

HOWE GREEN COMMUNITY ASSOCIATION

WESTLAND SUB-COMMITTEE MINUTES

Date: Saturday 28th November 2009

Venue: 9 Chalklands

Present: David Pearson  
Richard Spooner  
Vic Morgan  
Paul Bullock  
Martin Cross  
Dave Travis  
Dave Dennison  
Mick Piper (Minutes)

Duration: 10-15 a.m. – 11-25 a.m.

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David Bishop, Rettendon came to the meeting to give us the benefit of his experience of similar potential issues with travellers and to see if he could help. He has been involved with many issues involving Rettendon village and has personally invested his own money to this effect. He explained that he had built up a string of companies until he retired at 40, and he currently has over £8 million invested in properties in Rettendon . His latest venture was to buy the Wheatsheaf pub in Rettendon for £350,000 which has 6 acres of land to prevent that falling in to undesirable hands, and he is currently undertaking consultation process with the villagers to see what they think about its usage. David Bishop was also heavily involved with the Hyde Hall access roads and was able to get the entrance moved away from access via East Hanningfield or Rettendon. He explained that he was willing to help us if required, except that he did not want to put any money in for this one. He explained that he had a shell company and since he knows the people at Whirledge & Nott personally, he could, if we asked him, try to buy the land pre-auction through his shell company, and then transfer ownership to us. He said that the fact that Persimmon were selling it meant that the chances of its development are probably pretty slim, so it might not attract much interest from other developers.

He said that his ideal position was not to be involved in our effort at all, but he had been asked by Mr. M. Kirkham to come along for this discussion. He does not see it being bought and sold on to a developer as a successful outcome, as there will then be another tranche of land that comes up and there is creeping development. Mr. Kirkham was thinking originally of trying to get the whole thing, but in view of HGCA's efforts he may just be interested in a part of it. The existing Structure Plan was put out for consultation on 12<sup>th</sup> October and runs to 21st November it calls for allocation of land for residential use, industrial use, recreational use up to 2021 amendments to village curtilage and the allocation of gypsy sites. He has not looked at it for Howe Green. We could see what has been put forward by developers because anybody can put anything forward. You don't have to own the land, and you might make a supposition that it be nice if it were to be residential, and they will consider it

accordingly. The sword of Damocles... if you don't identify a suitable use you may have something foisted upon you by the Planning Department.

D. Dennison and M Kirkham joined the meeting at this point.

David Bishop knows Whirledge & Nott very well, but not Dedman's, and he has had different responses from them as you might expect. He has said to Whirledge that as the Legal Pack had not come out it could not really go to auction on 2<sup>nd</sup> December as people would not have had time to study it, and there was also the issue of Adverse Possession. When the Legal Pack was issued he complained to Whirledge that it did not state the position of Adverse Possession. Last Thursday he said to Whirledge that he would take a punt and just write a cheque for £50k without worrying about the legal problems, but Whirledge said that they would not put that to Persimmons as they had had substantial offers above £50,000 and wanted to go to auction. Whirledge don't normally get involved in auctions at this level and Dedmans do it all the time, but they have got so little to auction.... They have 14 lots of which only 2 are freehold so he thinks that they will end up selling 4 that day! Last auction they only sold 8 properties so he suspects that they are working with Whirledge to get more in.

David Bishop spoke to Whirledge re the current price of pony land.... Which is a slang term for a bit of land at the end of your garden that Penelope puts her pony on, which is neither agricultural nor is it residential. Residential you are looking at £250,000 to £ 1 million per acre, agricultural you are looking at £4,500 to £6,000 per acre depending upon the grade of the land and the quantity. Pony land is the worst of all, if you have got someone who does not want to move and there is a bit of land at the end of the garden they might pay £50,000 for an acre, but the general price for it in Essex at the moment is about £10,000 per acre. Pony land would be anything up to about 20 acres. So if a farmer sells a field to an individual the market price is about £10,000 per acre. There were two cases recently, one in Ongar and one alongside the M11 which went for £10,000 per acre and £14,000 per acre respectively, both about 15 acres.

