

# The Market Report

## JANUARY 2021 PONDERINGS

### PROPERTY – 2020 ROUND-UP & 2021 PREDICTIONS

#### AGRICULTURAL & RURAL PROPERTY

The Agricultural Team had a busy but challenging 2020 in respect of rural land sales. Despite the interruptions caused by the pandemic, we sold agricultural property equating to approximately £3.5 million in five counties, namely Northamptonshire, Cambridgeshire, Warwickshire, Bedfordshire and Lincolnshire, ranging from individual pony paddocks to a ring-fenced farm. Of those properties that we sold in 2020, the prices for arable land ranged from £8,500 to £10,500 per acre; £6,500 to £8,500 per acre for commercial blocks of pasture; and the average price for pony paddocks sold equated to approximately £18,000 per acre.

Coronavirus inevitably had an impact, and generally lengthened the sale process in 2020, due to movement restrictions and many individuals relevant to property transactions, forced to work from home. Where appropriate, we advise clients to maximise their rural property assets and consequent value, by securing relevant planning consents prior to a sale. Unfortunately, since March, Local Planning Authorities have been taking much longer to determine planning applications and are regularly asking for an Extension of Time; the conveyance process is also

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taking longer, as legal searches are taking much longer. Consequently, there are properties which we were hoping to launch last year, which have been deferred to Spring 2021

Covid has also generated some positive impacts, with many people wishing to have more space in their lives. We have seen a markedly increased demand for amenity property, such as pony paddocks, especially those in close proximity to good communication links.

As mentioned above, we have a number of properties to advertise for sale in this new year. If you have a property requirement, then please do register your requirements with a member of the Agricultural, team so you do not miss an opportunity. Please call us on 01832 732241.

Looking forward, we're potentially entering some choppy waters for agricultural land sales and prices. The question is, how choppy will those waters become? The reduction in farm subsidies will inevitably put pressure on farm profitability. This could see banks tighten their lending restrictions, reducing what they will lend, and ultimately affecting what farmers can offer for land. The reduction in profitability may also cause a downward pressure on rents, which indirectly affect land prices, as investment yields are squeezed. Furthermore, the Chancellor of the Exchequer, Rishi Sunak has made no secret of the fact that he may overhaul Capital Gains Tax (CGT) to help repair the Government's battered finances. Under his proposals, the maximum CGT rate of 28% could be raised closer to income tax rates, where the top rates are 40% and 45%. There is also talk of reforming some of the reliefs from CGT. The removal of 'rollover relief' would have a significant impact on the demand for land, as many farmers who have generated a gain often chose to replace the sold business asset with another business asset, otherwise known as 'rolling over'.

However, with all that said, history shows that when the general economy performs badly, land prices rise, as investors often see agricultural land as a 'safe haven'. There is also now a greater understanding of 'natural capital' and 'biodiversity net gain', and investors may look towards these opportunities to spread their risk, in these uncertain times. There is also likely to be continued demand from those wishing to replace land lost to infrastructure schemes, such as HS2; A14; East West Rail; A428: Blackcat to Caxton Gibbet.

It is difficult to predict a great deal in these uncertain times, but we believe that the agricultural land market will become even more divergent than it is currently.

Prices for land adjoining the region's towns and cities will remain buoyant from those competing to 'rollover', whereas prices for land in the more remote parts of our region may weaken, especially where interest is limited to those reliant on bank funding. Ultimately, we welcome the opportunity to work with you and advise in respect of your rural property assets.

## **Chris Templar – Salaried Partner – Agricultural Team**

### **RESIDENTIAL PROPERTY**

Extraordinary events dictated by two national lockdowns, presented some unprecedented challenges to the Estate Agency team during 2020. Following some tough market conditions and a period of Brexit uncertainty, where sales had been challenging, an early glimpse of sunshine in the first two months of 2020 generated green shoots and a clear uplift in exchanges and completions on transactions that had been lingering, as well as some new and positive signs of a growing sales momentum.

