

Finding a viable plot

BEFORE WE BEGIN

- If you can't see the Slides correctly, you may need to change the 'View Options' at the top of your Zoom screen.
- If you have a question about using Zoom please ask now and I'll try to help!
- Please ask questions at any time using the Q&A button at the bottom of the screen. I will answer some of these as I go.
- We will also have dedicated Q&A time at the end of the morning & afternoon sessions.

AGENDA

- Kick off 7 p.m.
- Finish around 9 p.m.
- Q & A to finish

- How to start your plot search.
- Land: What to look for.
- Planning policy.
- Ways to find a plot.
- The plot buying process.
- Appraising a plot.
- Plot Valuation.
- Summing up & Q&A.
- Plot finding case studies.





Introduction

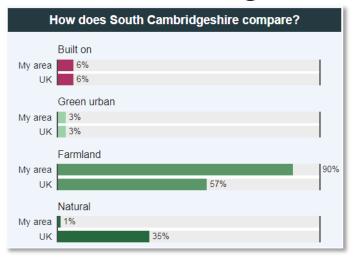
Can't find that elusive plot?

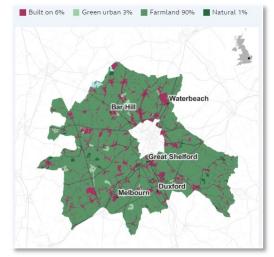
The market for plots is very competitive!

NaCSBA / Ipsos MORI findings:

- Around 100,000 people expect to buy a plot, get planning or build a new home during the coming year.
- But only about 12,000 people manage to build each year.

Plots are relatively scarce,
Over 90% of land in England & Wales can't be built on.







Introduction

Can't find that elusive plot!

Limited supply of developable land;

- Nimbyism.
- Planning complications.
- Potential land controlled by developers.
 - = Limited availability!

The perfect plot doesn't exist!

- Very rigid requirements
- Unrealistic expectations
- Not prepared to compromise.





Introduction

Can't find that elusive plot!

You could be the problem!

- You're possibly not being as obsessive as you need to be.
- You're probably looking in the same places as everyone else.
- Failure to move quickly indecisive.

Work out your land finding strategy;

- Make sure your plan is deliverable
- Know what you're looking for
- Don't 'hunt with the pack
- Learn how to 'beat' the market
- Know your competitors
- Focus your search

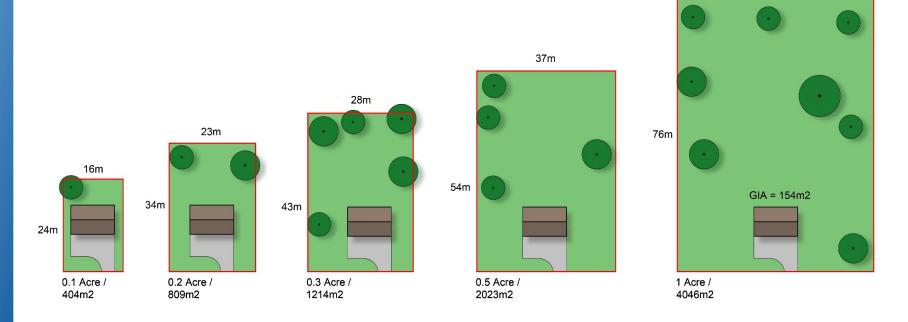






How much land do I need?

How the same 154m² (1657ft²) house fits on different sized plots



53m



Knock down and rebuild

Open Field?

Scrub land?

Brown Field?









Garden Plots



Garden Plots

Be careful of "Back Land" or "Tandem" development



Infill Plots

Infill Plots

Must consider street scenes, access, scale and mass and loss of amenity.







Knock down and rebuild

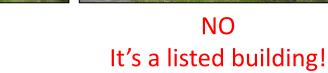
Knock Down and Rebuild

The perfect plot may not actually look like a plot at all!

It may be a replacement dwelling!



YES





MAYBE?



Plots with challenges

See through the problems

- Understand how your home will be built and at what cost.
- Don't overpay for the plot.
- Don't be put off by the challenges it won't be you building the house.





Source Potton



Forgotten Land

Forgotten Land

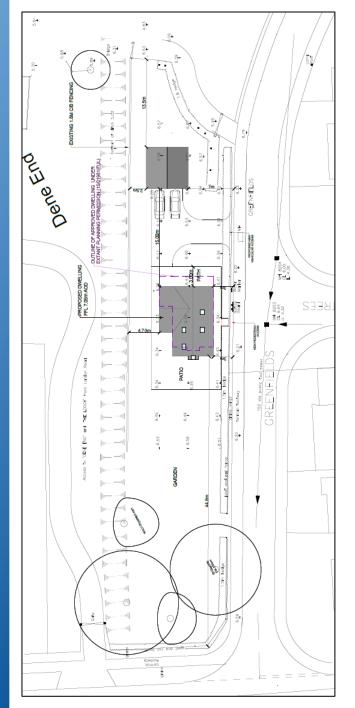
- Be careful, there may be a reason why it hasn't been developed!
- Never assume it's not possible investigate.







What to look for Forgotten Land





Stalled developments

Protected Permissions







Think about why the developments look stalled? - builder gone bust or could the permission be protected in perpetuity?

Brownfield Land

Unwanted commercial property



Haulage & storage yards



Pubs



Petrol stations





Brownfield Land

Brownfield land includes the curtledge of the development land but excludes;

- Occupied by agricultural or forestry buildings
- Land in built-up areas such as private residential gardens, parks, recreation grounds and allotments;
- Land that was previously developed, but where the remains of the permanent structure have blended into the landscape in the process of time."







Brownfield Land

Consider other types of commercial buildings that could be converted under permitted development rights

- Must have been vacant for at least 3 months prior to application – may change and built before 20 March 2013
- 150m2 floor space limit on commercial shops but consultation considering increase to 300m2
- Don't buy a launderette PD rights may be withdrawn





Agricultural buildings

Class Q Permissions

- They come in all sorts of shapes and sizes.
- They might not even look like a house.
- May need demolishing and rebuilt to habitable standards.











Agricultural buildings

Agricultural Buildings

Don't be seduced by a derelict greenhouse or allotments

- they are classed as agricultural land and therefore don't usually have development value.







