

Manufacture competition. The competition will create around 1,000 sale and rental homes across 10 public-sector-owned sites, with the first being built in spring 2006.

Trevor Beattie, director of corporate strategy at English Partnerships (which is running the competition), said: "The bidders going on to stage three combine great design, strong cost-efficiency



and supply chains, a powerful assessment of environmental issues and a deep knowledge of what makes vibrant communities."

The chosen consortia are Barratt Developments, Geoffrey Osborne, George Wimpey, Northern Edge, Redrow, William Verry, SIXTYK consortium, the Countryside Consortium and Westbury.

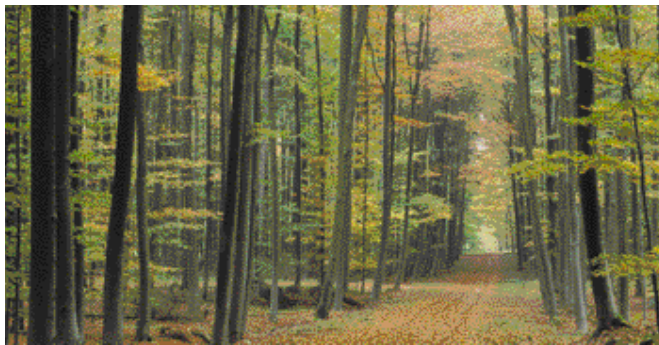
## Protection for valuable habitats strengthened

Ancient woodland and other valuable habitats in the UK, as well as more species of wildlife, will receive strengthened protection under the new Planning Policy Statement 9, launched in August. *PPS 9: Biodiversity and Geological Conservation* sets out the role the planning system has to play in conserving the natural heritage, and guides local authorities on the sites and species that receive statutory protection under national and international law. For the first time, planners are required not only to protect biodiversity but to positively enhance it.

PPS9 sets out key principles for how the government expects the planning system to meet its objectives. These include a

requirement for the system to prevent harm to biodiversity and, wherever the opportunities exist, to incorporate beneficial natural features into the design of a development. The recommendations include:

- Local authorities should maintain up-to-date information on the environmental characteristics of their area
- Planning policies should aim to maintain, enhance, restore or add to biodiversity and geological conservation interests
- Planning decisions should aim to prevent harm to biodiversity and geological interests. Where harm cannot be prevented, mitigated against or compensated for, permission should be refused.



### Flat-pack houses

Ikea plans to build pre-fabricated homes in the UK using a system developed by Pace Timber Systems and Cartwright Pickard Architects, aimed at those priced out of the housing market. BoKlok UK – a joint venture between paramount Homes and housing association Hyde Group – plans to build 500 homes over the next three years, and is looking for land

in the south-east and north-east of England. Details at [www.boklok.com](http://www.boklok.com)

### New rules for leases

A major change in the way the Land Registry processes applications for lease registration is to be implemented, following approval of the Land Registration (Amendment) (No 2) Rules 2005, laid before parliament in July. The rules will come into force in 2006.

## Leader board

Prominent figures in the property and construction industry air their views on today's key issues



Name: **Alain Bechade**

Position: **executive committee chairman of Atisreal**

issue of liquidity, the question being who to sell to.

The steady increase in foreign investors then produced market depth, and hence liquidity. While in 1994 barely €2bn was invested in French property, the €10bn mark was reached in 2000 and investments have exceeded that amount every year since, turning Paris into the second European city in terms of property investment after London.

From 1995 onwards, non-domestic investors took the lead, and from 2000 French investors took part in just 30% to 40% of transactions in the French market. Today, a large part of the appeal of the French property market (particularly in Paris) is its depth, created by the number of investors maintaining the market's liquidity; and the current level of 70% foreign investors is the major contributor to this depth. They now come to seek out what they themselves have created!

Germany has experienced a similar phenomenon, with non-domestic investors doubling in five years, as has Spain and Italy.

Foreign investors, especially from North America, have been instrumental in giving the French and other continental European markets the 'je ne sais quoi' that has made them so buoyant!

This article represents the personal views of the author

## Market development in continental Europe

Traditionally, continental European (mainly French and German) investors bought assets in their own country and kept them for a long time; a building would remain in the same hands for several decades. Arbitrage – the buying and selling of investments at different price levels to make a profit – was rare, and the number of players remained small due to a lack of opportunities and ambition. The market for commercial property investment was neither mature nor deep. In other words, it wasn't liquid.

With the economic crisis of the 1990s, foreign investors, mainly North American funds, stormed into the French markets and introduced the notion of arbitrage, as they re-sold the buildings they bought every five to six years. This cultural transformation created market maturity, but there remained the

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