

BRISTOL TO LONDON RAIL IMPROVEMENTS

An analysis of the benefits for Bristol's property market, 2012

Knight Frank



KEY POINTS

- Reduced journey times to London will increase the desirability of the areas in and around Bristol
- The rail improvements will substantially widen the property search area for prospective purchasers looking to move to Bristol and commute to London
- Areas likely to become more appealing include Clifton, Sneyd Park, Leigh Woods, Redland, Bedminster, Southville, Failand, Wraxall and Wrington Vale
- Increased demand could boost property values by between 5% and 10% in some locations*

* Over and above general market trends (between now and 2017)

Overview

Potential buyers looking to move to the Bristol area and commute to London, or indeed vice versa, often exclude property searches outside the city to limit the time they spend travelling to and from work each day.

But plans to modernise the rail links between London and Cardiff will see journey times reduced by 20 minutes, to around an hour and 20 minutes, when complete in 2017.

In this report we look at how this reduction in train journey times will expand the property search area around Bristol for those looking to commute to London in under two hours.

The rail project

In March 2011 the Government announced that £700 million would be spent on the electrification of the Great Western Main Line between London and Cardiff, via Bristol.

The improvements will reduce the journey time from London Paddington to Bristol by around 20 minutes, from an hour and 40 minutes to an hour and 20 minutes.

As well as improved journey times, passengers will experience the other benefits of travelling on electric trains: new carriages, more peak-time seats, greater comfort, more reliable services, a smoother journey and a greener form of travel than diesel trains.

The scheme will start in 2014 and is due for completion by 2017.

Impact on Bristol's commuter catchment area:

The rail improvements are likely to increase demand for property in the Bristol area and substantially increase the size of the property search area for those commuting to London.

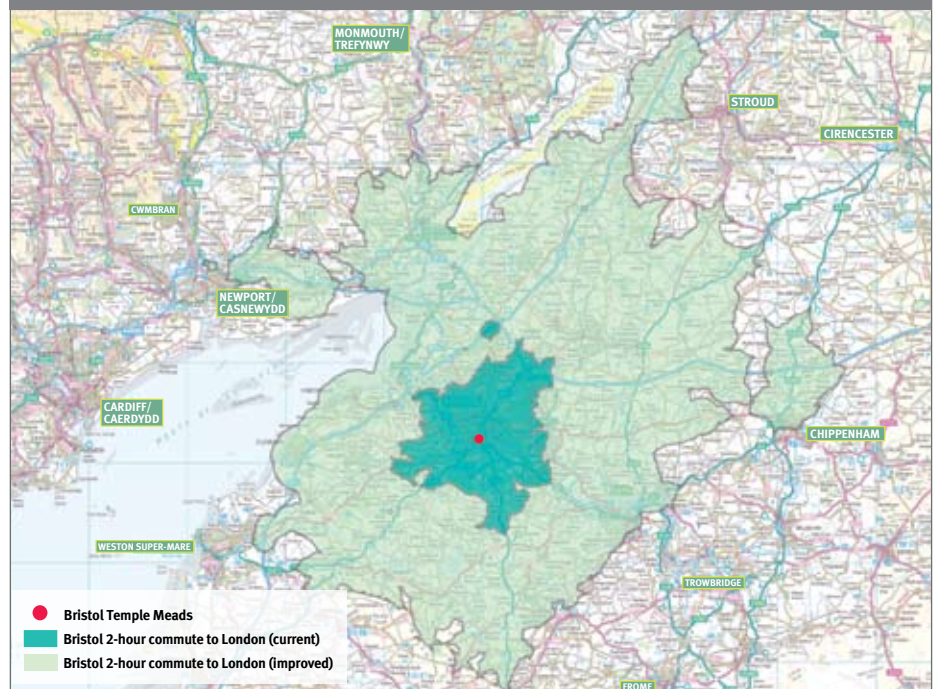
According to the Department for Transport, the average journey from Bristol to London Paddington will be reduced by around 20 minutes, from an hour and 40 minutes to an hour and 20 minutes.

Based on the assumption that those living in the Bristol area will be willing to travel for up to two hours each way, including getting from their home to Bristol Temple Meads rail station, this map demonstrates the impact this will have on the property search area.

The rail improvements will open up a much larger search area (the area shaded in light green) for those commuters willing to drive for up to 40 minutes at the start of their journey to get to the rail station.

Areas in this extended search zone include Clifton, Sneyd Park, Leigh Woods, Redland, Bedminster, Southville, Failand, Wraxall and Wrington Vale.

Figure 1
Current and future property search areas for 2-hour commute to London





The view from James Toogood, Head of Knight Frank's Bristol office

“Bristol doesn't attract as many buyers looking to commute to London as Bath does, but the shorter journey times from 2017 will change this. If you compare property prices in Bristol with those in London, the appeal of moving here becomes clear.

A good example is a property currently on the market on Clare Road in Cotham. It is ideal for professional couples looking to start a family and move out of London and is on the market for £625,000. A similar house in London's Earlsfield or Balham would cost closer to £1m.

Similarly, if we compare the cost of buying in the Home Counties around London with that in the Bristol area, it is clear just how much more you get for your money in Bristol. For just an extra half an hour or so on the train – once the rail improvements take effect in 2017 – the average price per sq ft in the prime Bristol area is just £309 compared to

an average of £450 per sq ft in the prime Home Counties.

The more affluent areas of Bristol including Clifton, Sneyd Park, Leigh Woods and Redland will certainly prosper from those who require access to London. And while the already popular villages around Bristol are likely to become even more desirable for affluent commuters, the areas closer to the rail station such as Bedminster and Southville may become more appealing to renters and investors.

It should be noted that the rail improvements could also increase demand from those who work in Bristol but want to live primarily in London and commute. This could generate demand for pied a terre properties in Bristol and would affect the market for apartments, such as 7 Landmark Court (£365,000), 12 Worcester Terrace (£350,000) and 28 Capricorn Place (£435,000).

I honestly believe this will provide a significant boost to the Bristol market and cause prices to rise by between 5% and 10% over and above market trends. This potential growth has not yet been realised by those outside the property industry but I am sure that it will become more apparent as 2017 approaches.”

“THIS POTENTIAL GROWTH HAS NOT YET BEEN REALISED BY THOSE OUTSIDE THE PROPERTY INDUSTRY.”

Ideal home in the extended search area

This is a superb home in a highly desirable village with a popular primary school nearby and the scenic Mendip Hills, a designated Area of Outstanding Natural Beauty, as a backdrop. It comes with 3.7 acres and additional accommodation in the form of an outbuilding. The property is located 14 miles south of Bristol city centre and just minutes from the A38, providing easy access to Bristol Temple Meads rail station. It is worth in excess of £900,000, but with greater exposure to the London market it could achieve over £1m.

James Toogood



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