Fields and paddocks



Not really – homes for horses!



Still looking for a field?

Build a house of exceptional architectural merit (Paragraph 84 Application)

- Architecturally 'outstanding'.
- Design & planning <u>very</u> dear.
- Risky and expensive to build
- Very few are built!



- Must satisfy stringent local planning conditions
- Very difficult to achieve:
 Limited national guidance.
- Must demonstrate a need to live at place of work;



Source Grand Designs



Source Potton



Planning applications and permissions



Failures – why?





A word of caution!

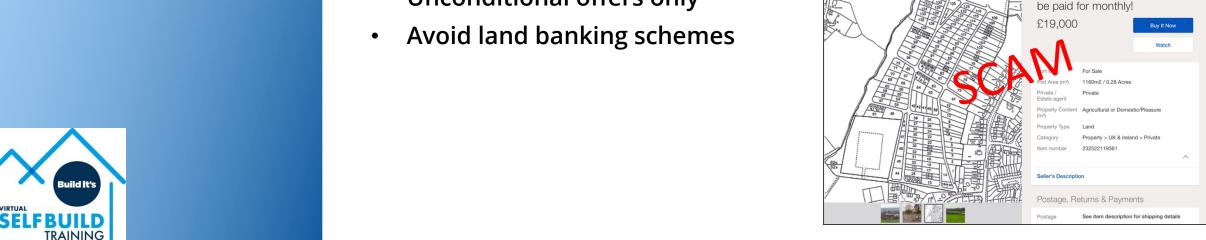
Never buy land on 'hope value' - If it sounds too good to be true, it probably is and will probably never be a plot.

Q Search eBay

Stroud, Gloucestershire - Can

Look out for statements like;

- **Development opportunity**
- **Development potential**
- Subject to planning
- Best & final bids only
- **Unconditional offers only**







Planning Policy

Policy is key to successful plot hunting

- NPPF National Planning Policy Framework
- NPPG National Planning Policy Guidance
- Right to Build Legislation
- Local plans

Self build is now specifically referenced

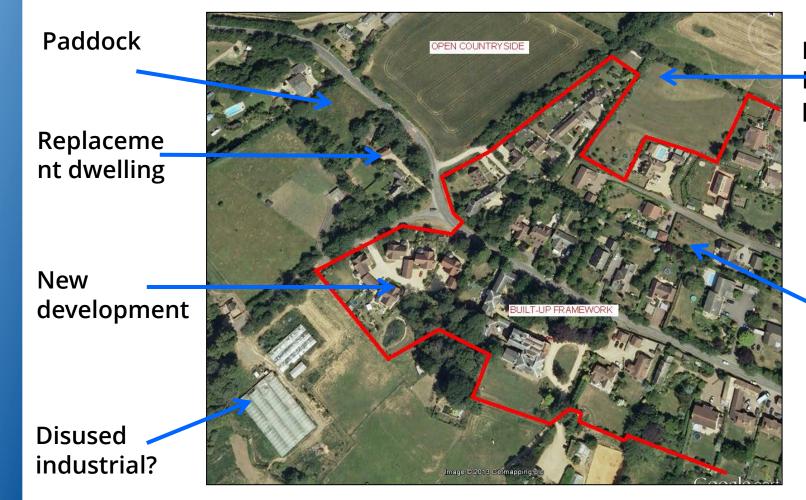
Your chosen Planning Professional will understand all this





Consider the settlement boundary!

Identify the settlement boundary



Possible Developer parcel

Garden plots with access



Use specialist search engines

Great for doing market research and understanding where plots are available and at what price.

It's a great starting place but the obvious place to start so everyone will be doing it!



- Vetted opportunities specifically suitable for self build
- Listings include planning references to aid research
- Lots of informative articles
- Includes a 'serviced plot' hub.



Get out and look yourself!

Try to find land that has not been identified as a building plot already.

Tips to follow;

- Be thorough limit your search to a few key areas.
- Walk around your chosen areas since, if you drive, you may miss the less-obvious sites.
- Buy a map that shows houses record where potential plots are.







Spread the word

Tell everyone your looking.

- Letters drops
- Talk to locals.
- Tell family and friends,
- Offer a finders fees

Don't forget to 'play up' your credentials



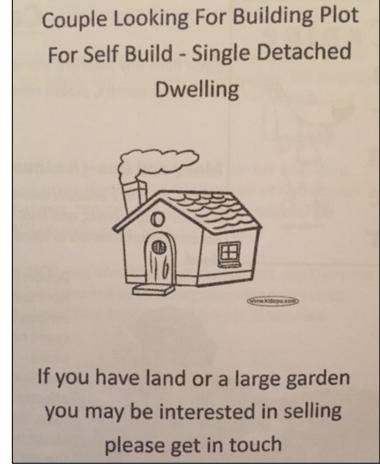


How to find a plot Spread the word

Use adverts but keep it simple and not professional

- Local magazines & papers.
- Social media
- Post office windows.
- Community notice boards.







Search the brown field register



- Require local authorities to maintain registers of brownfield
 - 0.25ha. / 5 dwellings or more,
 - suitable in planning terms
 - available & achievable

 Part 1 is a comprehensive list of all brownfield sites.

 Part 2 will be brownfield granted permission in principle.



Approach estate departments

There are all sorts of institutions, organisations and companies that own land and sell some off periodically. They include;

- Network Rail.
- Universities.
- Traditional landowners like the Duchy of Cornwall, Farmers.
- The coal authority.
- Water authority.
- Canal and River Trust.

Keep abreast of the local and regional news, you may discover one of them is offering parcels of land for sale.





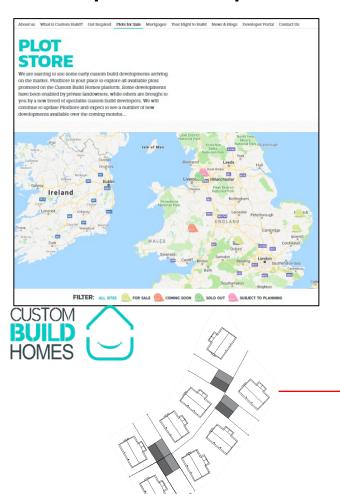




Look for custom build sites



Developers may offer custom or self-build plots as part of their developments as part of the Right to Build legislation.







