

THE TERRIER

THE JOURNAL OF ACES - THE ASSOCIATION OF CHIEF ESTATES SURVEYORS & PROPERTY MANAGERS IN THE PUBLIC SECTOR

VOLUME 19 - ISSUE 2 - SUMMER 2014

ACES CONFERENCE 2014 HEADS TO
ST PAUL'S, LONDON 11 - 12TH SEPTEMBER

Grange, St Paul's Hotel (image kindly provided by the hotel)



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THE TERRIER



EDITORIAL

Betty Albon

There are some nicely linked themes in this edition. Perhaps something new to many of us, Building Information Modelling, is explained by the RICS, leading by example by having the RICS HQ surveyed. This is complemented by a BIM case study from the police service. Other themes are community ownership and a complementary research project at University of Northumbria. Compensation features as another theme, at the macro scale with proposed provisions for HS2, and at the local scale with a case study of site assembly using planning powers. There is also a peppering of articles from ACES members and colleagues describing exciting innovations some authorities are pursuing. It seems that investment in commercial assets is a growing theme to ease financial pressures, which is encouraging to see that property professionals can come to the forefront of management teams. All in all, plenty of material for you to take this edition on holiday.....

Don't forget to book your place at the Presidential Conference – details on this page.

The content of these articles are not the opinions of the Editor or ACES.



ACES CONFERENCE

11 – 12th September 2014

Grange St Paul's, London EC4V 5AJ

The theme of the conference is “embracing change” as it aims to reach out to a new generation of public sector property managers.

“It is essential that we attract ‘new blood’ to the organisation,” said ACES President Andrew Wild. “Young surveyors are the future heads of property services in the public sector across the country. It’s important that we engage with them, both so that they learn from the experience of senior professionals and we learn innovative new ways of working. The benefits are clear for everyone.”

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“We’re aiming to enhance the value of the event for delegates through a great speaker and panel discussion programme, providing essential information and opportunities for peer learning, and making the material more accessible than ever,” said 3Fox managing director Toby Fox, Conference organisers. “We also want to maximise value for sponsors, by giving them appropriate exposure that is useful both to them and to delegates.”

Surveyors attending will obtain over 10 formal hours of CPD towards their professional requirements.

Innovations to the programme include splitting the programme into 3 sections: on the morning of the first day keynote speakers will discuss global trends and changes in finance, energy and demographics. A series of workshops in the afternoon will discuss how these global trends affect the

decisions public sector surveyors make at the local level, focusing on topics such as fracking, free school provision and PRS housing. A panel of council chief executives will analyse the value of property managers.

During the second day government figures will present on future policy developments and the public sector property implications of programmes such as HS2.

For the programme and more information:
<http://acesconference2014.com>
 adwild1@gmail.com; and

Katie Rutherford, Events and marketing manager, 3Fox International Ltd
 katie@3foxinternational.com
 07867 454 179

See topics and speaker details on page 61.

ACES National



MEMBERSHIP Tim Foster, ACES Secretary

Resignations

There were 31 resignations during this period. Many of these were members who had been in arrears for over a year and had left their organisation some time ago but I had not been advised. The current membership list now better reflects the true position of active members although there are still some members in arrears but less than in previous years.

I list below the changes in membership between 1 April and 30 June 2014.

New members approved

There were 10 new applications approved during this period

Gill	Boyle	Manchester City Council
Chris	Bruhn	Environment Agency
Edwina	Crowley	Thanet District Council
Anthony	Farrell	Valuation Office Agency
Kenny	Forbes	Highland Council
Stuart	Free	East Renfrewshire Council
Bess	Martin	Calderdale Metropolitan Borough Council
Richard	O'Connell	Lambert Smith Hampton
Mike	Robbins	Northumberland County Council
David	Street	Sefton Council

Roy	Alexander	Guy	Metcalf
Don	Baker	Alan	Moar
Colin	Beever	Robin	Neve
Alan	Bell	David	Oram
Chris	Carey	Arthur	Pritchard
Roland	Childerhouse	Marc	Sartorio
Mike	Close	Raymond	Simmons
John	Earl	Steve	Smith
Tim	Ellams	Charles	Solomon
Paul	Fleming	Steve	Sprason
John	Gahagan	Andrew	Stevens
Bryn	Harries	Jane	Stratton
Alison	Hext	Graham	Tully
Alex	Inglis	Peter	Watton
Mike	Jennings	Andy	Young
Jim	Low		

Transfer from full to past membership

Two members transferred to past membership during the period

Ian	Hay
Alison	Johnston

Ian Hay was recommended as an honorary member because of his services to the Association and this hopefully will be ratified at the next Annual General Meeting in November.

The membership as at 30 June 2014 now comprises

Full	221
Additional	70
Honorary	33
Past	673
Total	391

This is 23 down on the figures up to the 31 March 2014 because of the reasons stated above.



ACES/DCLG WORKING GROUP MEETING HELD ON 12 JUNE 2013

Betty Albon FRICS

This is a note prepared with the assistance of and updates from Colin Wright, Estates Specialist Team, and his colleagues at the Department of Communities and Local Government.

The working group considered a number of topical areas of policy and proposed initiatives.

Policy update – Colin Wright

The Group was updated on some local authority/property-related policy topics.

Social housing valuation

DCLG's Stock Valuation guidance was last updated in 2011. This included a review of the regional adjustment factors to take account of changes in the market. Since then, further changes in the residential housing market has highlighted the need to review and revise the regional adjustment factors used for valuation.

DCLG is now in the process of contracting with the Valuation Office Agency to carry out an update of the adjustment factors. This will include a review of the current area boundaries applied to better reflect current market differences, as well as a review of the adjustment factors on the basis of the re-drawn boundaries.

When timescales are known, I will post further information on ACES website.

Custom build

Budget 2014 set out an ambitious package of further initiatives to support custom build housing, which builds on the initiatives the government has already introduced through its Custom Build Homes programme, in partnership with industry. This comprises 4 elements:

- A new 'Right to Build' giving custom builders a right to a plot from their council. Update: DCLG is currently preparing a consultation which will be published later in 2014
- Inviting a small number of councils to act as vanguards to test how the Right to Build model would work in practice (see below). Update: DCLG will be publishing an Expression of Interest document around the end of June
- A new £150m support fund that will make repayable finance available to bring forward up to 10,000 custom build building plots. This will address the land challenge which custom builders say is the biggest hurdle holding back thousands of new projects every year. Update: DCLG published a prospectus inviting bids on 26 June 2014
- To explore how government can extend the Help to Buy equity loan scheme to custom build projects.

Update: DCLG is currently working with the finance sector and the HCA to explore how this could be effectively implemented.

Use of capital receipts

The Chancellor announced at last year's Autumn statement that £200m of flexibility would be allowed for service transformation as part of the wider Transformation Challenge Award (£100m grant in 15/16).

A bid process was issued in April allowing LAs to bid for the grant and flexibility. Expressions of interest must be sent to DCLG by 1 July and the deadline is 1 October for formal Bids.

Community ownership and management – Kerry Williams

Kerry and her Community Assets Team are working with the Community Ownership Forum (I am a member). The focus since 2010 has been on supporting communities on COMA (Community Ownership and Management of Assets).

Kerry outlined the support available for community groups, including sources of finance, but believes that more support is needed for public sector authorities wanting to work successfully with groups for the transfer of underused land and vacant buildings.

The early proposals are looking at

tation – it was acknowledged that ACES has made valuable contributions to the development of policies in the past, for example, the individual meetings held last year on the ‘use of capital receipts’ and ‘self-build’. A more targeted approach will ensure that ACES can respond to current issues at the stage where our advice will be of maximum benefit for DCLG policy colleagues. This will mean ACES calling on its own expert practitioners in particular fields, so we will need to be ready to step up to the mark

- Dissemination of information through the Terrier – DCLG, GPU and DEFRA colleagues will continue to make use of the Terrier for policy development announcements or providing relevant case studies
- Greater use of the DCLG Estates Specialist Team as a facilitator – The team has maintained a constructive 2-way relationship with ACES over many years, including speaking at branch meetings and conferences. The team is keen to strengthen this relationship and to

be seen by ACES as a link both to DCLG and wider cross-government policy. For example where there are specific queries on, say, s106 on schools, or village green policy, the team can link up the ACES member with the relevant policy lead. I offered to be the link for ACES, to perform the same liaison role for government queries.

Professional



CPD REQUIREMENTS FOR RICS MEMBERS

Anthony Walters

Anthony is the Global Policy Manager at RICS. awalters@rics.org

Anthony updates his article on CPD and ethics which appeared in 2013 Summer Terrier. Anthony attended the ACES Eastern branch meeting in July.

New CPD for RICS members came into effect at the beginning of 2013. Since then all active RICS members, i.e. those who are practising, are required to:

- Undertake at least 20 hours of CPD each calendar year. At least 10 hours of this must be Formal CPD (see below)
- Ensure all CPD activity is recorded on the online CPD management system (which can be accessed via the RICS website)
- Undertake learning on the RICS

Global Professional and Ethical Standards at least once every 3 years.

CPD compliance statistics

Over 90% of members were compliant on CPD requirements in the first year. 2014 is already showing strong compliance rates and there has been positive feedback on online recording. Pleasingly, RICS members are ahead of the game when compared to other professions.

What is Formal CPD?

Formal CPD can take many forms; it does not necessarily need to be a paid course, nor does it need to be provided by RICS. What we are looking for in terms of Formal CPD is any kind of activity

that has a clear learning objective and outcome. This could include, for example, undertaking online learning, or attending seminars or conferences, where there is a clear learning outcome around a technical subject.

Formal learning does not necessarily require a certificate or assessment measure, but it must have a clear learning outcome. RICS Regulation may ask for supporting information so we recommend you keep a record of the learning objectives and outcomes for any activity you record as Formal CPD (eg bullet points on what you sought to learn and what were the outcomes).

