, and shows the worst possible face of the Common Agricultural Policy.

### Dispute Resolved

Eventually, at the end of March the dispute was resolved and Secretary of State David Milliband announced rates for Voluntary Modulation in England that together with compulsory modulation will result in a 17% deduction from 2007 single payments rising to 18% in 2008 and 19% in 2009 and subsequent years.

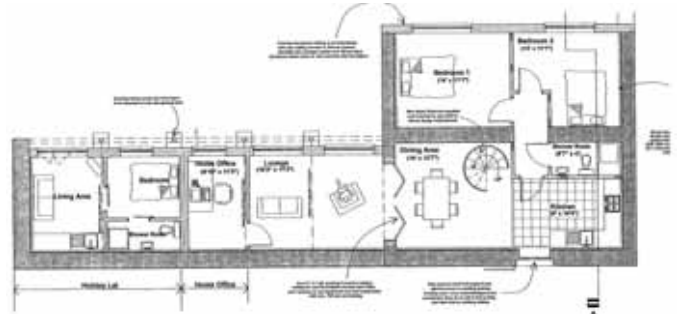
The way is now open for DEFRA to finalise its proposals for the RDPE, and obtain the Commission's agreement. All this will take time and I think it unlikely that we will see any money this year!

However what is clear is that the lion's share of the RDPE budget will be taken by agri-environment schemes and that responsibility for the delivery of the remainder through rural grant schemes has passed from DEFRA to the Regional Development Agencies, in our case the East Midlands Development Agency.

As ever, JHWalter rural business consultants will be monitoring developments, always looking for opportunities for clients.

If you would like to be kept informed and receive details when the schemes are launched, please e-mail at: [henrydenchfield@jhwalter.co.uk](mailto:henrydenchfield@jhwalter.co.uk)

## Planning - An Integrated Approach



### The planning services of JH Walter continue to grow as planned!

Our approach is always to appraise our client's property assets with fresh eyes with a view to identifying where planning permissions would add value, and/or allow business objectives to be met.

We have been successful across all aspects of our work covering a variety of our client's interests:

- > Agricultural infrastructure - such as irrigation reservoirs and new or replacement buildings.
- > Commercial developments – including change of use, barn conversions, new build and certificates of lawfulness.
- > Residential developments – including replacement dwellings, barn conversions, new build, and permission for new development sites.
- > Forward planning – representations for inclusion of land in Local Development Frameworks.

We also represent our clients through the Planning Appeal process where appropriate.

### Strong Team Approach

Our approach is to identify all of the areas where we think value can be added and then through discussion narrow these down to a strategy that best fits all the objectives that need to be achieved. One of our greatest assets is the strength and breadth of our team. With our internal and external partnerships we now have the ability to offer architectural, protected species and structural surveys together with advice on sustainable issues. Our latest development being the creation of a Sustainable Resource Management team – a unique and valuable service.

We also of course sell a large number of the properties we gain planning permission for, both through private treaty and through our very successful County Property Auction.

Our integrated approach and experienced team can now provide a “one stop shop” planning service for the under appreciated (or even unrecognised) asset right through to a capital receipt or an income earning asset.

Steve Catney or David Wright 01522 504330

## Waste Not, Want Not!

New waste regulations are being implemented this year. The definition of waste is “any substance or object...which the holder discards or intends or is required to discard”. This is a broad definition and what it intends to do is to bring agriculture into line with other industry.

Essentially, if you think that you have something on the farm that you no longer use, you have five options available to you.

- > Store the waste for up to 12 months so that it can be disposed of more economically.
- > Take the waste to a recovery or disposal site.
- > Give the waste to someone else - and not just anyone.
- > Register licence exemptions. Most farms will have to do this, and should have done so by now, but it is still not too late. Contact the Environment Agency to get a registration pack on 08456033113.

- > Obtain a Waste management Licence or a Pollution Prevention and Control Permit. This is for people who want to get into waste management activities.

The most important two things to remember are that you can no longer bury waste in your farm dump, and after 15 May 2007 you may not burn anything other than untreated wood and even then only with an exemption.

The farmer has a Duty of Care to ensure that waste does not get dumped by anybody else. It will not be good enough to say that he expected the person he allowed to take the waste away to have done so legally and then to find out that it had been thrown in a ditch. The farmer will be prosecuted.