Befriend Builders Small builders may be prepared to sell you something from their 'land bank' in return for a build contract.

Professionals may be helping land owners to permission before selling





Contact Self **Build Companies** There are a few companies, such as Potton, who work with land owners to secure planning permission and offer the plots for sale.











Go to Auctions

Land Auctions – used to;

- Establish the value of the plot Secure the best price
- Sell land quickly.
- Sell sites with problems!

Remember;

- Fall of the hammer marks exchange of contracts.
- Sale completes usually within 28 days
- Line up your solicitor and professional team
- Be sure of the planning potential
- Have a maximum amount in mind
- Understand what you're buying!

Buyer beware!!!

- Deposits are non returnable
- Watch out for ransom strips.
- Watch out for sites with problems.
- Visit the site, study the auction and legal pack!







1205

Pester Estate Agents

Identify those that deal in land. (Agents)

- Register your details on mailing lists.
- Be memorable.....

Golden Rules;

- Look attractive and flirt!
- Be aware of less-scrupulous agents;
- Look for replacement dwelling opportunities;



ZOOPLO





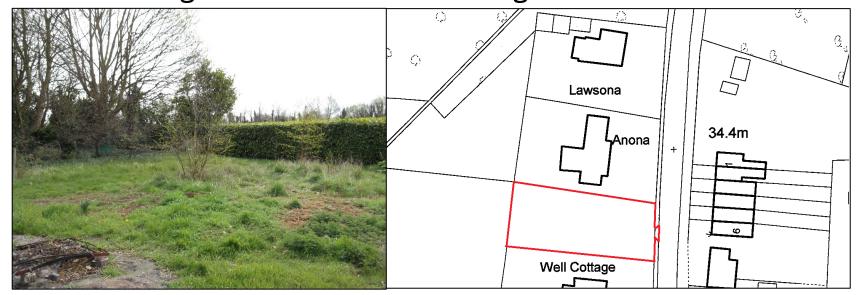




You may already own it

Could your garden be a plot? Think about;

- Impact on your neighbours.
- How it fits in the street scene.
- Will its position fit with planning policy.
- What it will do to the value of your existing home.
- Don't forget about the tax advantages!

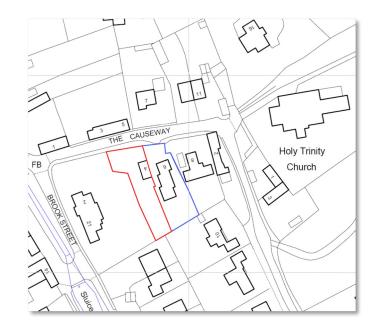




Study maps and plans

Use Google Maps, Google Earth Pro & Street View.

- Easier than hedge hopping!
- Good to find back land and garden plots.
- Helpful to identify access.







Make your own plot



Study mapping tools

The planning portal has excellent mapping and even show the planning history for the plots. Look to 'make your own plot'.



Make a plot from two gardens!

Look for large gardens and good access

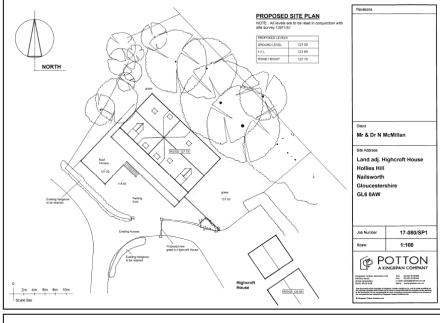
Don't forgot about the impact to neighbours!

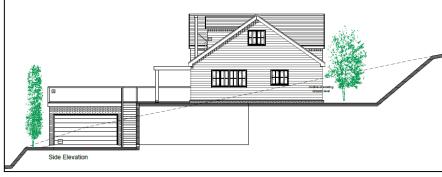
Remember to look inside the settlement boundary

See through the problems

Find the solutions others cant see.









Search the Planning Portal

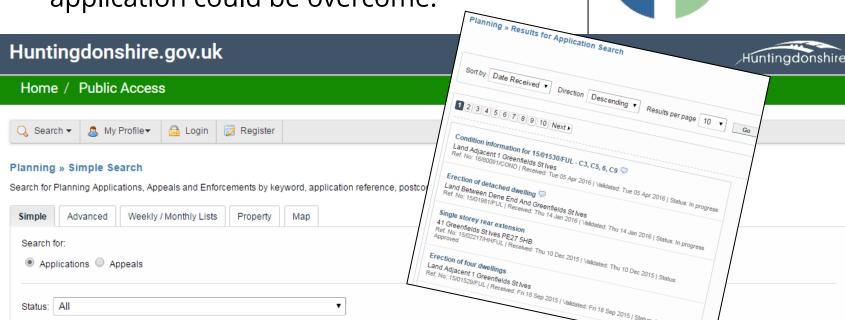


Keep an eye on the planning portal listings – Some applications are for plots that will be sold!

Monitor planning applications and permissions.

• Look for 'Approval Pending' - the owner may be looking to sell.

• Look for **failed applications** – a bad application could be overcome.



PLANNING

PORTAL



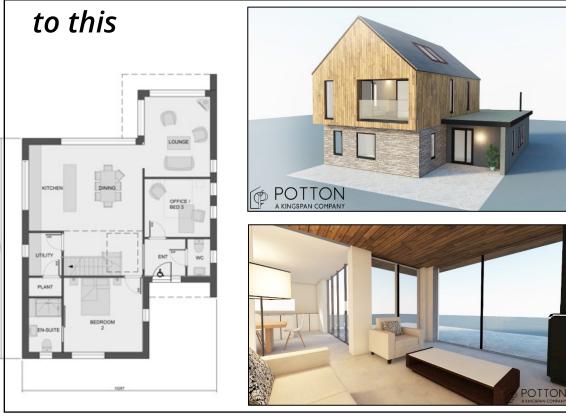
Search the Planning Portal

Change the planning consent.

An existing consent might not look suitable, but could it be changed to meet your needs?