Formal activities might include:

- attending professional courses, seminars and conferences with

clear objectives and learning outcomes

- learning and development within members' firms (e.g. attending in-house training on a technical topic)
- self-managed learning, which is formally assessed by an expert (such as a senior colleague or specialist in a particular field)
- computer-based training with clear objectives and learning outcomes with an assessment measure (e.g. a multiple choice test)
- delivering presentations on technical subjects where research and preparation leads to a clear learning outcome.

What is Informal CPD?

You only need to record a minimum of 10 hours Formal CPD each calendar year; the remainder of the 20 hours can be made up of 'Informal CPD'. Informal CPD is any self-managed learning that is relevant or related to your professional role. This could include activities such as private study, on-the-

job training, attendance at informal seminars or events where the focus is on knowledge sharing.

Any activity that does not have a clear learning purpose, or does not relate to a member's role and/or specialism, cannot be considered as CPD. Activities such as networking, social events and involvement on boards, committees or clubs that have no relevance to a member's professional role, cannot count towards a member's CPD requirements.

Learning on professional ethics

RICS members are required to undertake learning in relation to the RICS Global Professional and Ethical Standards at least once every 3 years.

There are various ways in which you can meet this requirement, for example:

- by undertaking the free online ethics module, available via the RICS Online Academy. The module will walk you through the new Global Professional and Ethical Standards explaining what they mean for

you and the profession as a whole. Undertaking the module will count as 1 hour Formal CPD.

- by undertaking other training on professional ethics, for example, by attending one of the RICS CPD Series events on ethics, or by attending a seminar or conference where there is a session specifically on our ethical standards.

Please remember to record any learning relating to professional ethics on to the online CPD recording system. There is a special tick-box field to record this.

For further information please see:

- www.rics.org/cpd
- www.rics.org/ethics
- FAQs case studies, responding to member feedback
- Regulation Helpline 020 7695 1670



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THE ROLE OF BUILDING INFORMATION MODELLING – FROM LAND, THROUGH CONSTRUCTION, TO PROPERTY



Ana Bajri, RICS

At a recent meeting between ACES presidential team and RICS it was recognised that while Building Information Modelling (BIM) is a term widely used in construction circles, the use and benefits of BIM has not been fully explored from the perspective of those involved in asset and facilities management. This article aims to assess BIM and highlight recent developments in this area.

Ana is a BIM enthusiast and has been working on BIM related activities for the RICS for over 2 years now. She has been actively involved with several RICS BIM strategy groups including the internal BIM Communication Working Group, BIM Content Group and BIM Solutions Group. She has a keen interest on BIM adoption globally, in particular on how BIM will be/is currently being implemented beyond Level 2.

Ana supports RICS' BIM agenda and contributes to the content delivery to members and non-members, including continuing professional development (CPD) through events, to maintain their professional competence and reap the benefits the revolutionary BIM era has to offer. She is currently conducting research on BIM implementation in global markets. abajri@rics.org

Introduction

From land, to construction and the management of property, BIM allows and encourages a whole life approach through the measurement, connection and analysis of data. Now is the time to assess the changes in working practice that this transformation will bring.

By 2016, all centrally procured government construction projects, no matter their size, must be delivered using BIM, as outlined in the Government Construction Strategy May 2011. There needs to be collaboration across the property industry for BIM to be fully implemented effectively and in line with the government's objective.

The government hopes this will lead to the industry-wide adoption of BIM as the benefits become more widely understood.

The government's Industrial Strategy for Construction 2025 and the Digital Built Britain agenda have highlighted the vision for the UK industry to lead the world in innovation, through

a digital economy and the rise of smart construction. However, there needs to be collaboration across the property industry for BIM to be fully implemented effectively to achieve the government's 2016 objective.

What is BIM?

Wikipedia defines BIM as a "process involving the generation and management of digital representations of physical and functional characteristics of places."

One aspect of BIM involves the generation and management of a digital representation of physical and functional characteristics of a building. It uses software to create a model of a building that reacts to change in the way that the real building would. This process is designed to make an integrated and collaborative approach to construction and efficient operation of real estate property possible.

Another aspect is that it provides a common environment for all information defining a building, facility or asset

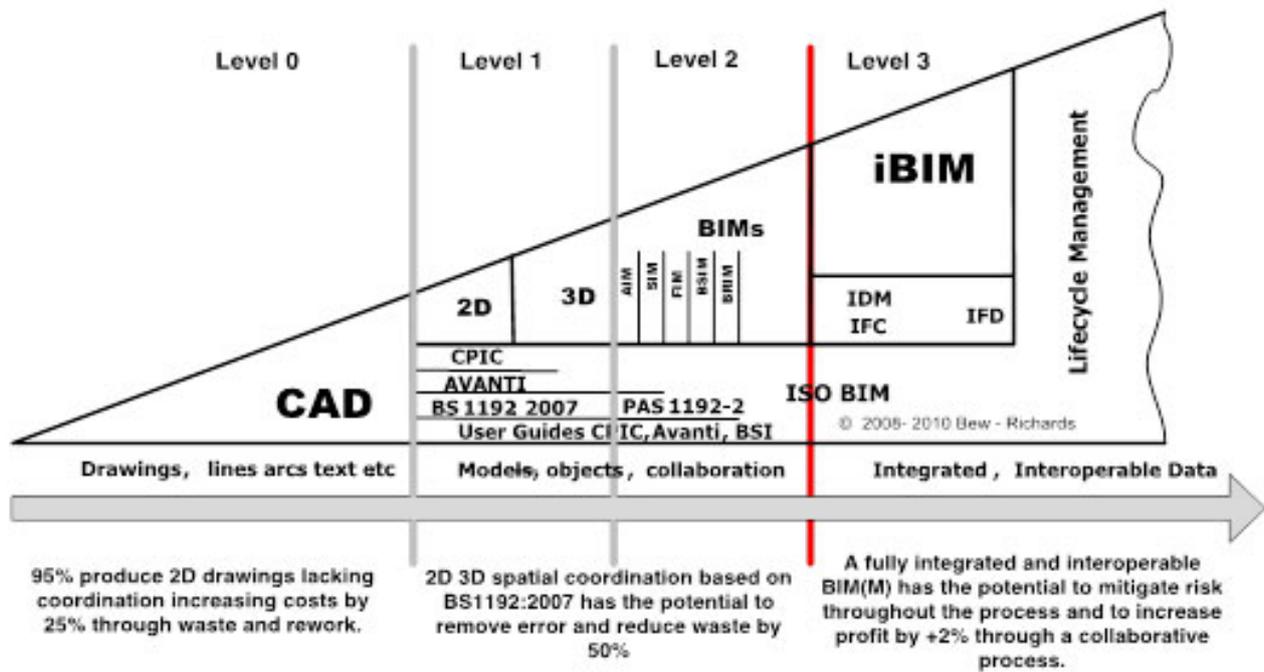
together with its common parts and activities. This includes building shape, design and construction, costs, physical performance, logistics and more.

BIM is very much a way of working. It is important that all involved in the project are able to think ahead and have the right processes in place to optimise information communication and management. It is about a philosophy for collaborative working and adding value through collaboration. BIM means different things to different people. The fundamental definition is that BIM delivers better outcomes for everyone throughout the supply chain and the whole lifecycle of a property.

Why is BIM important?

If you google BIM, you will be able to find thousands of web content which aims to define, assess, explore and criticise BIM. Most now have a clear understanding of what BIM is, but still need clarity on what BIM can do for their day-to-day practices. There are many misconceptions about BIM and

Fig 1: BIM Maturity



one of those is that it is simply a new technology. BIM is however a set of processes, supported by technology, that add value by creating, managing and sharing the properties of an asset throughout its lifecycle. A key one which will be outlined again in this article is 'collaboration'. All those involved in the project will be able to cultivate collaborative working relationships and ensure that everyone is delivering value from pre-conception of a project all the way to handover.

BIM also enhances performance as it allows for the development of more efficient, cost effective and sustainable solutions. As part of the government's Construction Strategy, a key aim was to deliver projects to time, to budget and efficiently. BIM enables this - it gives the visual characteristics of a property from an early stage, thus allowing property owners and operators to make decisions earlier, modify designs and achieve a better outcome to their projects.

Digital object-based models contain information that assists with commissioning, operation and maintenance activities allowing for the full benefits of BIM to be realised for many years while the property is operated and maintained.

There is a need to understand the fundamental needs for collaboration, a clearer understanding of processes and people, and better business outcomes through early collaborative decision making.

2012 was all about discovery for the government. Several test trials and pilots were conducted to test the Level 2 BIM model. The government has set processes, protocols and engaged with industry as well as through various working groups. By 2014 all government departments had published BIM/GSL strategies and roadmaps and forward pipelines. All government departments will ensure they are 100% Level 2 BIM/GSL enabled by 2016.

Finally, BIM allows the extraction of best practice. By using lessons learned, the information can be fed back and used to improve performance and efficiency on future projects.

What is the role of BIM for operation and maintenance functions?

This is the real opportunity which offers collaborative working throughout the chain, from early engagement of FM all the way through the supply chain. BIM allows for operational input and impact

to change to be assessed, enabling all involved in the supply chain to address challenges to construction early in the design phase.

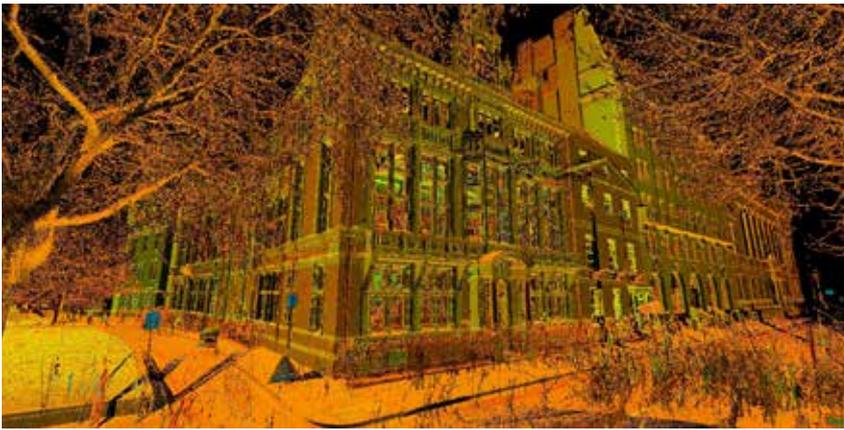
BIM provides a full set of asset data and reduces time wasted in obtaining information about assets, cost of maintaining or replacing items. It also improves tender accuracy through the supply chain by eliminating judgement calls against inaccurate data.