In March came Lockdown 1.0 and Estate Agency was amongst the first sectors affected, with a ban on face to face activity – in our case, meeting the public for viewings and property appraisals. All activity was directed to online viewings and home working and efforts to keep our valued vendors on the market, regardless on depressed activity. As for so many, furlough was an inevitable result for several of our team, while the senior team remaining worked hard to keep the business on track, albeit remotely. Our client vendors almost without exception, stayed with us and trusted Bletsoes to not give up in these challenging circumstances. We enhanced sales by adding video tours, utilising social media and diarising future viewing opportunities. Significantly, the reality that life goes on, was never more exemplified than by the endeavours of our dedicated Lettings team, who managed to deal with maintenance matters and keep our much valued Landlords informed, orchestrating move in and move out arrangements for tenants, where legally possible to do so, while at the same time advising on and successfully managing any rent arrears due to tenants affected by loss of income. When lockdown eased and we returned to managed viewings across the business, Risk Assessments were in place and safe working protocols were prepared and tailored for each area and sector of our business, so that we could work and operate safely and appropriately within government guidelines.

The result of lifting movement restrictions after nearly three months of lockdown,

was that the Genie really was let out of the bottle and we witnessed a surge in demand for house buying, not seen in the UK since 2016. There was pent up demand, resulting from individuals reviewing what they need from their home, such as home offices and outside space, together with the special government measures intended to stimulate the economy, such as Stamp Duty relief on all house purchases up to £500,000 until March 31st 2021. It seemed like the sales market went from nought to 100, almost overnight. We fortunately had the housing stock available, due the patience and commitment of our loyal vendors. The second lockdown was different, this time the government made it clear that the housing market must remain open. We continued to work, observing the need to wear masks, gloves, completion of checklists and health questionnaires and saw higher than average transaction and viewing levels than normally expected for the winter. Individuals continued to buy and move, enjoying the Stamp Duty break.

Pleasingly, we completed on a number of £1m plus homes in 2020. We have converted and listed half of our valuation appointments booked and my prediction for 2021 is that we will continue to see an improvement against the backdrop of the previous two years. I firmly believe, we have a locally robust employment area and those wishing to move out of cities can realistically commute from this area, whilst enjoying the benefits of a more rural lifestyle and as a result, prices in our region should remain stable. The message is clear ... stay calm and come to Bletsoes!

I am proud of our business, our ethics as a trusted and long-established brand. Most of all, I am proud of the Estate Agency team - for their commitment and attitude to deliver the best results for our client vendors and our valued Landlords during 2020, regardless of the challenges. The high level of integrity, hard work and commitment to Residential Property will continue throughout 2021. We are here to help and would be pleased to discuss Estate Agency matters with you. Please do contact us on 01832 732188.

**Craig Berry - Estate Agency Manager**

# Thrapston Forthcoming Events

Thursday 7th January 2021

Prime & Cull Sheep

Saturday 9th January

Store & Breeding Cattle, Sheep & Pigs

Hay, Straw & Fodder Sale

*Please forward your entries, for advertising & cataloguing purposes*

**\*\*\* IMPORTANT NOTICE \*\*\***

## Drop & Go

(For everyone's safety)

Due to the latest Coronavirus lockdown regulations, we have been instructed by the Government to allow only buyers to attend markets. This is to reduce the number of people on the site at any one time for social distancing purposes and is being enforced until further notice.

Face coverings must be worn at all times inside the sale ring buildings. Please register for Track & Trace either in the office or with the QR code posters.

Local authorities and the police will be observing the premises and will enforce fines to anyone who is not complying and adhering to the rules.



Here for *you*



**Walking with farmers**

**Supporting the farming community through difficult times**

Find out how you can support FCN by visiting [fcn.org.uk](https://fcn.org.uk)

Helpline: **03000 111 999**

e-Helpline: [help@fcn.org.uk](mailto:help@fcn.org.uk)

Website: [fcn.org.uk](https://fcn.org.uk)

Helpline is open 7am-11pm every day of the year.

FCN is working with the Beds & Cambs Rural Support Group to ensure support to farmers continues uninterrupted. FCN has set up a new County Group for Beds & Cambs, and calls to Beds & Cambs Rural Support Group should now be directed to FCN's Helpline instead:

**03000 111 999**



# **REPORT FOR SATURDAY 2ND JANUARY**

## **Store Cattle & Breeding Cattle**

What a start to the New Year. Buyers are already keen for all types of cattle, with the confidence that has been seen in the finished sector. The Christmas boost and the general public having trust in British farmers, has caused a real uplift in the trade. Brexit blockades were soon lifted to get our products into Europe, we were also helped by the Brexit deal involving no tariffs, while the further paperwork has already been worked out, to move our products across the channel.