From this



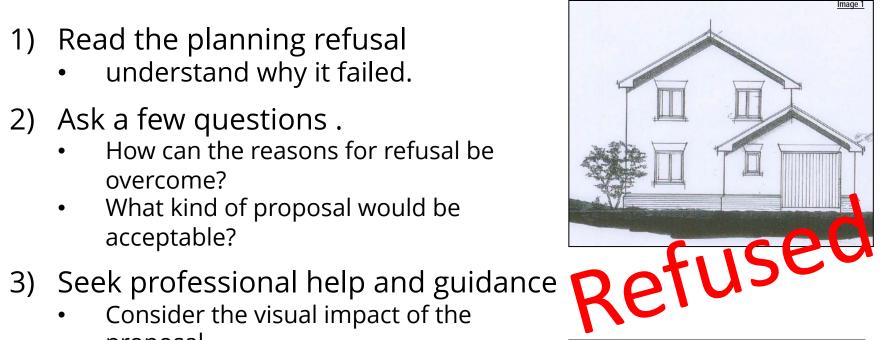




Search the Planning Portal

Planning Failures

- Read the planning refusal
 - understand why it failed.
- 2) Ask a few questions.
 - How can the reasons for refusal be overcome?
 - What kind of proposal would be acceptable?
- - proposal
 - Look at the architectural style and character of the area
 - Consider the street scene
 - Engage with the locals take account of local politics
 - Work up a 'professional' alternative.









Buying the plot

Get the right team

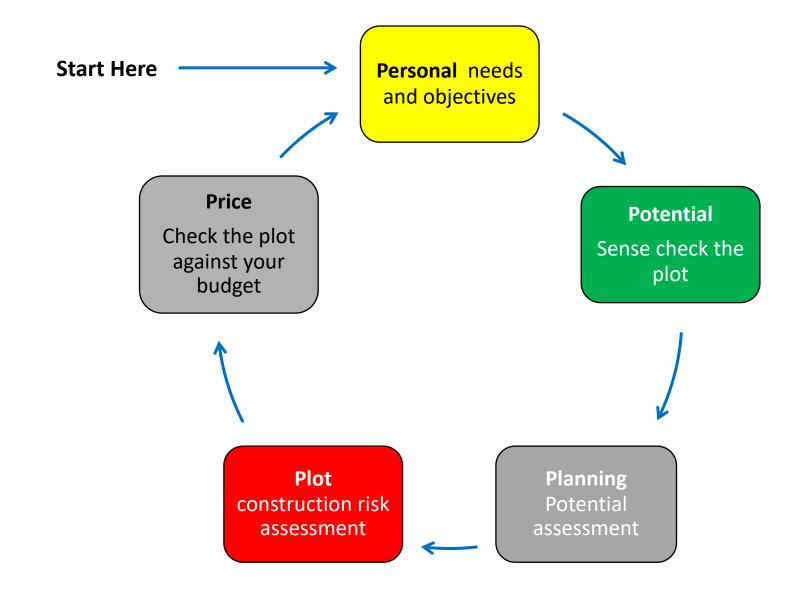
Architect / Building Designer Self-build Consultant Planning Professional Foundation Engineer Drainage Designer Structural Engineer SAP Assessor (Thermal engineer) Fire Engineer **Building Control / Warranty** Provider **Project Manager Land Surveyor Groundworks Contractor** Floor Risk Engineer **Ecology experts Arboriculturalist Party Wall Surveyor Solicitor** Mortgage provider

Package Provider





The process





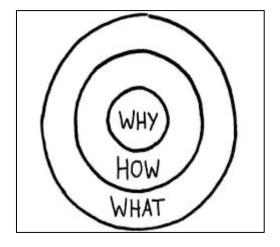
Personal needs and objectives

- 1) Why do you want to build a home?
- 2) What are your design needs?
 - Size and scale
 - Features and specification
 - Architectural style
- 3) What professional support will you need.
 - Architect or Package
 - Planning professional
 - Engineers & surveyors
 - Legal advisors
- 4) How do you intend to manage the build.
 - Self manage
 - Project managed
 - Turnkey builder
- 5) Does your plan and budget stack up?
 - Can you afford it
 - Can you raise the money
 - Can the whole project be funded
 - What if things go wrong?

It all starts with you – Not the plot!