BIM is about the way we work and how we work – the benefits BIM delivers throughout a project's life cycle and the cost savings are substantial. The real benefits of BIM will be in the FM and operational sector. Customers are not getting the assets and the outcomes they want or need, hence BIM has a huge part to play in ensuring properties are received with better outcomes.

Government Soft Landings (GSL) was set up as part of the Government Construction strategy as a way of considering the operational elements of a property. The GSL Policy has been agreed by Government Construction Board to be mandated in 2016 in alignment to BIM Level 2.

GSL Policy focuses on early engagement of end users on project teams during the design/construction

Fig 2: BIM RICS Parliament Square model



process. Post occupancy evaluation and feedback to design/construction teams and lessons learnt are then captured for future projects. GSL will be mandated in 2016 for all central government projects (new built and large refurbishments). GSL is aimed to champion better outcomes for our built assets during the design and construction stages through being powered by a BIM to ensure value is achieved in the operational lifecycle of an asset.

Further government initiatives include the set-up of the BIM4FM group, which was put together to provide a clearer understanding on what the FM sector requires from BIM. It is the FM practitioners that will fundamentally operate the BIM model, so all other sectors need to understand what the operational needs are.

Effort put at the front end has enormous leverage on outcomes. Costs of operating and maintain a building over 20 years can be up to 30 times the construction cost. The building influences the performance of its users and burdens them with its capital and operating costs. As project time passes, the ability to make valuable change declines and the costs of change rises. BIM allows for more focus to be given on operational costs when building an asset. Therefore early engagement of GSL adds value in the long-term.

How does BIM affect estate managers?

BIM provides a high level summary and data about the property, facilities, and planning, budgeting and strategic information.

As the model is created by the designer and updated throughout the construction phase, it will have the capacity to become an 'as built' model, which can also be turned over to the owner. The compiled information can be shared using the Construction Operations Building information exchange (COBie) data schema, which allows for the information to be organised and shared in a standardised way. The COBie file will contain the specifications, operation and maintenance (O&M) manuals and warranty information, essential for future maintenance. This eliminates the problems that can currently be experienced if the O&M manual has been misplaced or is kept at a different location.

BIM enables the client and estates team to "walk through" the model prior to construction, to visualise the property and allow discussions about what is needed and what isn't, therefore enabling cost saving measures to be put in place.

The BIM value proposition includes

having a greater understanding of the entire life cycle process. It is important to understand the value proposition from the beginning so that we can better understand the end results.

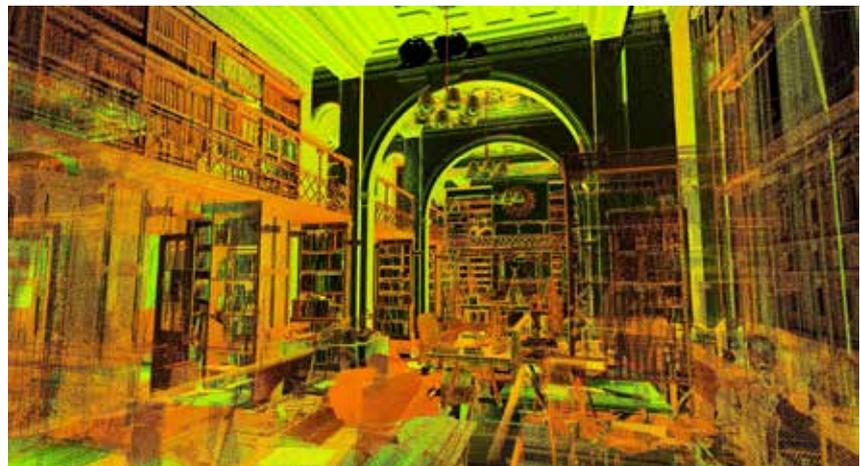
What is RICS doing?

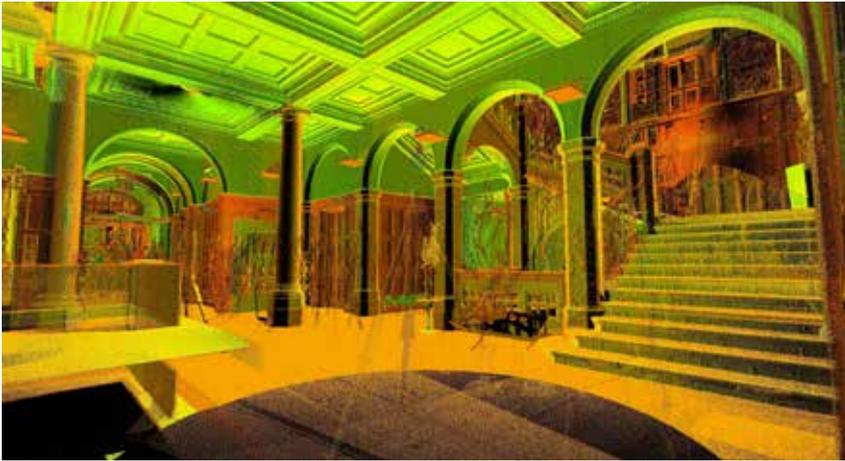
RICS is fully behind BIM and the potential benefits to the industry by raising awareness and capability in support of the BIM agenda. RICS is empowering its members to seize the opportunities that BIM provides through various initiatives.

One of RICS' aims is to communicate the challenges of implementing BIM so others can learn from the experience. Severn Partnership approached RICS to do a model of the building. Seeing what the RICS was already doing on BIM, it was felt that it would be a great idea if RICS led by example in advocating BIM by having the RICS HQ surveyed.

Two weeks were spent at the offices to go through the building to take observations, which were used to build a laser scanning model of the entire building. One of the key things was to ensure that the RICS FM team were fully engaged from the beginning, as recipients of the model. One of the by-products of this project was that it increased awareness and knowledge of what laser scanning is and of BIM. We have now received the model and are currently exploring what we can do to share our journey and experience with members, member firms and clients.

Commenting on the RICS HQ project,





Matt McDermott, RICS Sales and Marketing Director said "We wanted to use the PSQ BIM project not only to enhance our facilities management operation, but also to help industry understand the challenges and benefits of a project, especially so other occupiers of existing buildings can learn from our journey."

RICS is taking active steps in supporting its members and the wider industry with the development of the first BIM Manager Certification in response to industry requirements to have a standard that demonstrates the skills and competence of construction professionals who use BIM. The certification provides reassurance to employers and clients that the BIM practitioners they use follow accepted industry criteria. It helps to prompt a shift in attitudes within and beyond the construction sector by supporting professionals to deliver consistency in their approach to BIM. Likewise BIM competent professionals will be able to demonstrate their abilities to the sector by using a reliable and consistent approach.

In collaboration with the University of Salford, we have launched the RICS Certificate in BIM Implementation and Management Training which provides construction professionals with the fundamental knowledge and understanding of the principles, terminologies, tools and techniques. The course includes discussions on issues about technology, process and people in the successful adoption of BIM on projects. It helps to prepare professionals to assemble BIM-enabled design and construction teams as well

as assist their client in their needs for the successful implementation of BIM.

Upon successful completion of the course, practitioners are able to market themselves with an RICS Training Certificate in BIM Implementation and Management and can be assured that clients and employers will recognise that they are trained and can demonstrate their BIM credentials.

RICS' BIM National Conferences have addressed the need for collaborative working in developing BIM across the supply chain; from pre-construction, construction and post construction phases to operation and FM. During the events delegates were able to assess the role of technology and intelligent use of information which BIM encourages. They were able to address challenges and opportunities in terms of performance improvement, greater project 'certainty' and reduced risks. Other themes at the RICS-hosted events have included offering delegates opportunities to address the pressing need to put in place educational systems in support of the development of individuals able to meet the aim of the use of Level 3 – fully interoperable BIM.

With 2 years left to the government mandate deadline, we wanted to ensure the sector is BIM ready for government and private projects. Our 3rd Annual BIM Conference, February 2014, brought together 300 players who are developing and implementing BIM processes collaboratively in their projects, as well as an authoritative group of speakers to inform and challenge the audience on the issues of implementing BIM. The keynote

speech was given by Peter Hansford, Government Chief Construction Advisor on the status of the UK government's 2016 BIM objective. He made a link between the overwhelming interest in BIM as represented by the sold-out RICS BIM conference and the industry's enhanced interest and appetite for BIM.

In addition to training and standards, we are collaborating with various professional bodies through our representation on the Construction Industry Council (CIC), the government-initiated Task group for BIM, and the Government Trial Project Support Group.

We are also working collaboratively with key industry bodies including the RIBA, the British Institute of Facilities Management, and the British Property Federation, to ensure BIM guidance is "joined up" across all sectors - thereby maximising its potential success.

We have supported the launch of BIM4SME by the CIC and government BIM Task Group and the vital support it will provide to SMEs in understanding and engaging with BIM.

As part of the BIM4FM group, RICS is also working with the wider industry and its own membership to encourage greater awareness and adoption of BIM by FM professionals. RICS is also working to influence government policy to encourage investment and understanding from the sector. BIM4FM is part of the Building Information Modelling (BIM) Task Group created to help deliver the objectives of the UK Government Construction Strategy, with the aim that all central government departments will be adopting, as a minimum, collaborative Level 2 BIM by 2016. We have also set up an inter-disciplinary working group which includes representatives from geomatics, facilities management, legal and built environment sectors.

What does the future look like?

BIM is being widely used on projects in the UK and the use of BIM for FM/ Operations/Maintenance is slowly taking off with some high profile

projects such as the Cookham Wood Prison [Ed – see next article in this Terrier]. The Ministry of Justice used BIM and Government Soft Landings to estimate operational costs savings, improved programme certainty and time savings and innovation through collaboration. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248605/Procurement_Trial_Project_Case_Study_MoJ_Cookham_Wood_0_2.pdf

Architecture, construction and engineering firms have invested in BIM technology and processes in the last few years. Developers and contractors have also embraced BIM to support their FM needs. Designers, constructors and building owners will have control of the information that is contained in a BIM model to add value to the building they are producing. The fundamental opportunity BIM has to offer is not just allowing the management of a facility with a model in the background, but connecting space and asset data to

business operations information.

