

market with Hamptons International for £2.295 million.

It was conceived as a luxury country hotel offering overnight accommodation for travellers on the Kennet and Avon Canal, which runs past the property. An advertisement from 1841 extols its views of "scenery which is most beautiful and not surpassed in the west of England", as well as its excellent wine list.

Sadly for the hotel's management, the Great Western Railway began running services to the west of England in 1838, rendering slower journeys by canal obsolete. The Claverton Hotel was closed.

The property, renamed Bassett House, became a six-bedroom family home with about six acres of grounds in the heavily wooded Limpley Stoke valley, which is within the Cotswolds area of outstanding natural beauty. The house was grade II listed in the 1970s, with particular praise given to the symmetrical beauty of its façade, with its large central window and juliet balconies.

The property, now known as Pendragon House, is used as an upmarket holiday let and as a base for bootcamp holidays. This probably explains why it is in excellent, though slightly characterless, condition. But from its vantage point on the hillside above the canal, the views remain most beautiful.

Ruth Bloomfield



Blackden Manor, at Goostrey in Cheshire, for sale with Jackson-Stops & Staff for £4.5 million, is mixed use, so the buyer will pay only £180,000 in stamp duty

How to cut your stamp duty bill

The recent cuts to stamp duty experienced by most homebuyers — implemented the day after George Osborne's autumn statement last

December — have sent levels of demand for homes soaring to new highs, according to the chief executive of the housebuilder Crest Nicholson. Stephen Stone says that sales have been boosted by 25 per cent, to 1,786 units in the six months to April 30 this year. "These sales rates are some of the best I've ever experienced in my career," he says.

Stamp duty clearly matters. It is significant for the housing industry, whose profitability depends on levels being kept sensible; for the Treasury, which makes a lot of money from it; and for homebuyers, who want to pay as little of it as possible. We look at the history of this tax and the legitimate ways you can reduce your liability.

● Stamp duty was introduced in England on June 28, 1694, during the reign of William and Mary, to raise money to fund a war against France.

● The revenue from stamp duty reached a record high in March. About £8 billion was raised during the tax year of 2013-14, with London accounting for 42 per cent. The previous record was £6.68 billion during the peak of the last housing boom in 2007-08. The 2014-15 tax year is likely to raise more money, although the government's fiscal watchdog has recently reduced its forecast from £11.5 billion to £10.9 billion.

● In England and Wales stamp duty is applied in bands based on a property's value: up to £125,000 is tax free; from £125,001 to £250,000 is taxed at 2 per cent; from £250,001 to £925,000 at 5 per cent; from £925,001 to £1.5 million at 10 per cent; and everything over £1.5 million is taxed at 12 per cent.

● The chancellor's stamp duty changes have meant that homes worth up to £937,500 are subject to less tax; those above, more than previously. This means government is now more reliant on sales of higher-value properties. However, in part because of the reforms, this market has been weakening.

● One way to pay less stamp duty, says valuer Andrew Symington, of Symington Elvery, is to buy a property with a short

lease. In central London, a home with an 18-year lease is worth roughly half what it would be if it had a long lease. Even factoring in the high costs of extending the lease and the stamp duty you would have to pay on the lease extension, your costs would be lower. Symington says that for a £500,000 property the saving would be £6,721; on a £2 million property it would be £76,404.

● According to Sally Laker, managing director of Mortgage Intelligence, a lease is classified as short if it runs for 30 years or less. If you live outside London, it can be hard to find a property with a short lease.

● Another way to pay less tax is to buy a mixed-use property. The rate of stamp duty payable is 4 per cent on properties such as homes with farmland, a cottage in the grounds of a house that is rented to a local business, or a shop or holiday cottage. "My view is that a house that has land that is being used for farming [is] mixed use. If the land is being used for ponies by the owner of the house, it probably isn't," says Mark McAndrew, of Strutt & Parker.

● The buyer of Blackden Manor, a mixed-use property with agricultural land for sale with Jackson-Stops & Staff for £4.5 million, will pay £273,750 less stamp duty than the purchaser of a residential home (£180,000 rather than £453,750). "Sellers often feel that part of this saving should be reflected in the sale price," McAndrew says.

● Self-building — or purchasing land that a developer can build on — can also cut the stamp duty payable (there is no extra stamp duty liable on the value of the completed property). Tim Firth, of Jackson-Stops & Staff, cites the example of March House on St George's Hill in Weybridge, Surrey, for sale for £8.95 million. The stamp duty will be £633,750 because it will be based on a land value of £6 million. The stamp duty burden for an existing equivalent would be £987,750 — £354,000 more.

● The Scottish government was the first to reform stamp duty from a slab tax to a progressive levy. The land and buildings transactions tax, which came into effect last month, replaced the stamp duty land tax in Scotland.

Jessie Hewitson

Wood, starring Rhys Ifans. Carol Peett, the managing director of West Wales Property Finders, says: "With a lovely sheltered harbour, where children sit on the quay crabbing, lobster fishermen bring in their catch and sailors mess about in their boats, it has a wonderful tranquil, old-fashioned feel. There are lovely sandy beaches and a productive mussel bed, where you can pick fresh mussels in season."

Solva is three miles east of St David's, which has a good range of shops and restaurants. The village has plenty of terraced period homes priced at about £145,000 for three bedrooms. A similar house on the harbourside or with sea views will be about £320,000; a four-bedroom house in the same sort of location will cost about £440,000.

South Downs Its position between London and the south coast makes this swathe of countryside, which is dotted with quality towns and villages, popular with commuters and locals. Selborne particularly catches the eye of Adam Masters, of Hamptons International, because of its rural charm and great facilities. "The active village of Selborne stands amid fine Hampshire countryside, with two pubs, shops, church and primary school," he says. The village is surrounded by scenery of outstanding natural beauty. Homes in Selborne range from small thatched cottages to 17th-century manor houses, and the entry price is a fairly steep £450,000.