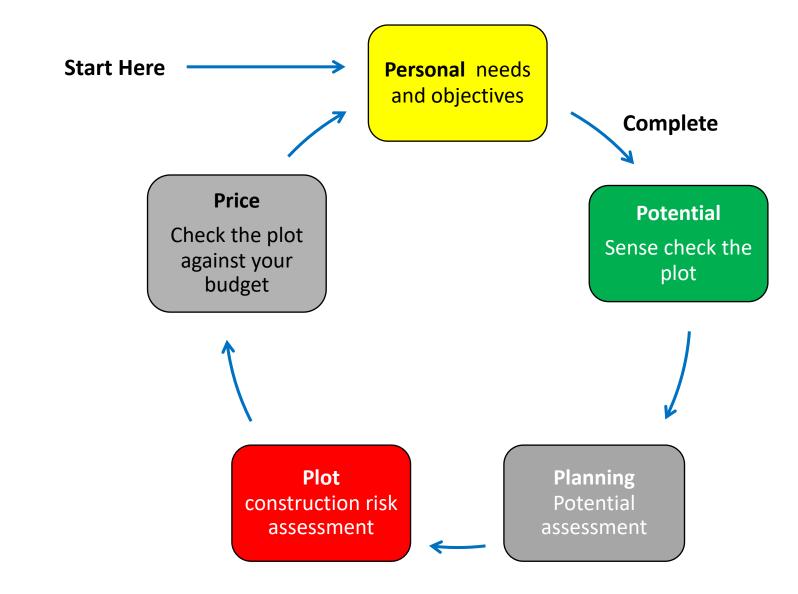
Personal

needs and objectives





The process





Sense check the potential

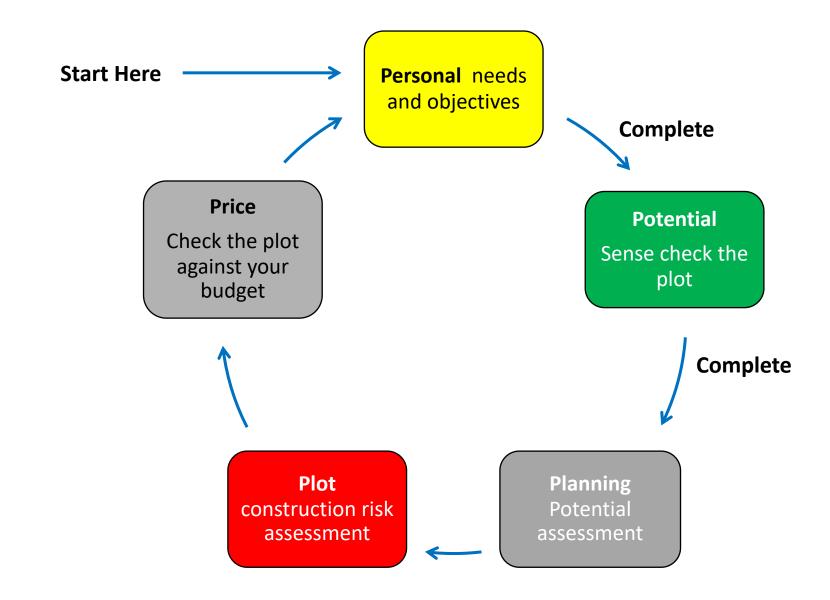
Ask yourself 8 key questions;

- 1) Will the plot meet my needs and objectives?
- 2) Will I get permission for what I want?
- 3) Can I deal with all the planning conditions?
- 4) Do I have legal and unobstructed access?
- 5) Can I service the plot?
- 6) Are there any construction problems to overcome?
- 7) Are there any legal matters to consider?
- 8) Do the numbers stack up?

PotentialSense check the plot



The process





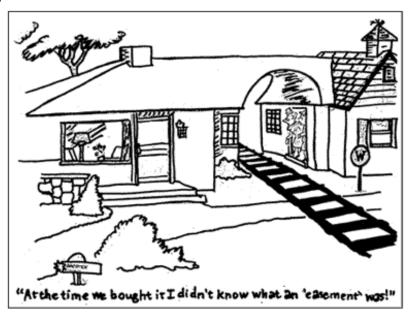
Assess the Planning Potential

Check the legal issues early – appoint a solicitor.

Title – download from land registry Check as early as possible;

- Boundary ownership.
- Boundary position.
- Access to adoptable highway
- Rights of way to plot's benefit
- Rights of way for others.
- · Ransom strips.
- Rights of light.
- Rights for services connections
- Restrictive covenants.
- Easements.
- Disputes.
- Part Wall agreements.





Assess the Planning Potential

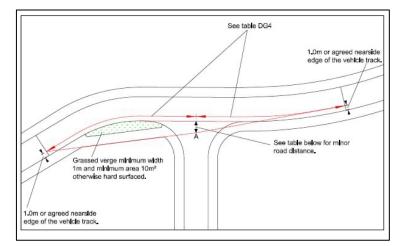
Access to the site.

The highways department will comment on the application.

- Safe access and egress.
- Visibility splays.
- Levels disabled access.
- Parking requirements.

Also check the legal's.

- Legally ownership of the access directly to the adopted highway.
- Legal right of way to access the plot.
- Look for ransom strips







Assess the Planning Potential



Read and understand the consent;

- Type of permission full or outline.
- Time limits / expiry date.
- Conditions to resolve Can they be satisfied?
- What obligations (taxes) does the consent require me to pay.
- Does the approved design work for you
 - Should I change the design?
 - Will changing the permission be possible?
 - Granted on appeal.
 - · Any objections.
 - Can I afford it?
 - Can I build it?

Planning Potential assessment

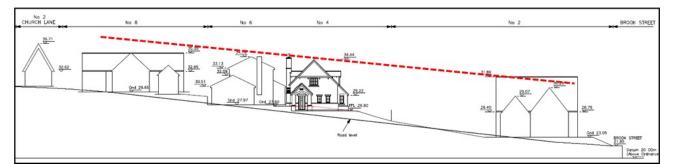


Assess the Planning Potential



New Permissions - Consider;

- Local planning policy guidance & NPPF.
- The designation of the location.
 - Within the settlement boundary?
 - Designation conservation area / brownfield etc
 - Sustainability of the development
 - Flood risk.
- Understand plot constraints.
 - Architectural influences & external materials.
 - Street scenes & block plans.
 - Highways access, safety and parking arrangements.
 - Layout, scale and mass of the proposal.
 - Impact on amenity loss of privacy
 - Impact on listed buildings & ecology.
- Changes to fees Free go now gone.

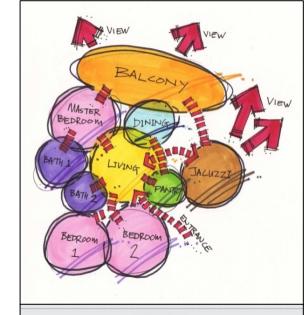


Assess the Planning Potential

Pre-app advice.

It might be worthwhile discussing your plans with the planning department;

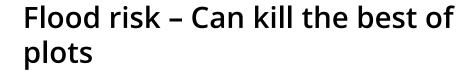
- A fee may be payable.
- Details of your proposals will be required – take photos, do a sketch, write it up.
- Use existing designs provoke opinions.
- Be prepared to take the advice on board – you may have to compromise!
- Remember, the pre-app will offer guidance but it cannot be totally replied upon.







Assess the Planning Potential



- The Environment Agency will object if the flood risk is not adequately addressed!
- A flood risk assessment may be needed - Check Environment Agency flood maps.
- Locations subject to flooding may also be subject to 'sequential testing' to make sure there aren't better locations to build.