A cultural change is required if BIM is to be properly implemented across the built environment, ahead of the government's 2016 deadline for its use on all centrally procured public sector projects. Sarah Davidson, Director Gleeds and RICS Certified BIM Manager started a discussion at the RICS BIM National Conference in February, on shifting culture and implementing new processes for BIM and noted that: "People are at the heart of BIM but the vast majority will not be persuaded by a 'good idea'. They need evidence – how will BIM help me to be more efficient? How will BIM help deliver energy and cost savings for a project? It is critical in any business that there is support at the highest levels for change. Shifting the way we work takes time and a one size fits all approach is unlikely to be successful. Given evidence, clear leadership and direction plus industry support the cultural change needed for BIM can happen. It's important that all

organisations make a start now. 2016 is not that far away".

BIM is here to stay – it is not a case of 'if' but 'when'. It will help professionals to do their jobs better, with greater collaborative input. If fully embraced, it will be a positive force for change in the construction and property industry and beyond. RICS is looking to support the diverse sectors this change in culture affects by providing guidance, information and influence which the industry has identified as needed. However, further work is needed if the industry is fully to realise BIM's potential.

Watch this space!

www.rics.org/BIM ; LinkedIn RICS Building Information Modelling Group <https://www.linkedin.com/groups/RICS-Building-Information-Modelling-BIM-3998426>

Twitter #ricsbim



Javed gives a fascinating insight into the versatility of BIM. "Today, with a government mandate and industry wide BIM recognition...and an abundance of powerful software applications, the landscape provides a thriving backdrop making BIM implementation much more feasible."

BUILDING INFORMATION MANAGEMENT ADOPTION – POLICE SERVICE

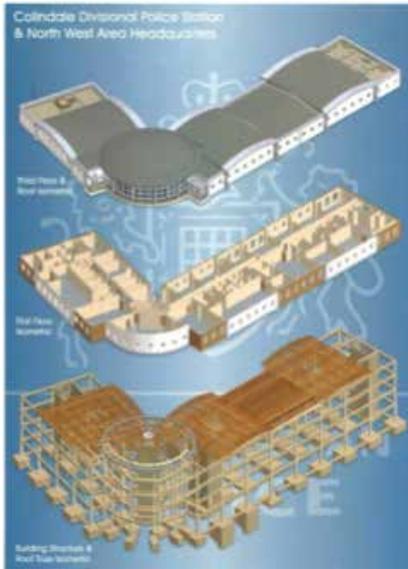
Javed Edahtally BSc (Hons) MPA MIED

Javed has worked for a number of design disciplines including planning, architecture, engineering and the commercial arm of the MoD before joining the MPS in 2004. He is now Head of Computer Modelling and Analysis within an internationally recognised Bureau that digitally reconstructs scenes of crime. The Computer Aided Modelling Bureau has successfully supported over 2,000 investigations in court. In 2005 Javed, procured laser scanning technology for forensic use, which is widely used today by police forces across the country. He is now responsible for implementing BIM within the MPS, leads on the national 'BIM for Police' forum, and is part of the British Standard Institute steering committee for BIM Level 4. Javed.Edahtally@met.pnn.police.uk

Like others within the property and construction industry, the MPS (Metropolitan Police Service) recognises Building Information Modelling (BIM) as a positive step in helping to develop

and run buildings as efficiently as possible while, in our case, better serving police operational needs. However, the effective and efficient transition between government

defined maturity levels to increase productivity throughout the lifecycle of a building is a journey riddled with challenges.



At present the government's ambition for Level 2 BIM is to deliver greater efficiency. This heavily aligns with the MPS strategic direction to streamline its estate while ensuring it is efficient, remains fit for purpose, compliant and supports the operational need. Interestingly, the MPS were early adopters of BIM technology and made a significant investment in the early 1990s on Sonata - a multi disciplined parametric based, 3D modelling software. Several buildings including New Scotland Yard, Bethnal Green, Ilford and Colindale police stations were digitally modelled. This was used to produce accurate building records, a tool for design and visualisation, clash detection and the automatic creation of component schedules. In addition, the 'digital drawings records team' focused on the operational side of the business - updating layouts showing the utilisation and occupancy of our main HQ buildings.

Several factors saw the gradual reduction in the use of Sonata. This included the time required to create and maintain 3D data and organisational restructuring, which led to the outsourcing of specialist building disciplines and associated responsibilities. This in turn reduced the need to undertake modelling internally, and the use of sophisticated CAD tools such as AutoCad, Sonata and BIM reduced.

Also in the early 1990s the use of Sonata was ahead of its time, so much so that it was difficult to exchange data with our consultants and contractors.

Today, with a government mandate and industry wide BIM recognition, clear delineation of client and contractor responsibilities, consistency through standards and an abundance of powerful software applications, the landscape provides a thriving backdrop making BIM implementation much more feasible.

BIM MPS drivers

The current property challenge facing the MPS is to deliver a more efficient and higher quality estate which meets operational needs and is significantly lower in cost to run. To achieve this the MPS Property Services Department aims to change radically the shape, use and size of its estate by modernising public facing properties, almost halving its estate footprint from 1m sq m to 600,000 sq m and reducing its operating cost from £200m to £140m by 2016. This is set out in the MOPAC (The Mayor's Office for Policing And Crime)/MPS Estate Strategy 2013-16.

In order to deliver these key targets, the MPS acknowledges the need to improve its estate management information to maximise its assets. This ranges from greater intelligence around, for example, public access points, down to mapping very detailed information on critical infrastructure, utilisation and occupancy. Given the economic benefits increasingly demanded by consecutive government spending reviews, it is important to reduce expenditure on property and property related activities, and is therefore more critical than ever to base informed property decisions on intelligent and integrated information.

This greater intelligence is allowing us to identify significant opportunities to improve the efficiency of the estate and to make informed decisions around those assets that should be retained and those that should be released. It also allows us to produce detailed briefing content, present project proposals and gain executive sign off i.e. from Management Board, MOPAC etc.

The BIM intention

The MPS is currently transitioning from

a Level 1 to a Level 2 organisation on the BIM Maturity graph and developing a shared knowledge resource in the form of an Asset Information Model (AIM). This is made up of data held in:

- proprietary databases
- documents held within a document management system, and
- spatial information accessed through CAD management systems.

All this data will be referenced to provide a single 'source of truth' and made available to technical and non technical users through a bespoke cross cutting data warehouse and reporting mechanism.

As a client and owner/operator, the MPS acknowledges the need to adapt processes and systems to maximise BIM outputs. The production of structured data will add greater value and help the MPS react to FM maintenance more effectively and efficiently. It will also enable the prediction of medium to long term planned preventative maintenance and forward works programmes. Additionally, the more accurate and detailed information resulting from BIM will be used as a tool, for example, to optimise business rate payments and lease arrangements; to capture and measure building performance such as utilisation and occupancy reviews; for compliance testing and building defect patterns. This information provides us with a more accurate understanding of the performance of each building, clarity around our cheapest and most expensive assets and the ability to make more informed and faster decisions than previously possible.

The MPS BIM journey

Following the publication of the Government Construction Strategy in 2011, the MPS commissioned the use of BIM on 2 medium sized building projects, Alperton Traffic Garage and Wandsworth Custody Centre, as pilot projects.

These projects were successfully

delivered using BIM. Wandsworth, a £12m project completed in 2012, benefited from cost savings achieved through reduced construction times, offsite fabrication, and minimised error resulting in fewer change requests.

The organisational BIM learning continues through 3 major building projects - a new build central training facility in Hendon, and 2 major refurbishment projects - forensic laboratories in Lambeth and a new Headquarters building at the landmark Curtis Green building on the Victoria Embankment.

The figure below is a visualisation of the new MPS HQ to be called Scotland Yard, from architects Allford Hall Monaghan Morris. This major refurbishment project is budgeted at £40m and due for completion in 2016. The building will provide modern, efficient, secure offices; a new entrance pavilion; extensions to the building itself; and the creation of public open spaces along with the world-famous revolving sign and Eternal Flame and Roll of Honour.

This initial use of BIM provided encouraging results for estate development but was only part of the Level 2 (PAS 1192: 2 and 3) BIM requirement. Simply adopting new

technology or commissioning the supply chain to deliver BIM would not deliver the benefits envisaged by the government - an approach that appeared systemic in early BIM adopters. A benchmarking exercise conducted with similar sized organisations identified that a lack of end to end fully integrated solutions with a common thread of low engagement between construction and maintenance property disciplines. Similarly, it appeared evident that the second and third tier supply chain take up of BIM would be a distant prospect for most.

The areas the MPS are focusing on at this stage of our BIM journey are to redefine new working practices and processes; invest in training, purchase software and hardware, but most importantly define our long term information requirements and take the lead on BIM as an intelligent client.

BIM FM implementation

A decisive factor to BIM implementation was to ensure it was understood and championed at a high level. The MPS Property Services Department is divided into 2 key areas: Estates Management and Estate Development. This neatly aligns with the Government Soft Landings (GSL)

where these 2 areas represent the complete lifecycle of a building asset. The GSL champion responsibility has therefore been divided across the heads of these teams.

At a more operational level, workshops, benchmarking, consultation and research are being conducted to identify the data requirements specific to MPS's current needs, using stakeholders from each property discipline. In these sessions, information captured on assets is being unravelled to understand what level of detail, why and for whom, data is captured and how this benefits performance reporting.

