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PHOTOGRAPH: GETTY IMAGES



St Modwen wins Silverstone race

■ Regeneration specialist beats DevSecs and Kilmartin to 800 acre Formula One site

BY LAURA CHESTERS

ST MODWEN PROPERTIES IS SET TO WIN THE RACE to acquire international Formula One racing track Silverstone.

The West Midlands-based regeneration specialist has entered exclusive detailed discussions with Silverstone's owner, the British Racing Drivers' Club, to acquire the 800 acre (324 ha) site in Northamptonshire.

The decision to sell the site was to ensure that Silverstone remains host of the British Formula One Grand Prix beyond 2009, when the existing contract expires.

The track has been criticised in the past by former One boss Bernie Ecclestone as outdated, and he had threatened to stop using Silverstone unless improvements were made.

St Modwen plans to overhaul the club facilities to create a modern, world-class venue if the deal is approved by the club's 500 full-time members.

The redevelopment of the site, 10 miles from Northampton, will comprise a mixed-use scheme, with motor sport facilities and the automotive industries at its centre. The leisure facilities will be expanded to include hotels, restaurants and a car showroom to increase the time spent at the racing track site.

The club's members need to sanction the agreement at an extraordinary general meeting, which is expected to take place next month. However, St Modwen has been recommended ahead of rivals Development Securities and Kilmartin Property, which were also shortlisted in November.

There were more than 20 expressions of interest in the 125-year-lease. This was whittled down to 10 in October.

The recommendation of St Modwen will be put to the club board, led by chairman Stuart Rolt and president Sir Jackie Stewart, at the end of the month. The process is expected to take until the end of February.

More than 100,000 people visit Silverstone for the annual Formula One Grand Prix, and the club has already improved access to the site.

In 2004 it spent £25m to improve dual carriageway access, car parking and internal infrastructure to enable the handling of traffic.

St Modwen also intends to expand the existing technology park. The redevelopment will update the pit buildings, the media centre and the grandstands.

Around 40 acres (16 ha) is available to extend the existing technology park, and planning permission has already been granted to reconfigure the track to provide an extra 60 acres (24 ha) of development land.

The club hopes that work will begin by the end of 2007 once planning permission is secured.

No one was available to comment before the completion of the selection process.

KPMG is advising the British Racing Drivers' Club on the sale.

News

Analysis

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Professional advice

■ This week, appealing against rates, early vacation and online Stamp Duty Land Tax forms

QUESTION: Is there a time limit for lodging an appeal against my new business rates assessment?



AT CLUTTONS,



SOPHIE SCHULTZ, AN ASSOCIATE AT LAW FIRM ALLEN & OVERY, RESPONDS



SIMON THOMAS, SOLICITOR IN THE REAL ESTATE DEPARTMENT AT WIGGIN, RESPONDS



PETER CHAPMAN, PARTNER RESPONDS

QUESTION: I have heard that Revenue and Customs now allow Stamp Duty Land Tax returns to be made online without me, the taxpayer, even signing the form. Is this true?'

NO. AS PART OF THE 2005 RATING REVALUATION, which came into effect on 1 April 2005, the government removed the time limit for lodging an appeal. A ratepayer may now lodge an appeal against its new rating assessment at any time after 1 April 2005, which will have retrospective effect from this date.

The system provides only one opportunity to appeal against the general level of value, unless there has been a later material change that affects the property. However, any reduction in the rating assessment following an appeal will be restricted to the date of this later event.

The Valuation Office Agency is still in the process of collating rental evidence that will determine whether the rateable values are correct. Unfortunately many businesses have yet to lodge an appeal because they are under the misapprehension that they may be better off waiting, or are simply not aware that they can appeal their assessment at all.

The delay in lodging appeals has resulted in the VOA being able to process only a limited number of cases over the next few months. This means there will be little valuation evidence to enable ratepayers to successfully challenge an assessment at a later date.

The concern among surveyors is that values will instead be established on a limited number of appeals, which may have a detrimental effect on later appeals. This means late submissions may be influenced by the settlement of earlier appeals on properties where all the rental evidence is unlikely to have been considered.

As a result, because of the small number of appeals under consideration, the correct level of value is unlikely to be established, particularly on prime retail property.

YOU MAY LOSE YOUR RIGHT TO THE HIGHER RATE OF compensation by vacating early. Your right to the ordinary rate of statutory compensation will be unaffected.

To qualify for the higher rate of compensation, you and any predecessor in your business must have occupied the premises for business purposes for 14 years preceding the termination date in the landlord's section 25 notice, or the start date in your section 26 counter-notice. If you vacate early, you will not be in occupation for the crucial last period and therefore may not qualify.

It is a question of degree. The courts recognise that it is commercially sensible to vacate a few days early and your business use may therefore be deemed to continue until the relevant date.

However, while a tenant that vacated 12 days early was held to qualify for the higher rate of compensation, one that vacated five months early did not. You will not be able to rely on the 'deemed continued use' argument if you intend to let anyone else use the premises after you have left, or if you vacate before the contractual termination date, as you will have no legal right to occupy the premises after that date.

If you do want to vacate more than a few days early, you could try to ensure your business use continues by using the premises for storage. However, it may be better to agree an early surrender with your landlord, in return for a payment equivalent to the higher rate of compensation.

Even if the landlord will only pay a sum equivalent to the ordinary rate of compensation, this may still be worth it when you factor in the savings you will make on rent.

YES. FROM 26 AUGUST 2005, REVENUE AND Customs has enabled 'e-filing' of Stamp Duty Land Tax returns.

This means your lawyers can now lodge the form on your behalf, without troubling, for example, busy company directors for signatures.

From personal experience, a two-day turnaround has been the quickest that the online system has produced a certificate. This is in contrast to more than two weeks between submission and return of a correct paper-based form.

Furthermore, you will no longer be troubled with requisitions raised by Revenue and Customs. This is because the online service has a special validation system, so that once this process has been completed by your lawyer, the form is guaranteed to be accepted. Thereafter neither Revenue and Customs nor your lawyer need trouble you with any queries of an administrative nature. This is not something that the paper-based service can offer.

Your lawyers should try an accredited service provider, such as SDLT.co.uk or Landscape. Among the services these providers offer are offline preparation, good case management facilities and a first-class technical assistance line. These are not things that the Revenue and Customs service can necessarily boast about.

To ask our experts for professional advice, please email your questions to mshepherd@cmpinformation.com.

All queries will be dealt with in the strictest confidence. It is recommended that parties always seek independent legal advice.