John Holtby 01522 504359

## Sugar Reform - The JHWalter Proposal



Common Agricultural Policy sugar reform will result in savage cuts to the price paid by British Sugar for sugar beet. The price is set at £20.28 per tonne plus transport allowance for the crop in the ground now. This is considerably less than most farmers cost of producing the crop.

Growers need to consider their cost of production and their future in the industry. Soil type plays a very significant role in obtaining high yields and it follows low cost of production. Nonetheless there are many other aspects of beet crop production that also have a direct influence.

**JHWalter, sponsored by Clydesdale Bank, has organised a meeting of Sleaford area growers at The George, Leadenham on 5th June.**

We have invited two speakers from British Sugar, Robin Limb and Mike May, who will review the current economics and agronomy of the crop. We will then propose that JHWalter work for interested growers, to determine their cost of production and at the same time investigate the feasibility of group ownership of a sugar beet harvester operating to deliver members' contracted tonnages.

### Farmers Working Together

We aim to determine whether or not such co-operation between growers is feasible and financially worthwhile. Can a group of farmers working together produce beet for significantly less than an individual working alone?

We envisage a harvester working twenty hours a day in two shifts in a small geographic area, but the possibilities go further than just the harvester. Group haulage, agronomy, fertiliser purchase and application are some of the other aspects that we will consider.

Whilst this is initially a project in the Sleaford area, if successful it could be a model that could be transferred easily to other parts of the Newark factory area.

If you would like more information please contact either:

**Henry Denchfield** 01522 504322 or  
**Mike Johnson** 07950 230922

## Food Glorious Food!

Lionel Bart's immortal lines from "Oliver" could well be applied to the increasing growth of local produce from Lincolnshire and many of the other counties within the East Midlands.

This growth is being achieved right along the marketing chain from basic production to processing, marketing, distribution and retail with businesses both small and large benefiting from the consumer's desire to purchase quality regional and local produce. More and more people are becoming aware of Lincolnshire and food from Lincolnshire, opening up new opportunities for food producers and indeed tourism. The Select Lincolnshire Brand now provides an excellent opportunity to promote quality regional food under one banner.

Frequently the development of these ventures requires planning and capital investment. We await with interest the new RDPE grant schemes which hopefully will extend to assisting business development of this nature. This may be well into the latter part of this year, but what is exciting now is the extent and diversity of these emerging and expanding businesses.

As ever JHWalter continues to work with these companies regarding business strategy, marketing, grants and planning.

For advice and information contact

**David Wright** 01522 504321 or

**Kate Russell** 01522 504327

## Single Payment Scheme - A Year Round Task!



You've sent in your 2007 SP5 form, the summer is here and you can forget all about the Single Payment Scheme (SPS) until next April, right?

Unfortunately not, unless you are going to be farming exactly the same land, in exactly the same way, next year. If you are likely to take any land on, or give land up, buy or sell land, or change your management practices, then you should consider the potential impact on your SPS and entitlements.

If you are planning to rent land in or let land out:

- > Are the entitlements being let with the land or by separate transfer? A separate transfer may be more straightforward.

- > If the landlord is transferring entitlements to the tenant, ensure that both parties will qualify as "farmers" at the date when the transfer is processed by the Rural Payments Agency (RPA).
- > Does the start date of the lease allow the tenant to complete a 10 month occupation period for that year?

If you are planning to sell or buy land:

- > Consider the apportionment of entitlements between different lots, or between land being sold and land being retained;
- > Remember that if you hold set-aside entitlements, you must claim against them before you can claim against normal entitlements. Set-aside entitlements can only be claimed against arable land;
- > Both buyer and seller must qualify as "farmers" at the date when the transfer is processed by the RPA;
- > Ensure that transfers of entitlement can be accommodated in the timescale for exchange and completion, bearing in mind the requirements of the 10 month occupation period;
- > Remember that entitlements can be transferred on the open market and do not necessarily have to be offered with the land.

Think about the SPS at an early stage in planning a sale, purchase or lease of land. Do this and you will save time, arguments and cost in sorting out problems later on.

For further advice and guidance on your individual situation, please contact:

**Kate Russell** 01522 504327

## Showground Machinery Sale Success!

JHWalter continue to be innovative in their approach to machinery auctions.