In undertaking this exercise we can seek to streamline our data and:

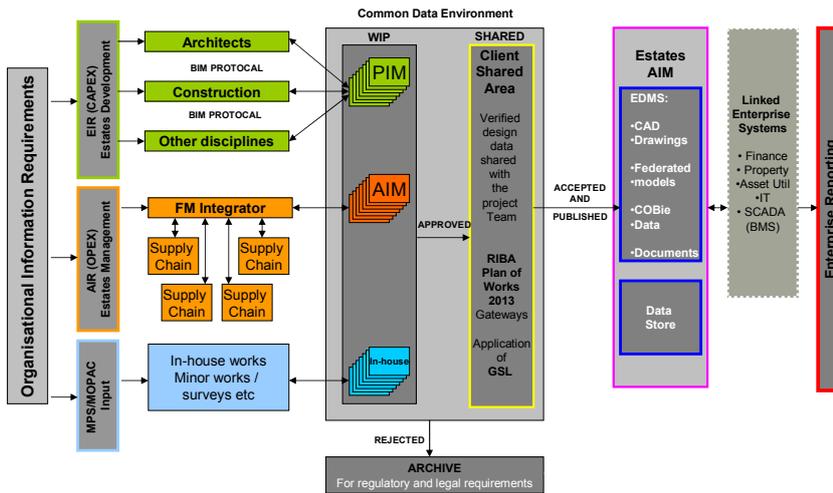
- prioritise the importance of information and consider the rationale for its depth, breadth and scope
- develop consistent taxonomy to mitigate duplication and uphold data integrity
- consider appropriate applications to store and retrieve the data.

The result of this collaborative analysis is to develop an information baseline for graphical and non graphical information which, in effect, will rationalise the scope of BIM and the Asset Management Strategy (PAS 55000). This organisational information requirement (OIR - PAS 1192:3) feeds directly into the Employers Information Requirements (EIR - a specification for effectively procuring BIM data) which we are currently seeking to integrate into the BIM model for Curtis Green and will play an important data specification role in future capital procurement projects.

This new information baseline promotes consistency and data rationalisation and better serves operational policing needs when planning new builds, major refurbishment, preventative maintenance and forward works. Although the application of BIM is more complex than traditional 2D CAD, it will ultimately result in functional



Wandsworth Custody Centre internals



MPS BIM data flow using FM Integrator

data which can be exploited to offer more value than is possible with conventional information. However, it will be prohibitively expensive to apply this in one wave to an entire property portfolio. Despite this, the survey industry has been quick to recognise BIM as an opportunity to offer laser scan surveys of existing assets as a basis for constructing accurate 3D BIM models. Similarly, a market has opened up for subcontracting BIM modelling overseas to reduce modelling costs - an attractive option if security and commercial sensitivity are not issues.

With the size of the MPS estate, it will be necessary to deploy BIM in stages. The consequence of this approach will be a mixture of rich managed information for new assets while older processes will need to be maintained for existing assets. This will undoubtedly create further challenges when reporting consistently across the estate.

The MPS approach to this dilemma has been to prioritise BIM implementation as follows:

- Priority 1: Fulfil mandate to incorporate BIM where any new capital spend is undertaken (new build, major refurbishment works, forward works plans and planned preventative maintenance)
- Priority 2: Implement BIM for build-

ings deemed critical in nature

- Priority 3: Use a developed matrix to select each subsequent building from the remaining estate.

For some buildings, it may be that we have a hybrid dataset, where parts of the building remain as 2D CAD but within these schematic layouts, there may be individual plant modelled in BIM (e.g. upgraded chiller system) or even whole building extensions in BIM (e.g. following renovation to a Custody Suite).

To fulfil the implementation, a BIM system and training programme is being procured for key staff and decisions have been concluded to use a particular software application to view, review and manipulate BIM data over the life of building asset. The role of these individuals will be to manage the day-to-day organisational spatial data requirements and check spatial model data in and out of the supply chain and across departments. The BIM Manager will provide the necessary governance for BIM data to be successfully integrated and adhere to MPS design standards. This manager will have overall responsibility for drawing accuracy, currency, consistency and co-ordination and will manage the drawing management system. The role will require regular engagement with information managers and property stakeholders, delivering EIR's and acting as a key stakeholder during data drops.

BIM considerations

BIM brings with it vast amounts of data. This data is of course useful but is only useful if it is managed well. There are 2 main data considerations when deploying BIM. Firstly to understand that the complexity of BIM implementation requires sustaining currency, consistency and accuracy and that this can only be effectively achieved through robust governance (at a time when many organisations are reducing their staffing levels relative to their estates). Secondly, to appreciate that the most significant investment in BIM will need to be targeted on configuring data to work with and across existing/new organisational systems and in line with best practice standards.

There are also a number of essential steps to follow when considering the implementation of BIM:

1. Establish an asset management policy and wider organisational information requirements to ensure a common agreement of what information is important to effectively and efficiently manage an estate. This should set the scope and level of detail needed and define classification
2. Publish an EIR but only after it is clearly understood how graphical and non graphical data will flow from the supply chain into your (Computer Aided FM) CAFM and Enterprise systems
3. Define a wide ranging stakeholder group, identify the BIM Manager, a steering group and a GSL champion to ensure collaboration and set the vision and direction
4. Determine the need to invest in training, software and hardware to support your BIM ambitions. This will include a suitable Common Data Environment (CDE) that will provide adequate security, scalability and functionality. A key decision will be whether the client takes responsibility for this or whether the expectation is for the supply chain to provide this. The MPS believes

that the client should procure a secure system that provides a consistent collaborative tool for its BIM stakeholders.

Benchmarking is a useful and worthwhile exercise yet every organisation will deploy the use of BIM differently. In part, this will be down to decision-makers' preferences, the legacy of existing software, department structures and the specific

information needs and reporting requirements. Similarly the chosen software route will influence how BIM is deployed and how effective it can be. Whatever solution is put in place, BIM cannot operate without regular collaboration, communication and governance and a pragmatic stance on information capture, with the clear aim of maximising asset efficiency and effectiveness. This is not to be underestimated as a resource. A

BIM system is only as good as the confidence the organisation has in it. Without confidence in the accuracy and currency of a data system and the ability for non BIM specialists to access and interrogate the data, the system will not fulfil Level 2 aims.



Alan emphasises the necessity to collect empirical data for effective space planning – “it is important to have at least a basic understanding of office metrics and the potential for improved space efficiency.”

WATCH THIS SPACE! MEASURING OFFICE SPACE UTILISATION

Alan Phelps

Alan is a property asset management consultant with NPS Property Consultants Ltd (NPS) and has been involved in asset management since its inception in the UK. Alan originally worked as Principal Planning Officer at both Birmingham and Oxford City Councils. Before joining NPS Alan was Corporate Asset Manager at Kent County Council. In the last 10 years he has undertaken a range of asset management consultancy assignments both domestically and internationally. He has a PHD in Asset Management from the School of Public Policy, University of Birmingham. alan.phelps@nps.co.uk

Introduction

Space costs money. While organisations need some space to accommodate staff, typically they do not know how well it is used and often have too much. In an era of scarce financial resources there is a stark choice to be made between the amount of space occupied and other competing needs such as service delivery or even staff numbers. In the future every organisation will need to track office space utilisation as costs and environmental pressures rise. There is no benefit from having poorly utilised office space. Many organisations however have not measured how well their office space is used but rely on anecdote and perception about utilisation.

Context

In broad terms it is estimated that in the UK there are 10m office workers occupying over 100m sq m of office space, with average occupancy over the working day of around 45%. A traditional office used 8am to 6pm Monday to Friday is used only 30% of the year. Average office costs per head are around £6,000. At the same time, the way we work is beginning to change significantly. Over 12% of the workforce now work mainly from home and 27% of people work part time. Furthermore, 3 out of every 5 jobs created is 'atypical', i.e. not fixed hours, full-time permanent jobs. The right to ask for flexible working is now enshrined in law for parents and carers; and staff surveys consistently

show that employees want more choice about where and how they work. The changing demographics of the working population, coupled with advances in technology and changing cultural expectations of work, mean that the time is right for most organisations to reconsider the way space is used. This applies equally to the public and private sectors. (Source: UK Green Building Council).

The need to measure space use

Many councils are facing severe financial pressures over the medium term. They are often responding to these pressures through programmes of transformation: internally by streamlining processes,

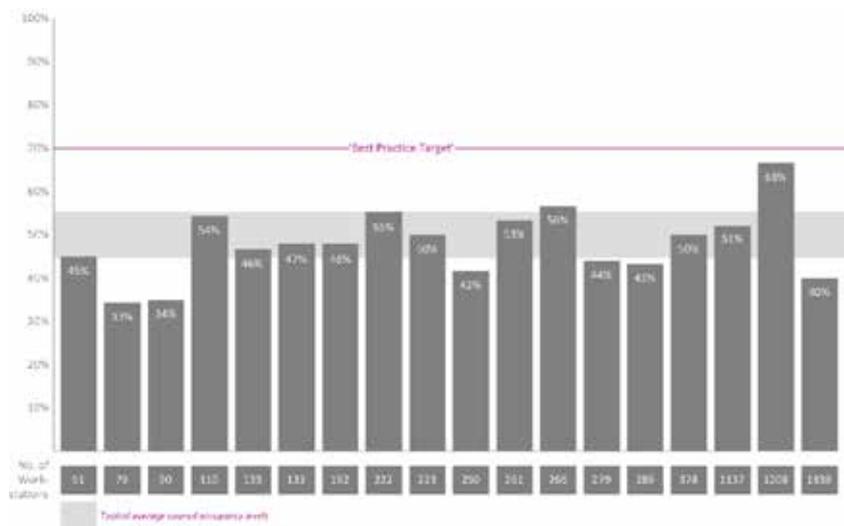
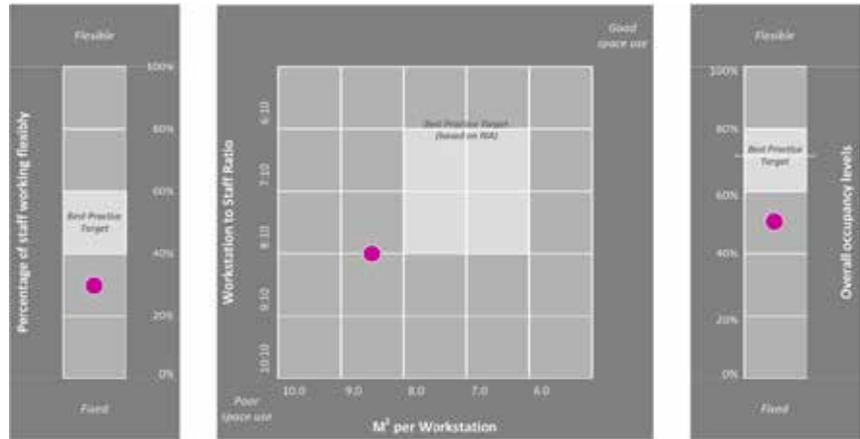
reviewing service delivery approaches, and externally by seeking to integrate service provision with that of others to secure economies of scale. In the future many councils may be smaller, with less staff, less budget, potentially less service delivery points and a need for less office space to accommodate staff. There is therefore a need to reconfigure office accommodation in order to secure revenue savings; to respond to changing working practices of staff and to meet the government's agenda of improved resource efficiency through better use of accommodation. As councils re-configure or shrink their office space and embrace agile working, there is a need to measure how space is used currently and to calculate how much space will be needed in the future. For this reason alone it is important to measure space utilisation.