Be aware, prices will be capped, as shoppers will have a budget and move to other products, if the prices are too high. Therefore, if your livestock is ready to sell, don't delay, sell to best advantage, cause a demand by selling live, and do not get dictated by private or deadweight buyers.

Today, we had a bunch of six 20 month Limousin steers sell to £1165 and five 14 month Simmental steers sold to £785, very well sold on the day. Buyers are in abundance. Feed and bedding costs could take the shine off profit by keeping cattle longer than necessary.

## **Calves**

Plenty of buyers eagerly wanting calves. Prices topped at £340 for a 6 week old British Blue heifer from JEG James with younger heifers at £280, their British Blue bulls sold to £300 and £295 and a 5 week old Saler bull sold to £195; HG Robinson & Sons Ltd sold their entry to top at £275 for 6 week old British Blue bulls and an Aberdeen Angus bull sold to £170. More are needed, if you have any to market please contact us.

## **Store & Breeding Sheep**

What a welcome back to the New Year, buyers showed new found confidence after the Brexit deal, seeing store lambs top at £98.50 from H Elsdon. On the day, lambs averaged an astounding £87.57, with the lowest lamb in the market at £65!! SK Grace came close to the top with big framed crossbred lambs at £97.50, with their previous pen seeing £93.50; H Elsdon saw another top draw showing with more reaching highs at £92 and £89; D Sansom drew quality with crossbred lambs seeing £89.50 & £85.50; MF Grace & Son had a top draw pen of quality Charollais lambs seeing them top at £89; M Burke saw deserved rewards with Texels at £88.50 from their continuing weekly support.

With a trade like this we need to continue to provide buyers with lambs. Contact the team to book in stock.

**SATURDAY 9TH JANUARY**

**BREEDING & STORE CATTLE**

**C E Hancock & Son**

20 Quality Store Cattle

15-27 Months

**HAY, STRAW & FODDER**

**42 120x90 Hay Bales**

*Stored Undercover, Loading Facilities for Large Lorries & Assist  
Apethorpe*

**40 4 String (80x90x270 approx) Bales of Seed Hay**

*Rumenco Tested - Crude Protein 11.3%. Sugars 61gms per kilo  
Stored Undercover, Loading Facilities for Large Lorries & Assist  
Cottenham*

**40 4' Round Bales of 2020 Wheat Straw**

*Loading Facilities for Large Lorries & Assist  
Wansford*

**40 4' Round Bales of 2020 Winter Barley Straw**

*Loading Facilities for Large Lorries & Assist  
Upton*

**NOTICE**

To ensure your entries are listed in the Saturday Store Sale Catalogue,  
please book in your stock by 4pm on Friday.

**NOTICE**

If you would like your stock to be included in the weekly report presale,  
please contact the office before 12 noon on Monday.

**FOR SALE**

4 Year Old Pedigree Simmental Bull.

*(for sale due to him coming back to cover his daughters)*

TB1 area Stratford-upon-Avon.

Please call Nick Foster 07789 593570 "quoting Bletsoes" £1500 ovno

## FORTHCOMING JANUARY SALES AT THRAPSTON

**Saturday 9th January at 11am**

Sale of Hay, Straw & Fodder

\*\*\* *Entry Forms Available Now* \*\*\*

**Saturday 23rd January at 11am**

Sale of Hay, Straw & Fodder

\*\*\* *Entry Forms Available Now* \*\*\*

**Saturday 30th January at 10.30am**

Sale of In-Lamb Sheep

## FUR & FEATHER SALES

**Sales are cancelled until further notice**

We have been notified by the Secretary of State, in accordance with regulation 6 of the Avian Influenza (Preventive Measures) (England).

**“The general licence to arrange a fair, market, show, exhibition or other gathering involving the collecting together of poultry or other captive birds in England, was revoked from 11 November 2020 from which date bird gatherings are not permitted”**

## Thrapston Market Report 2021 Advertising Tariff

### Advertising Charges

1/8 Page            £10 Per Week

1/4 Page            £20 Per Week

1/2 Page            £30 Per Week

Full Page           £50 Per Week

+ VAT

### Discounted Rates Available

For further information, or to place and advert,  
please contact Beth Kitchener on 01832 732241 or

[beth.kitchener@bletsoes.co.uk](mailto:beth.kitchener@bletsoes.co.uk)