The latest example was the March sale held on behalf of Lockwood Estates, Spridlington Manor Farms, and R H Ward (Welton) Ltd. which was held at the Lincolnshire Showground.

JHWalter partner, Rob Ward, said "The Showground was an excellent sale site, convenient, accessible, and with plenty of space to present the machinery to best advantage. We had a successful day with buyers from all over the country, and the prices achieved reflected this"

For details of the JHWalter Machinery Auction service visit [jhwalter.co.uk](http://jhwalter.co.uk) or phone:

**Rob Ward** 01522 504323



# The County Property Auction



A packed sale room enjoyed the first County Property Auction of the year at the Bentley Hotel, Lincoln on 22nd March 2007.

The sale featured 21 lots from Lincolnshire and surrounding counties with strong interest in all lots and an 80% sale rate achieved. As ever several lots really caught fire and, with our auctioneer Ian Walter fanning the flames, achieved prices far in excess of the guides.

As the County Property Auction continues to grow we are pleased to be receiving lots from a much wider area.

Our spring auction featured entries from Lincoln, Nottingham, Grimsby, Grantham and Gainsborough and everywhere between.

The County Property Auction on 24th May 2007 at the Bentley Hotel, Lincoln, features 22 entries including a prime Cathedral quarter building plot, a retail property and renovation opportunities in Lincoln, development sites in the Grimsby area, a wood near Tuxford, three paddocks near Newark, a building plot in the Louth area and residential investment property in Boston.

The full catalogue, results of previous auctions and vendor comments, can be viewed at [jhwalter.co.uk](http://jhwalter.co.uk). You can sign up for advanced previews of our auctions by e-mail. If you are thinking of buying or selling please come along to one of our auctions and experience the buzz (and heat!) of the auction room.

The County Property Auctions are held regularly throughout the year and if you are looking for a swift and efficient way to sell your property then please call the region's leading Auction Team now on 01522 504360.

We will be pleased to advise.



**Going, Going... Up!**  
Look out for our new Auction boards across the Region.

**THE COUNTY  
PROPERTY AUCTION**



# The Land Market



Spring put a spring into the step of the land market and JHWalter has been involved in a number of successful sales in the first half of the year.

Castle Farm (400 acres) and Thorpe le Fallows (467 acres), both near Lincoln sold to local purchasers despite intense competition from a large number of farmers from all corners of Europe. Manor Farm Lusby (760 acres), went (fingers crossed), to another friendly Viking invader. As a fellow agent put it "At least they are paying for what they are taking these days!" All of these farms sold for comfortably over the guide prices, being £1.4M, £1.8M and £3.8M respectively.

JHWalter launched the sale of Rufford Hills Farm (400 acres) in April, a very desirable and pretty residential farm in North Nottinghamshire, and it has generated a massive response. Blocks of quality land are selling well with land closer to villages, suitable for a variety of uses, being in strong demand from non farming purchasers.

As Warren Buffett, one of the world's richest men said "you should never be frightened to sell on a rising market. You never know how long it will last."

**Time to be bold I suggest.**

Ian Walter 01522 504301

Pictured: Rufford Hills Farm



## From Land sales to sale of Landscapes

JHWalter is launching the sale of original art at No. 1 Mint Lane. When Lydia Bauman, a landscape artist of international repute, suggested that we sell her paintings, we jumped at the chance. A selection of the works from her touring exhibition "Alone in the Land - Landscapes in Britain" are available, by private negotiation, and are hung at No. 1 Mint Lane. Call James Mulhall on 01522 504318 to arrange a viewing.



## Hare Park, Navenby, Lincoln

**Lot 1:** Period stone country dwelling offering expansive accommodation including 25ft main reception, 2 further receptions, farmhouse kitchen, 6 bedrooms, 2 bathrooms. Extensive gardens and orchard (0.75 acre). **Guide Price £475,000** **Lot 2:** 6.6 acres of post and rail paddocks, 7 stables, 2 foaling boxes, tack room, feed room, rug room, 50m x 40m menage, excellent hacking. **Guide Price £100,000**

# Individual Service Unique Property™

A selection of the unique properties we currently have available by private treaty.