Occupancy audits

Anecdotal (instead of actual) levels of utilisation are often responsible for a perception of overcrowding; when in reality occupancy levels are usually at around 50% or less. This represents poor use of an expensive resource – space. Just because a meeting room has been reserved, or a jacket is hung on the back of a seat, doesn't mean it is actually being used. Anecdotal data is not sufficient for important budgetary decisions such as those relating to space management. So where do you start to build a clear picture of how to create an efficient, productive workplace for your organisation that fully supports the needs of staff while also optimising financial resources tied up in office space?

Before embarking on new office layouts or the implementation of agile working practices it is important to quantify the opportunity by building a definitive picture of the way space is currently used. This is most effectively done through an occupancy audit.

There are a number of methodologies and technologies for measuring occupancy. These include video-based technologies (borrowed from the retail sector) to assess occupancy and movement and sensor methods (often placed under desks) to sense the presence of body heat. There is a



risk that such approaches create a 'big brother' atmosphere. The traditional way of measuring occupancy by observation relies on people walking round a building several times a day and observing whether people are sitting at desks and whether meeting spaces (both formal & informal) are in use. This is the cheapest and easiest methodology and has the benefit that it allows the observer to understand the office dynamic more easily and to identify factors influencing utilisation and to gather soft intelligence regarding working patterns.

Typically under this approach a walking route is devised around a floor or building with observations recorded every hour over an agreed elapsed time (either a week, 2 weeks or a month). This would normally equate to 45 observations at each desk or meeting room over a 2 week period on alternating half-days to provide a weekly

average. This approach can be varied to meet specific needs; for example focusing on specific aspects (such as meeting room use, space allocated to storage) as well as overall desk usage. This methodology has been well tested in the field; is easy to undertake and provides a robust body of data to underpin decision making.

The outcome from an occupancy audit is data – facts and figures (rather than anecdotal evidence or perception) about how space is being used. This provides the evidence base to support decision making on space use and implementation of agile working. The evidence can be used to counter arguments that 'we are over-crowded'; or that 'there are no meeting rooms' etc. It also helps identify individual work styles in use across the organisation – particularly at a team level. Results can be reported in simple-to-understand tabular and graphic format using text,



If walls could talk,

what would your property assets say about your organisation?

People will always be the public sector's greatest asset but with growing demand and year-on-year funding cuts, property and its effective management is increasingly important to the successful delivery of public services.

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Melvyn Stone - Estates Director
01603 706151

Mark Albanie - Asset Management Director
01603 222257

John Thornberry - Architectural Director
01603 706647

Charles Tyndall - Building Surveying Director
01603 706030

graphs, pie charts or a traffic light system. Reports can identify occupancy at an overall building level, for individual floors or parts of floors, for individual teams and across days of the week and times of the day. All this data can be used to support decision making around the use of space.

The changing nature of office metrics and 'best practice'

The concept of 'best practice' is not easily applied to office space. This is in part because as the National Audit Office (2006) report: "Getting the Best from Public Sector Office Accommodation" suggests, there is a 'range of practice' and because the nature of office metrics is changing from a focus on space (or cost) per member of staff to work-station, to staff ratios and overall occupancy density. However from observed practice across the public sector and recent initiatives in local government it is suggested that typically standards of 8 sq m per workstation and 1.4 people per workstation (often expressed as a 7:10 ratio) are being adopted with an occupancy level of 70% being a target which demonstrates both effective use of space but with capacity to 'flex' according to changing demands. Many councils are also seeking to target a significant proportion of their staff as flexible workers with 50% being a common target.

Identifying scope for improved space use

Using these metrics provides a simple framework to help individual councils position themselves against this indicative current best practice and to identify the potential for better space utilisation. Individual councils using their own data can identify where they sit on each of the 3 positioning grids (see page 18) to determine how they correspond to best practice. The left hand metric indicates how they compare with others in terms of embracing agile working. The right hand metric indicates how they compare with others in terms of overall occupancy levels. The central metric indicates space utilisation (at an individual building or across several buildings) and this illustrates the scope for better space use.

So what can be achieved in terms of better space utilisation? There is no simple answer to this question. It will depend on a range of factors such as the age and size of buildings, the exact nature of work undertaken, the state of technology to support agile working and the cultural readiness to embrace change. So although it is difficult to be precise the simple answer is that potential for space reduction for many organisations is significant. There is limited robust data against which to compare occupancy levels. However NPS has a growing database of office metrics from its consultancy work which confirms that for many there is significant potential to improve overall occupancy levels (see graph on page 18).

Conclusions

Steps to more effective use of office space and reducing unnecessary occupancy costs should start with understanding how space is being used currently. Prior to developing a revised workplace strategy it is important to have at least a basic understanding of office metrics and the potential for improved space efficiency. The imperative for this is even greater given the resource pressures many organisations are facing. It is surprising, therefore, how few organisations have invested in 'occupancy audits' as a tool to get this basic level of understanding. An occupancy audit can help by:

- providing baseline of current utilization
- building a business case for change
- identifying scale of savings possible
- underpinning workstyle analysis
- contributing to workplace strategy
- supporting detailed space planning.

It can also be linked to wider programmes of property rationalisation, be used to identify and quantify efficiency savings from disposals of unused space, and support improved service delivery associate with

workplace transformation.

Given the lack of comparative data in this area there is also surely some value in sharing current practice across organisations so that more robust measures of space utilisation and 'best practice' norms can be more readily understood.

Even after current recession-based reasons for reducing office space overheads have passed, the age of agile working will force organisations constantly to reassess space needs. As staff benefit from better access to information and systems outside the confines of the traditional fixed office base, so under-utilisation of office space will signify unnecessary spending. Making the case for workplace re-configuration can be difficult without evidence. Gathering data about space use through occupancy audits can help the development of strategies to ensure that the 'capital' tied-up in office space can be deployed more productively. Councils will in the future need to show they are using office space efficiently and reducing the carbon footprint of their offices. To do this they will need periodically to measure how efficiently the space they occupied is being used.

SUPPORTING COMMUNITY ASSET OWNERSHIP AND MANAGEMENT

Kerry Williams

Kerry outlines progress on community ownership and management of assets and encourages ACES members and colleagues to attend the workshops, to develop future government policy.

Kerry joined the Civil Service in 2001 as a policy official for the Cabinet Office working on Civil Contingency policies and legislation. Kerry moved to the Department for Communities and Local Government in 2008 and since then has worked on a range of community empowerment policies and programmes. She joined the Community Assets team in 2012. Kerry.Williams@communities.gsi.gov.uk

The government continues its commitment to encouraging and enabling communities to take over land and buildings that are important to their social and cultural wellbeing. In September 2012 we brought into force the Assets of Community Value (Right to Bid) legislation and Community Asset Transfer is an established mechanism that gives local authorities the power to dispose of assets to the community at less than full market value. Local authorities - through the Right to Bid scheme and Community Asset Transfer - play a key role in enabling community asset ownership. Both of these powers provide real opportunities to councils to work with communities and enable them to more effectively address local challenges.

There are some excellent examples of councils working with communities to promote and support community ownership and management of much loved community assets.

Hastings council used a Compulsory Purchase Order (CPO) to help the local community to take over Hastings Pier. Last year's changes to the guidance on compulsory purchase call for local authorities to have particular regard for requests from community organisations who want to acquire land and buildings for regeneration purposes. Hastings

council then transferred the pier to the community trust and the pier is now undergoing development.

Liverpool City Council entered into conversations with The Reader Organisation (a national charity based in Liverpool), who wanted to take over the local authority-owned Mansion House building, for the purpose of serving as the charity's base for local community and national projects. They entered into a competitive bidding process for a long term lease and are now the preferred bidder. Having the 125 year lease at peppercorn rent will secure the services and local employment for years to come.

Uttlesford District Council has been champions of listing Assets of Community Value – having listed over 170 assets so far. The council uses the community rights as a key method of engaging with the community. Regardless of whether the asset is currently under threat or not, they see value in supporting members of the community to come together and make a statement about what matters to them locally.

The fast growing list of treasured community assets listed under Right to Bid now stands at over 1,200 and includes:





- 374 pubs
- 91 parks
- 37 libraries
- 35 village halls
- 24 sports grounds and stadiums
- 12 theatres and museums.

The Ivy House pub in Nunhead was the first asset to be listed under the Right to Bid scheme. It is now in community ownership and opened for business last summer. For other examples of listed assets see:

the winners from a £5 million fund to support 17 community assets listings

To view a high-level map showing the number of assets listed across the country from October 2012 – March 2014, presenting the spread of activity on the Community Right to Bid see:

<http://mycommunityrights.org.uk/wp-content/uploads/2012/04/April-asset-mapsloop.gif>

The Locality Community Right to Bid advice can be found at:

<http://mycommunityrights.org.uk/community-right-to-bid/#sthash.15bNreZ4.dpuf>

To support all this activity the Department is funding The My Community Rights support programme which includes a free advice service for communities and councils. For further information, you can contact the helpline on 0845 345 4564 or via the website:

<http://mycommunityrights.org.uk/advice-service>.

