



Case Study: Whatever your plans, Kenneth Bush can help...

Our property team are regularly instructed on both the purchasing and selling of land with development potential. These transactions often include a wide range of complex matters.

We recently assisted a client who owns extensive farm land, some of which had been identified as potential development land. Rather than obtaining planning himself our client entered into an arrangement with a Promotor. The Promotor covers all upfront planning costs in return for a percentage of the sale proceeds when the land is ultimately sold. Our commercial team guided the client through the negotiations with the Promotor.

The Promotor commenced the planning process and was quickly able to secure outline planning consent for residential development.

During the course of the planning process, the local authority requested a Section 106 Planning Agreement. This is a legal agreement between the Local Authority and the house builder imposing additional obligations on the house builder.

The aim is to balance the pressure created by the new development with improvements to the surrounding area ensuring that where possible the development would make a positive contribution to the local area and the community. In this case, one of the planning obligations was the construction of affordable housing. We guided the client through the process of the Section 106 agreement necessary to secure his planning permission.

From the outset, we also helped the client understand his potential tax liability. We worked closely with the client and his accountant in determining capital gains tax liabilities. We assisted in advising and making arrangements to enable him to utilise Entrepreneurs' Relief to reduce his tax liability.

Our client secured a local and well-known house builder to purchase the land. We drafted the documents for sale. The land would be sold in three phases.

Our main priority in drafting the sale documents was to protect our clients retained land. We ensured, in the unlikely event the house builder did not proceed with phases two and three, our client could still develop or sell his retained land.

We guided the client through the sale transaction, coordinating the transaction and looking out for their best interests at all times.

Upon completion, our client was referred to our Wills and Probate team to ensure that arrangements were put in place to ensure that his inheritance tax estate would pass to the next generation as tax efficiently as possible.