

The Real eState with Peter Bill

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Permitted Demolition Rights are coming. Anyone brave enough to provide residential care for old folk on the same model and scale as Unite has for students? Go visit the Olympic Park and experience Docklands 1988.



Ping! A High Elected Official emails a link, pointing to the fourth blob under Clause 5.10 in the Housing section of the November budget. This calls for “A permitted development right to allow commercial buildings to be *demolished*” (my italics). Meaning developers will no longer be forced to work within the tattered envelope of existing buildings. The High Official says this widening of PDR has been under-reported. He’s right. Few have picked up on the ramifications. Imagine how much more you could do with a cleared site. I found one report that hints at the enormity of the change. Last month Alex Bateman of planners SHW told CoStar of eight office blocks in Brighton alone that are candidates for tear down. Bateman also fingered the added bonus: the planning fee for PDR is £96, against £4,620 for a full application for 10 flats. This change is still only a gleam in the eye of the Treasury, which, says the High Official, is driving the change. Feels like a biggie.

Message from an oldie

Having reached three score years and ten, I feel entitled to advise 40-50-something property investors on behalf of a cadre of baby boomers who mostly won’t reach four score years and ten. Doctors surgeries? Keep piling in (See October column). Sheltered accommodation? Have a care. Care homes? A sector surely already pillaged for property assets? Yes, but.... look at the demographics.

These thoughts arise, alongside steam emanating from my ears caused by reading last week’s report from a Commons Select Committee on the need for a “national strategy” to wrinkle us wrinkles out of too large homes. Harrumph. Some old folk like the idea of settling into a communal lifestyle. I’d only go at bayonet point. About 11.84m out of 12m over-65s agree.

Just 160,000 purpose-built private retirement units exist, according to Knight Frank, which says the annual build rate is about 6,000 a year. I met John McCarthy for lunch in the mid-eighties. The retirement market was set to boom. But the founder of McCarthy & Stone’s vision of a mass migration of oldies into sheltered accommodation has not fully materialised.

But, but... the number of oldies is due to rocket. Over 65s will number 19m by 2045, up from 12m today. Old folks are the devil to look after, far harder than students: a market where 600,000 new beds have sprung up in 20 years. Can a Unite Students (Unite Seniors?) model be built on scale to provide tens of thousands of beds for oldies? It feels unlikely. But then so did Unite when I was younger.

Go visit the Olympic Park

Good news rarely travels. So, travel to the Olympic Park. I wrote dismissive articles in the Evening Standard 10 years ago about the stupidity of building a one million sq ft shed to hold the Olympic media circus. “Put up a tent, then tear it down”. Last month I visited a 3D printing company in what was the media centre. The area now has the same fresh potential-filled feel, as the Isle of Dogs did in the late 1980s, when I worked in Millharbour. When the media centre was conceived in 2008 who could have conceived the growth of 3D printing companies?

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