Assess the Planning Potential

Trees & Ecology - Protected Flora and Fauna

- bats, all species
- great crested newts
- badgers
- hazel or common dormice
- water voles
- otters
- wild birds
- reptiles
- protected plants
- white-clawed crayfish
- invertebrates
- freshwater fish
- natterjack toads
- ancient woodland and veteran trees

Expect to have to complete ecology surveys

https://www.gov.uk/protected-species-andsites-how-to-review-planning-proposals

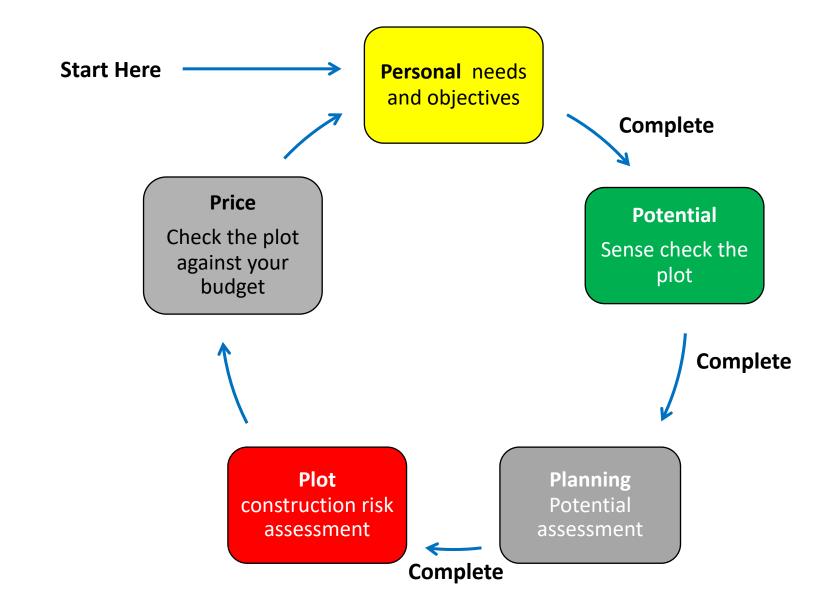








The process



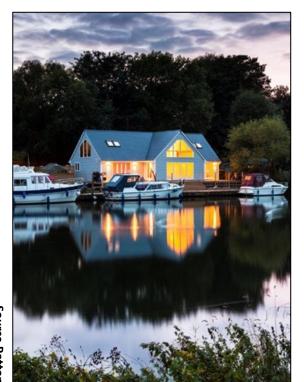


Assessing construction risk

Plot construction risks & site abnormal's

- Site access and space to work.
- Demolitions & contamination.
- Services existing and new connections.
- Drainage connections and diversions.
- Topography, site levels & reduced level.
- Ground conditions & obstructions.
- Foundation types.
- Trees & ecology.
- Groundwater.
- Engineering works.
- Retaining structures.
- Highways works.

Plot Potential construction risk assessment





Assessing construction risk

Access and space to work.

Check that there is sufficient access to the site for construction purposes.

- Suitable access for deliveries
- Room for scaffold & access
- Space for material storage
- Space for site welfare

Specialist plant or additional labour may be needed to build safely.

Think about the construction sequence and if extra time / money will be needed.







Assessing construction risk

Demolition needs careful planning and control.

- Access to demolish does not have the same legal entitlement as access to maintain and repair!
- Beware of contamination such as asbestos.
- Services disconnections required.

Demolition sounds complicated but is not as expensive as you'd think.







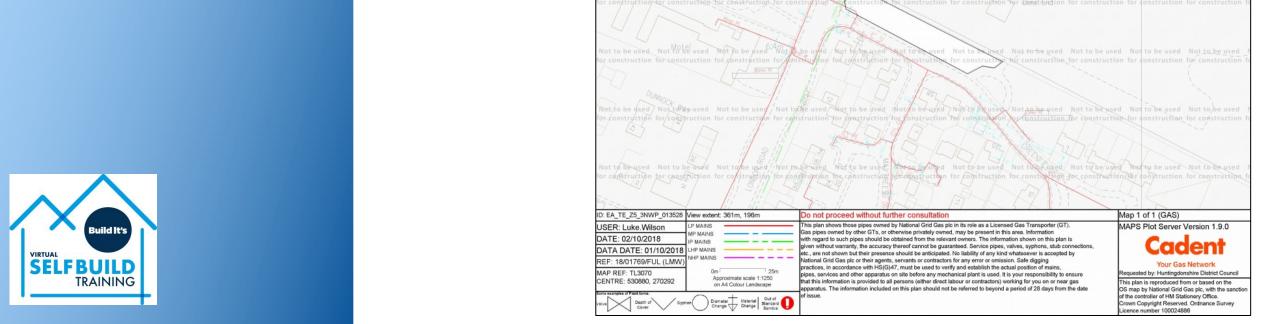
Assessing construction risk

Services, connections, diversions.

Check that mains services are readily available.

Also consider diversions of services that may be affected by the build.



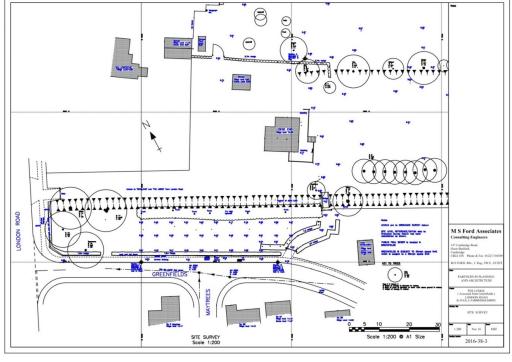


Assessing construction risk

Topography - often overlooked but can be expensive to address.

- Assess site levels & gradients topographical survey required
- Optimise the 'reduced level' keep arising's on site
- Check key dimensions is it the right size?







Assessing construction risk

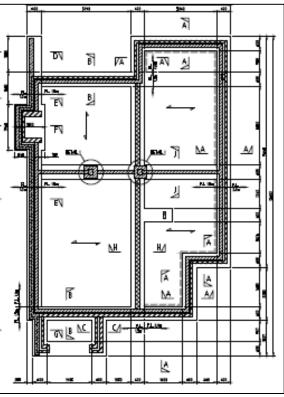
Ground Conditions – always complete a ground investigation

- The founding properties of the virgin ground.
- Depth of natural vegetation.
- Identify filled or disturbed soil.
- Locate depth of ground water.
- Identify any contamination & gases.
- Assess the chemical composition of the ground.
- Consider existing buildings / foundations / trees and their impact on the new