Workshops for councils

The Community Ownership Forum (which the Department for Communities and Local Government and the Local Government Association are members of) is working to provide further support to councils to help communities to make the most of local assets, by showcasing the good work done by some councils.

The Community Ownership Forum represents an enormous range of expertise on community assets, as well as having members from key funding organisations. The forum has arranged a series of workshops in July and September, which are aimed at senior and middle management officers, to promote good practice on the use of the powers. They will feature presentations from those with experience of the powers, the challenges they have faced and the benefits they have seen. There are still some places left at the workshop in Newcastle on 30 September. In addition we intend to arrange another

2 in Leeds and Suffolk in the autumn. If you are interested in attending one of these events or have ideas for future workshops that focus on a particular theme such as heritage assets or open spaces, please contact:

community.assets@communities.gsi.gov.uk

Future support for community asset ownership

In March 2015 the current support programme will come to an end. The Department is currently considering what type of support central government will need to provide to support this agenda post 2015. We want to use these workshops to get the views of local government. The support package will need to complement the new funding offer that will be available from the Big Lottery's "Power to Change" fund and other social investors such as Big Society Capital. We are proposing focusing support on:

- Supporting places to develop their initial ideas for community assets into plans to the point that they can access the market
- Developing the market for community assets by funding joint VCSE/ local public bodies' projects which will produce novel and replicable learning for other places
- Enabling more deprived neighbourhoods to develop plans to acquire assets and access finance.

I will provide a summary of how the workshops went in a future edition of the Terrier, along with an update on the development of our proposals for future support. In the meantime I hope you have a good summer and if you are attending one of the workshops I hope you find it useful.



This summary is taken from the notes prepared by Nicola Berry of Locality – Editor.

COMMUNITY OWNERSHIP FORUM

Meeting on 21 May 2014

Discussion of cross sector 'think piece' on the way forward for 'Community Led Assets'

The aim of this DCLG document is to provide a forward-looking statement against which a broad range of interested stakeholders can 'get behind'. It is intended to subject it to further comment at forthcoming local authority workshops and needs to emphasise more the cross sector approach and working together to create a vision, as well as emphasising the critical role of local authorities and access to skills and expertise more generally.

The view was put forward that there can be mistrust between LAs and community groups and not everyone is on board and that needs addressing. It was felt that the workshops would be a great way to get stakeholders on board with the asset agenda, to get them excited about community ownership and its possibilities and tackle those that are risk adverse.

The overall message to convey is the importance of sectors working together, (including funders), and that a broad coalition of interests can enable more community ownership in the future.

Update on LA Workshops to support community asset ownership and management, Kerry Williams, DCLG

These workshops are for local authority officers, to update them on community ownership, asset transfer, Right to Bid, assets of community value, etc, and provide them with the opportunity to discuss the issues, opportunities and challenges they face. It is intended to hold separate sessions for councillors because the issues can be different.

It was felt that officers may need some additional help when dealing with councillors, who may not fully understand community ownership.

Locality would also be represented at each workshop. The Local Government Association and DCLG will work together on a publicity campaign to promote the workshops to relevant attendees [Ed – see ACES/DCLG notes and article by Kerry Williams].

Discussion of 2015-16 strategy for community ownership and management of assets, Ben Llewellyn, DCLG

Views of the Community Ownership Forum (COF) were given to DCLG on the future of community ownership and management of assets. The asset environment has changed and there are now important new players such as the Power for Change Trust and Big Society Capital to take into account. DCLG will be reviewing the community rights legislation over the next year to see what is working and what is not, and where work should be prioritised.

Matters discussed included help for rural as well as urban communities, organisations which could offer financial support and advice, the value of pre-feasibility advice, community shares, and advice for local authorities.

Building and sharing knowledge on community ownership of assets, Maria O'Beirne, DCLG

DCLG is working in partnership with Big Society Capital on a Community Assets Research project. The project will focus on 2 key questions:

1. Quantifying and categorising the

demand for community asset ownership and exploring the potential market size

2. Scoping the different business models for community assets and routes to financial viability.

This information is needed in order to provide essential evidence for work in the area of community ownership of assets. It will enable government to decide on programmes, resources, funding and expertise in this area.

The report will contain the practicalities and will give people a clear direction as to where and how far this agenda can be taken.

Useful guidance

Housing associations Charitable Trust - HACT has launched a new approach to measuring impact which is now available. The report can be found at: <http://www.hact.org.uk/measuring-social-impact-community-investment-guide-using-wellbeing-valuation-approach>

The tool available:

<http://www.hact.org.uk/social-impact-value-calculator>

Social Investment Business Foundation - Full details and guidance for this year's Capital Grants programme and other funding can be found at <http://www.sibgroup.org.uk>

Action with Communities in Rural England - Information about the ACRE Rural Community Buildings Loan Fund which is managed on behalf of Defra. <http://www.acre.org.uk/our-work/community-assets/rural-community-building-loan-fund>

FROM BIG GOVERNMENT TO BIG SOCIETY – LOCALISM THROUGH THE LENS OF LOCAL AUTHORITY COMMUNITY ASSET TRANSFER



Gill Telford

Gill's article complements the piece from Kerry on the continued government push for community involvement. Gill intends to update empirical research later this year with an e-questionnaire survey to all English local authorities. She would be grateful for the support of ACES members in completing the survey.

After 20 years working for the Valuation Office Agency and 5 years working for South Tyneside Council, Gill joined Northumbria University in 2013 as a post graduate researcher.

Gill's research field is urban regeneration in a time of austerity, with specific interest in localism and community asset transfer. Gill is currently exploring localism in action through an ethnographic study of the capacity building support given to community based organisations involved in local authority community asset transfer by Ouseburn Trust's Open Doors Consortium.

Gill's research is supervised by Professor Ernie Jowsey and Dr Paul Greenhalgh in the Department of Architecture and Built Environment. Gillian.Telford-Cooke@northumbria.ac.uk

Introduction

The purpose of this article is to introduce the first phase of my research into local authority community asset transfer (LA CAT).

In recent years community participation and empowerment have been central to successive UK government policy narratives. The desire to engage citizens in public life in an attempt to give them more control over the services they use (Aiken et al, 2011), is exemplified by both the Labour government's 2008 White Paper 'Communities in control' and by the Coalition government's 'Big Society' agenda, together with the legislation it has introduced to promote localism. Greater localism is generally thought to increase community empowerment, but is this really the case?

While my research is situated within localism - most specifically within representative and community localism (Hildreth, 2011), it will be focussed through the lens of LA CAT. The overarching aim of the research is to better understand the critical success factors that drive sustainable LA CAT. The phases in achieving that aim will include:

- revealing the current scale and nature of LA CAT and mapping its geography
- developing and testing a community asset viability tool
- identifying the key characteristics of organisations currently involved in community asset transfer
- production and testing of a LA CAT critical success factor model.

As well as this robust evaluation of the process of LA CAT, my research will also consider the consequences of community asset transfer.

Evolution

Community asset transfer is a central government policy involving the transfer of land or buildings from a statutory body, such as a local authority, to a community based organisation (CBO) for less than the best consideration that can reasonably be obtained, ie: at below full the market value, in order to achieve a public benefit.

Community asset transfer may take place through:

- a management agreement
- a licence to occupy

- a short lease or tenancy
- a long lease
- freehold transfer.

Community asset transfer is discretionary; it is not a community right.

While much was made of the Coalition government's bold claim in its initial strategy document that "...it is time for a fundamental shift of power from Westminster to people. We will promote decentralisation and democratic engagement ..." (Cabinet Office, 2010), the powers under which community asset transfer takes place predate the Localism Act 2011.

The Local Government Act 1972 allowed local authorities to dispose of land for less than market value, on a short tenancy, with the Secretary of State's approval. In 2003, a general consent (set out in Circular 06/3) was given for local authorities to dispose of land to community organisations at below market value provided the disposal :

- promoted or improved economic well-being
- promoted or improved social well-being
- promoted or improved environmental well-being.

In other words, in order to achieve a public benefit.

Fresh impetus was given to community asset transfer as a vehicle for community participation and empowerment following the publication in 2007 of 'Making Assets Work: The Quirk Review of community management and ownership of public assets'. This review of existing community asset transfer powers and polices concluded that what was required was not additional powers but attitudinal change towards community asset transfer.

In response to Quirk, the subsequent community empowerment white paper, 'Communities in control' (DCLG, 2008), announced the establishment of the Asset Transfer Unit (ATU) whose remit

was to encourage the transfer of assets by providing advice and support to both community based organisations and local authorities on the process of asset transfer. The ATU now sits within Locality, <http://locality.org.uk>, the organisation formed by the merger of the Development Trusts Association and the British Association of Settlements and Social Action Centres.

Existing data

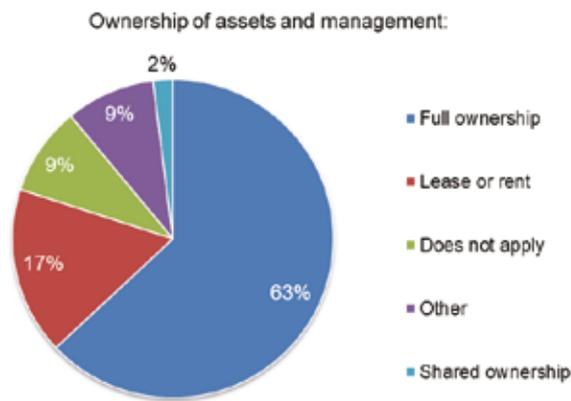
While a systematic tour of local authority websites suggests a considerable amount of practitioner engagement with community asset transfer, Locality

has confirmed that, currently, there is no central collection or analysis of LA CAT statistics.

