

Epping Forest District Council

You are here: [Home](#) [News](#) [News 2009](#) [Land Banking Scheme](#)

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Land Banking Scheme

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These commonly advertise small plots of agricultural land for sale, on the internet, by phone or through the use of leaflets and brochures or newspaper articles. These parcels of land are advertised as potential investment opportunities. The premise is that planning permission for a new housing development can be sought and if approved, the value of the land should increase at which point it could be sold on to a developer for a substantial profit, or the purchasers could build their own homes. The sales information often gives the impression that planning permission is shortly to be granted, or the use of the land is to be changed via the Development Plan process.

There are examples all over the UK of such schemes, where unsuspecting buyers have purchased plots of land believing that the value will increase significantly. There is no example to date where planning permission has been granted for all or part of an area of land that has been divided into plots in this way. Purchasers are left with a piece of land with agricultural land value, and very little prospect of being able to sell it on or develop it.

Investigations into these types of schemes have been carried out by the Financial Services Authority (FSA), Trading Standards and several national newspapers. Some that have claimed to be able to seek planning permission for a "collective" of plot owners have been closed down. Such "collective investment schemes" need to be authorised by the FSA to be legal.

Emerging Property Partnership (EPP) is currently advertising plots of land for sale on land within the Blunts Farm area in Theydon Bois.

However, the planning policy position has not changed:

- The land is entirely within the Green Belt, and therefore the normal restrictions on development apply
- The areas of land are isolated from the existing built area of Theydon Bois, and the services it provides
- No means of access has been shown to the parcels of land. Policy CP3 would require this is addressed before any planning application could be made
- The land has been submitted to the District Council under the "Call for Sites" exercise, but this does not mean that there is any certainty that this land will be allocated for development purposes
- The allocation of 3,500 new homes claimed by the vendors refers to the requirement in the East of England Plan for the whole District over the period 2001 to 2021