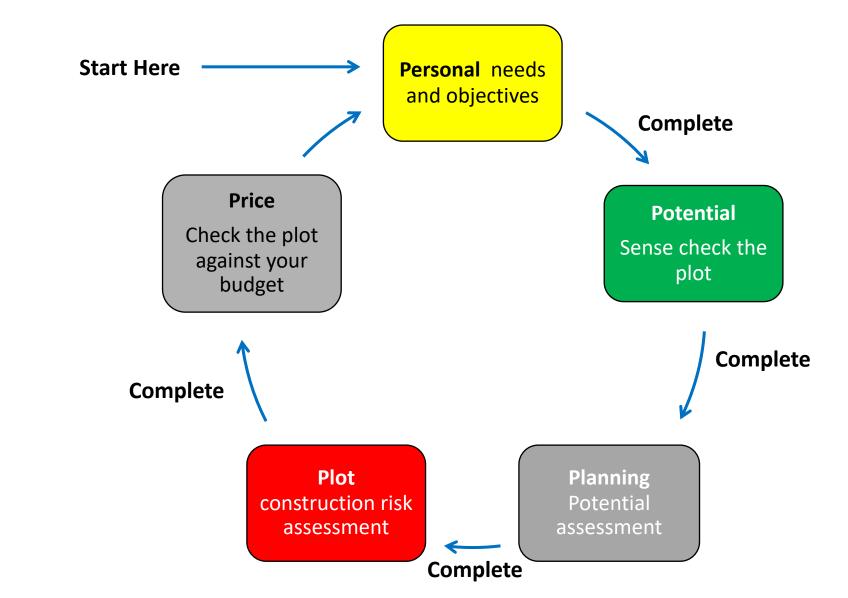








The process





Appraising plots Plot valuation

A plot is only worth what someone is prepared to pay but... what you're prepared to pay should only be what its worth!

Plot Value = <u>End Value</u>

- Design and planning fees

- Cost to buy

- Cost to build

- Site abnormal costs

- Desired equity

The trick to getting the valuation right is figuring out the variables;

- 1) What will the plot support
- 2) Establishing the end value of the finished home
- 3) Knowing the cost to build
- 4) Identifying unique site abnormal costs
- 5) Accounting for risk such as legal issues, access and servicing the site

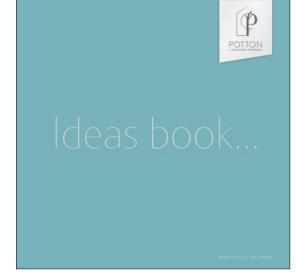


Plot valuation

Working out the end value – Develop some design ideas;

- What sort of property would the plot support?
- Pick a suitable existing design from a catalogue.
- Find out what sort of value would that carry?
- Value using Zoopla (for an idea) or an RICS surveyor.







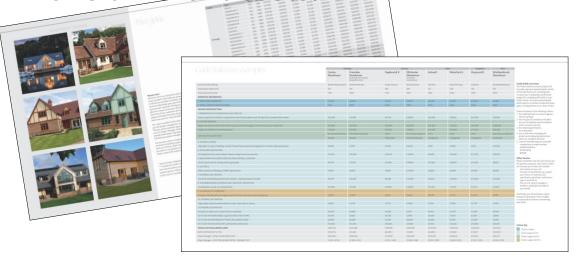


Plot valuation

Working out the design and build costs;

- Use price guides for your preferred package supplier.
- Use BuildIt's online cost calculators.
- Get quotations from builders
- Don't forget about wider 'project costs'

Remember different routes to build have different costs.









Appraising plots

Plot valuation

Paying the right price for a plot

- Basic valuation example

What the finished home is worth	£ <u>750,000</u>		
Less Cost to Build (Use Potton's Price Guide – say £250 /sq ft) Site Abnormal Costs Cost to Buy the Plot Professional Fees Desired Equity – Say 20%	£(400,000) £(20,000) £(15,000) £(6,000) £(150,000)		
Possible Plot Valuation	£159,000		



What is the maximum plot value? Should you include rental costs and finance costs? What about design and planning fees? What about CIL contributions? What's the consequence of building at say £400/sqft

Tip – If it's the plots fault then deduct the cost.

Appraising plots Plot Valuation Tool

Plot valuation



Key Data Input				Residual Plot Valuation Calculation					
		Change green o	nly	Complete	Gross internal floor area of proposed house (GIA)	153	m2		
Value				d Value					
	Gross internal floor area of proposed house (GIA)	153	m2		Current value of completed homes in local area (per m2)	£3,920	/m2		
	Current value of completed homes in the local area (per m2)	£3,920	/m2		Current value of completed home		£599,760		
	New Build Premium	0.00%				plus			
	Annual rate of house value inflation	0.00%			New build premium	0%	£0		
Build Costs	Construction cost per m2 (Excluding PM Fees)	£2,460	m2		House price inflation for completion in 12 months	0%	£0		
	Annual construction inflation	0.00%			Completed house value at completion in 12 months			£599,	
	Months to build	12	Mths						
	Site Abnormals (site entrance works & landscaping etc	£26,000		Cost to	Gross internal floor area of proposed house (GIA)	153	m2		
				Build	Construction Cost (£/m2 GIA)	£2,460			
Fees	Stamp Duty on plot purchase (Use HMRC Calculator)	£0			Basic cost to build the home	Plus	£376,402		
	https://www.gov.uk/stamp-duty-land-tax	£0							
	Legal fees (Excluding any party wall agreements as not known)	£0			Construction inflation for period of build	0.00%	£0		
	Site Insurances	inc			Site Abnormals		£26,000		
	Architectural Fees	1.00%							
	Planning fees	1.00%			Total cost to build			£402,	
	Planning reports and surveys £0								
	Ground Investigation & land survey	£4,000		Fees	Community Infrastructure Levy (£/m2) / S106 fees	£0	£0		
	Structural Engineering	£0			Stamp duty		£0		
	10 Year Structural Warranty	inc			Legal fees		£0		
	Project Management Fees (excluding VAT) (coaching only)	£14,400			Site insurances		inc		
	Community Infrastructure Levy (Claim exception as self build)	£0			Design & Planning (TBC)		£7,528	1	
Equity	Expected Profit or Equity earned by custom builder	0%			Foundation design & structural engineering		£4,000		
					10 Year Structural Warranty		inc		
Comments					Project Management Fees		£14,400		
i					Total fees			£25,	
				Equity	Expected Profit earned on gross development value	0%			

Buying the plot

The plot buying process

Put an '**Option Agreement** in place before buying the plot

An 'option' is a legal agreement made between a landowner and a potential purchaser to sell at an agreed price but subject to certain conditions;

- Securing planning permission.
- Suitable site investigation.
- Provision of suitable access.
- Confirmation of statutory services connections.