## Brampton, Lincolnshire, £1,050,000

The Manor Farm is a substantial Grade II listed property situated in the hamlet of Brampton, home to Lincoln golf club. The accommodation is spread over 3 floors and offers a flexible and spacious living space. Set in approx. 7 acres with several outbuildings including a barn with detailed planning consent for residential conversion to a 4 bedroom dwelling and a further single storey group of buildings with detailed plans for conversion to an indoor swimming pool.



## 2 Northgate, Lincoln, £575,000

A Victorian house within an excellent location in uphill Lincoln. This large family home offers five bedrooms, breakfast kitchen and three reception rooms and stands on a large plot of around 0.085 ha (0.21 ac). When refurbished this will be a fine family home with a wealth of period features. The property has frontage to both Northgate and Nettleham Road and is situated within striking distance of the Cathedral quarter of the City. Also benefits from off street parking and garaging.



## Glentworth, Lincolnshire, £435,000

A traditional Lincolnshire stone farmhouse enjoying an elevated position in the heart of this popular cliff village. Sympathetically restored and refurbished the main house offers 3 storey family accommodation comprising 2 reception rooms, farmhouse kitchen, study/playroom, 4 bedrooms and bathroom. Within the grounds is a detached barn conversion currently let on a shorthold tenancy, brick and pantile stable block, large hardstanding area and post and rail paddock.



## Nettleham Rd, Lincoln, OIEO £400,000

A stunning ground floor apartment situated within one of the City's finest houses in uphill Lincoln, standing in extensive grounds with a view of Lincoln Cathedral's towers. Comprises impressive private entrance, dining hall, drawing room with bay floor to ceiling windows and access to private terrace and communal landscaped grounds. Kitchen/breakfast room, 2 double bedrooms, master en-suite, guest suite and office.



## Caunton, Nottinghamshire, £580,000

A period farmhouse with accommodation comprising (approx 2,700 ft<sup>2</sup>), three reception rooms, kitchen/breakfast room, boot room, cloakroom, cellars, five bedrooms and bathroom. Outside are large gardens and outbuildings. Grounds and Paddock extend to 1.4 acres. To the rear elevation sits Pond Cottage, a spacious one storey barn conversion extending to some 1,800 ft<sup>2</sup>. Further paddock land is available by separate negotiation.



## North Carlton, Lincoln, £400,000

The Smyth is a period stone dwelling situated in the heart of this popular hamlet. Occupying a large plot extending to some 0.5 acres with open countryside vistas. Briefly comprises three receptions, farmhouse kitchen/breakfast, conservatory, three double bedrooms, master en suite and family bathroom. Outside are attractive enclosed grounds, a detached double garage and workshop.



## Upton, Lincolnshire, £375,000

A detached farmhouse along a private driveway with far reaching countryside views. Lodge Farm offers light and spacious accommodation with a wealth of period features. 3 reception rooms, farmhouse kitchen, utility, downstairs wet room with 4 double bedrooms, master en suite and bathroom to the first floor. South facing gardens, off road parking and paddock. (approx 1 acre.)



## Sturton by Stow, Lincoln, £300,000

A substantial school conversion with many original features, offering spacious accommodation extending to approx. 2600ft<sup>2</sup> and occupying a good sized corner plot in the heart of this popular village. Comprising 25ft main reception room, 17ft modern kitchen/diner, office/study, 4 double bedrooms, master en suite, family bathroom and original Clock & Bell Tower.



## Carline Road, Uphill Lincoln, £325,000

This Edwardian double bay fronted villa enjoys an elevated position with views across the City, within minutes walking distance of the Cathedral and Castle. Accommodation comprises 3 reception rooms, C23ft bespoke Kitchen, downstairs cloakroom, 5 bedrooms, master en suite, family bathroom and laundry room, along with a 30ft loft room.



## Directions

### LN1 1UD

Enter the City off the western bypass and along Carholme Road (A57). After the racecourse pass over a pedestrian crossing, after the next pedestrian crossing turn left at the traffic lights, immediately after this turn right at another set of traffic lights. Passing the County Council offices on the left, continue over the next set of lights and position yourself in the left hand lane. At the following traffic lights turn left into Beaumont Fee. In 100 metres turn right into Park Street and then immediately right again onto Mint Lane, our car park is the last on the right. Space 2 and 3 are identified by purple JHWalter signs.

Please call prior to your visit to book a space.