It was noted that if the Howe Green land goes for £75,000 to £100,000 this is £15,000 to £20,000 per acre then there are lots of bits of land which hard pressed farmers might want to sell, hence the same thing is going to happen again. It was agreed that this is why it is important to keep the price as low as possible. David Bishop noted that he paid £8,500 per acre for land in Rettendon some 20 years ago which it turns out was about 3x the level and since then everything has gone up!

David Bishop said that he could help HGCA by trying to agree a pre-auction price of £50k with a 25% Overage using his shell company DSK Developments on behalf of HGCA, and then sell the land to HGCA at the purchase price. He has told Whirledge that if it goes to the auction room he might not bid and in any case would not agree to more than 10% Overage.

DD explained on behalf of the committee that another group of residents with the same interests had discussed coming in with us. We would buy the land, apply covenants and sell it on to them. Whilst David Bishop would not want to join this as he has no plan for long term involvement, M. Kirkham could quite easily join the effort.

David Bishop said that he could bid for us through his shell company DSK; DD said that equally, if he were to be helping us, he could bid through our shell company.

David Bishop said that he uses Worthy Remain and Kershaw as solicitors which would not be in conflict as we use other solicitors. He had thought that he could buy the land and transfer it to us, but he had not really thought of putting his money in our fund. This would be more difficult.

DD said that we have a nodding agreement with another syndicate of three people which greatly enlarges the money we have, and we are fairly confident that we have enough funds. We would have covenants on the land and a small overage which would bring a bit back to HGCA. To join forces with David Bishop in the way he suggests would not fit in with the other syndicate and we are talking about less funds with him.

MJP noted that the syndicate has an interest in the top part of the land and if M Kirkham wanted to come in for the lower half of the land they may welcome him into their syndicate. Alternatively, one of the syndicate (Neal) might drop out if M Kirkham joined as Neal does not back on to the land and is only in it to help the other two.

M Kirkham felt it was unlikely that the travellers would go for this piece of land as there were probably other pieces that they would feel are better, but if 40 or 50 caravan owners did go for it they would put in £3,000 each and would have a good fund. It cost £0.5 million to remove the gypsies from Rettendon; M Kirkham would be willing to put in £50k - £75k to protect his family house adjacent to the land, but was looking at the whole plot. But if someone wanted to come in with him to take a couple of acres at the top that would be O.K. If he had to pay £50k for 3 acres that would be fine. If the gypsies get in everybody's property would drop in value by 40%.

If M Kirkham came in with HGCA and the syndicate that we are having discussions with we would be looking at a pot of around £200k. David Bishop noted that if we have a pot of £50k then we don't need him; it was noted however that his expertise would be very useful.

We discussed covenants. David Bishop felt that we should have a general overriding blanket covenant. We read out the list of the sort of covenants we were thinking about and he warned that we should be careful as it was difficult to think of all exclusions..... He flagged up car boot sales, clay pigeon shooting, sporting events, paint balling as things which we might not have considered. He felt that a blanket exclusion other than planned residential usage would be better. Agreed that it might be better to include a blanket, discuss it with the syndicate, but not be too restrictive so that it scares them away.

M Kirkham stated that he was willing to go in with the syndicate.... Anything to protect his family's land.

We questioned whether anybody else could do a pre-auction bid with Whirledge and whether we should put in a pre-emptive bid. Noted that this not likely to happen as they have had quite a bit of interest and are determined to go to auction.

David Bishop gave contact details in case he could do anything else to help us:-

Tel: 01245-401264 (Note this is ex-directory for Hillhouse, his residence) or 400326 for messages

M Kirkham contact details: Tel: 07885-435366

It was noted that we had been contacted by Kevin Dormer, Evanwell, who wanted to know what we could bid as he did not want to bid against us.

Bidding strategy was discussed. It was agreed that very few people should go along on behalf of HGCA, and it was decided that HGCA would be represented by David Pearson and Dave Dennison.

DD may ask at the outset, under his Directa Company hat, for the auctioneer to spell out what the access situation was and the status of the Adverse Possession. DD will then bid on HGCA's behalf.

It was noted that the Legal pack should be checked for bidding details; it was thought that 2 pieces of identity was needed plus proof of funds holding.

It was agreed that the next steps were to firm up the Heads of Agreement document and to get feedback from TPS.

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