Options should be;

- Legally binding.
- Arranged by lawyers.
- Of sufficient duration.







Buying the plot

The plot buying process

Planning required:

- 1) Establish your budget / finance
- 2) Appraise the site (<u>viability assessment</u>)
- 3) Establish principle of development
- 4) Develop design concepts
- 5) Hold pre-application (If necessary)
- 6) Establish value of the plot
- 7) Negotiate & secure option to purchase
- 8) Appoint your professional team
- 9) Develop the design
- 10) Prepare application
- 11) Submit and register
- 12) Planning approval process (8 weeks ++)
- 13) Decision by L.A. Planning
- 14) If refused appeal (within 6 months)
- 15) Decision by planning inspectorate
- 16) Approved! Complete purchase the plot

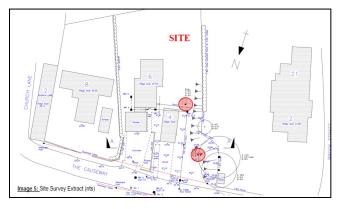






A planning failure

- A sensitive conservation area.
- Plenty of nimby's!
- Lots of local objection.
- History of planning refusals





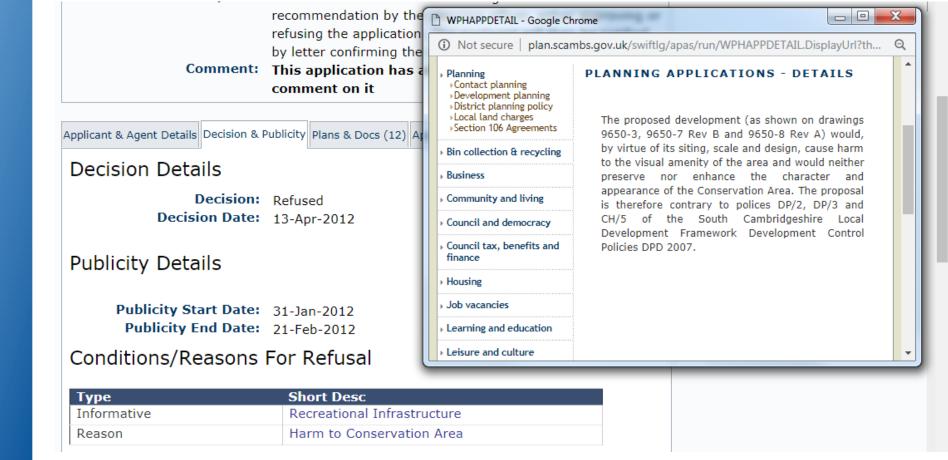






A planning failure

Reason for refusal – cause harm to the visual amenity of the area and would neither preserve or enhance the character and appearance of the conservation area.





A planning failure

Two previous planning applications







A planning failure



1) Read the planning refusal – understand why it failed.

"Cause harm to the visual amenity of the area and would neither preserve or enhance the character and appearance of the conservation area".

- 2) Ask a few questions.
 - How can this be overcome?
 - What kind of proposal would;
 - o not harm visual amenity?
 - o enhance the character and appearance of the area?
- 3) Seek professional help and guidance.
 - Look at the architectural style and character of the area
 - Consider the street scene
 - Think about the impact of a new building
 - Engage with the locals take account of local politics
 - Work up a 'professional' alternative.



A planning failure



Evolving the right application





A planning failure



Potton's Application



A planning failure



The built home



More Photo's or book a stay

https://www.sykescottages.co.uk/cottage/Cambridgeshire-Avenue-Fm/Fern-Cottage-1095328.html

A planning failure

Lessons;

- 1) Never assume a refusal means the plot isn't developable read the refusal notice and ask how the issues can be overcome.
- 2) Bad applications done on the cheap secure lots of refusals seek professional advice.
- 3) Landowners who failed to win a consent often have reduced ambitions they may accept lower offers, subject to planning of course.
- 4) Always take account of local politics. Get to know the locals, include them in your plans it's harder to object if they like you and have had an opportunity to contribute to what gets built.
- 5) Remember, local objections carry limited weight. Provided you address planning policy, there is no reason why an acceptable proposal shouldn't be approved.



Problem land

- Large narrow plot positioned on a main road.
- Unsightly, conifer hedging too narrow to develop.
- Monster hedge ruined the plot!
- Looks like amenity land but was fenced off - Why?



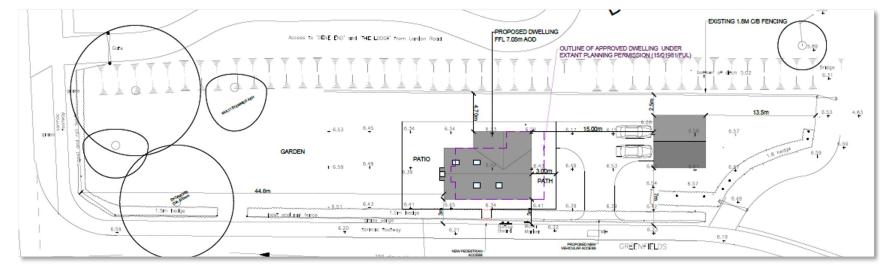




Problem land









Case study 2 Problem land



House Elevations



Problem land



- 1) Always look beyond what you see?
 - Why hasn't it been developed
 - Can problems be overcome
 - What risk is involved
 - Is there a bespoke architectural design that unlocks the opportunity?
- 2) Seek professional advice to understand the alternatives
 - Planner | Designers | Builder
- 3) Always keep on eye on the cost of development and the end value bearing in mind the plot restrictions – make sure its viable







Q&A



NEED HELP?

ELSWORTH PROJECTS



Get in touch....

Email: markstevenson@elsworthprojects.co.uk

Mobile: 07862 257384

Plot Support Services;

- Development appraisals
- Land valuations
- Site investigations

Project Management Services:

- Build budgets
- Project coaching
- Problem solving







THANK YOU FOR JOINING US

Visit https://www.self-build.co.uk/plan-it/finding-land/ for great plot finding information

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