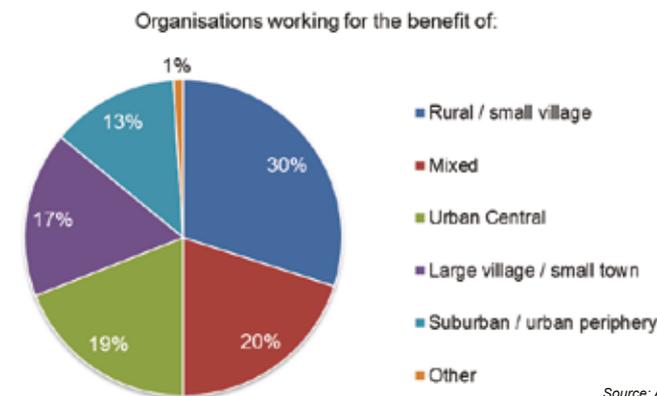
For national level review of LA CAT data, it is necessary to look back to an independent evaluation of the ATU carried out between 2009 and 2011. The ATU evaluation included 2 questionnaire surveys targeted at senior local authority officers involved in asset transfer activity, in all English local authorities. The first questionnaire survey was sent in July 2009, with the second sent in November 2010. The response rate to both phases of the survey was a robust 1 in every 3 local authorities surveyed. The table

Survey Question	July 2009	November 2010
Proportion of LAs who have transferred physical assets to community based organisations in last two years.	80%	59%
Total number of physical assets in the process of being transferred.	351	352
Proportion of LAs for whom a community asset transfer project has failed in the last two years.	19%	19%
Proportion of LAs reporting that community asset transfer is now a higher priority for their LA than it was a year ago.	38%	27%
Proportion of LAs reporting that community asset transfer is now a lower priority for their LA than it was a year ago.	3%	7%
Proportion of LAs for whom moving assets out of LA ownership to save money in the future is the primary motivating factor behind community asset transfer in their area.	N/A	49%
Proportion of LAs who considered more effective community engagement to be the main benefit of community asset transfer activity in their area.	44%	29%

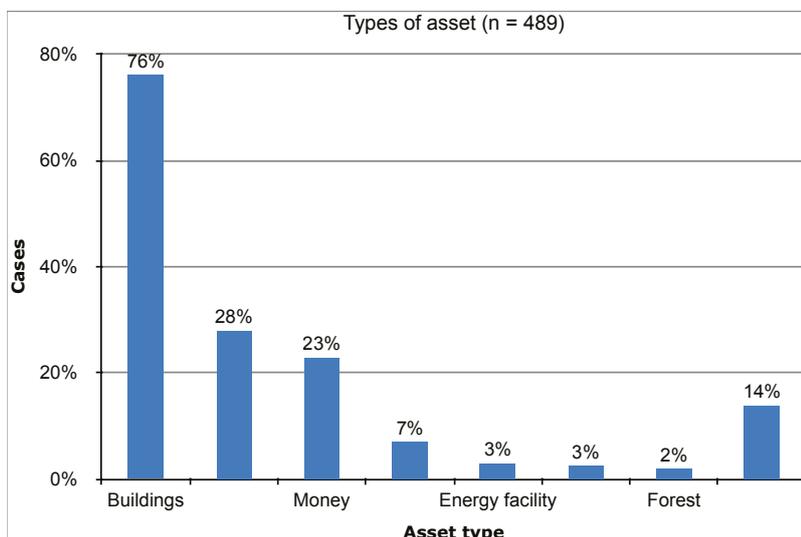
Adapted from: SQW, 2011



Source: Aiken et al., 2011



Source: Aiken et al., 2011



Source: Aiken et al., 2011
 Author's interpretation: asset type not mutually exclusive

Asset	July 2009	November 2010
Community Centre	33%	32%
Offices	7%	5%
School	3%	5%
Village Hall	2%	3%
Leisure Centre	2%	1%
Shop	1%	1%
Church	1%	1%
Older persons Accommodation	1%	1%
Factory	1%	0%
Warehouse	1%	<1%
Pub	0%	<1%
Park or playing field	16%	14%
Other*	31%	33%

Other includes: housing estate, allotments, a pier, a phone box and cemetery.

Adapted from: SQW, 2011

on page 25 illustrates just some of the headline data returned from those questionnaire surveys.

Although not from a local authority perspective, a second source of national data on asset transfer is a report, commissioned in 2009 by the Joseph Rowntree Foundation (JRF), which drills down into the nature of CBOs involved in asset transfer. The JRF report also used a questionnaire survey as part of its research design but covered all 4 constituent nations of the United Kingdom and was targeted at community based organisations. This survey, to which there were 489 relevant responses, was conducted in November 2009; a percentage response rate is not available.

In terms of the method of asset control, the JRF questionnaire survey indicates a clear majority of CBOs - 63% - fully own their asset, with only 19% leasing or renting.

It is important to reiterate that the JRF UK report was not exclusively focussed on LA CAT, but could be regarded as indicative of assets transferred pre-Quirk.

While acknowledging the difference in the sample frame, juxtaposing the findings from the ATU evaluation and the JRF survey adds depth to our understanding of community asset transfer activity. In terms of the geography of asset transfer, the ATU evaluation states that in England the majority - 68% - of assets transferred are located in urban areas. The JRF report confirms that in the UK as a whole only 30% of community based organisations described themselves as active in rural locations.

In terms of the nature of assets owned or managed, the JRF survey found that, at 76%, buildings were by far the most common asset held by CBOs in the UK.

The ATU evaluation illustrates that, in

England, the most common type of building being transferred to CBOs by LA CAT are community centres at a third.

Proposed research - Phase 1

An era of post 'credit crunch' public spending cuts, with cross-party consensus on the importance of community participation and empowerment, would seem the opportune time for local authorities to consider community asset transfer. Anecdotal evidence certainly suggests policy interest and practitioner engagement in community asset transfer; however, the only national empirical LA CAT evidence base describes a landscape where, despite a post Quirk flurry of activity, the priority of LA CAT is in apparent decline.

A first, crucial, phase of my research is a comprehensive national audit of current LA CAT activity. To this end, it is my intention to undertake an e-questionnaire survey of all English local authorities - unitary authorities, metropolitan districts, non-metropolitan districts, London boroughs, national parks and county councils. The sample frame for my survey will parallel the ATU evaluation surveys of 2009 and 2010 to allow for longitudinal analysis.

It is hoped that my research will address current knowledge gaps and inform future LA CAT policy and practice development, however, the veracity of my research is dependent on the information supplied by local authorities. I would be grateful for the support of ACES members in encouraging the return of my e-questionnaire survey. The target date for delivery of the e-questionnaire survey is September 2014.

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INNOVATION IN ACTION – OR REWIRING LOCAL GOVERNMENT

There are some really interesting projects happening in Enfield and these are described here. “Not only are they innovative, but they demonstrate that, despite cuts to local government, the authority can still make a difference to lives of its residents and wider stakeholders.” May I also thank Neil Webster for facilitating it.

Simon Gardner and Detlev Munster

Simon Gardner is the Head of Leisure and Culture at the London Borough of Enfield and Project Manager for the New Directions/Enfield Experiment Project.

Detlev Munster is the Head of Property Programmes in Enfield’s Strategic Property Services team.



The London Borough of Enfield (LBE), like all areas of the country, has suffered from the impact of the recent economic climate. At the same time Enfield Council is facing a reducing financial budget. Rather than bury its head in the sand, Enfield Council has embarked on some innovative and exciting programmes which seek to improve quality of life for its residents and fill the financial gap. If this isn’t enough of a radical step, Enfield Council has also given Aditya Chakraborty, Economics Lead Writer for the Guardian and Enfield resident, access to the authority’s day-to-day operations so he can report on progress made. This has since been coined “The Enfield Experiment”.

The Centre of Research for Economic

and Social Change (CRESC) has been working with Enfield Council to scope out projects, programmes and new ways of working which build on LBE’s strengths to stimulate the local economy. Two key strands to this initiative are the integration of local businesses into the wider supply chain and the establishment by the authority of its own businesses including market gardening, an energy company and a local housing company.

Garden Enfield (market gardening)

Enfield has a rich heritage in the food growing industry. Glasshouse production in the Lee Valley peaked in the 1960s, primarily growing salad crops

destined for Covent Garden Market. At that time there were 1,200 acres of growing under glass in the borough but this has shrunk to 300 acres in recent years. However, Enfield Council believes that investing a little time and money in this economically and environmentally sustainable industry could have huge long term benefits for the local economy.

As a result, Enfield Council has established the Garden Enfield project, supported by £600,000 funding from the Greater London Authority (GLA). Some of the initiatives that form part of this market gardening project are based at Forty Hall Farm, which is owned by the Council and managed by Capel Manor College. This includes a 5 acre organic vegetable growing project which has created 2 jobs, 2 apprenticeships and involves over 50 volunteers. A vegetable box selling scheme was also launched in November 2013, branded The Enfield Veg Co. This already has a customer base of 50 households. In addition, we are encouraging schools to get involved and 'grow their own', by providing them with bespoke growing equipment to suit their ambition and space requirements. So far, nearly 300 children have taken part and the next phase will expand to a further 10 schools.

Garden Enfield has also developed a Centre of Excellence, with Forty Hall Farm taking a lead, which is planning to introduce new and innovative green technologies in the new market garden.

Commercial growing forms another part of the Garden Enfield story with a 10 acre growing site being established with plans to scale up to 50 acres in due course.

Enfield is part of the Lee Valley Food Task Force, which seeks to link growing opportunities across the region and involves Broxbourne, Epping Forest, Waltham Forest and Hertfordshire Council plus private sector growers and the Lee Valley Regional Park Authority.

Energy company

As part of the overall Energy Company Obligation (ECO), Enfield Council has a number of initiatives. Back in

autumn 2013 LBE agreed to work with British Gas to deliver a major energy efficiency improvement programme for council homes. ECO is an obligation on big energy companies with more than 250,000 customers to help fund energy improvements for properties that are difficult to insulate, and for vulnerable residents on low incomes. The government has tailored ECO to target residents on low incomes, areas of deprivation and hard-to-treat properties. Energy efficiency measures that can be installed under ECO vary from boiler replacements to insulation works such as loft, cavity and solid wall insulation.

The arrangement between British Gas and Enfield Council sees Scott House and 300 of the poorest households benefit from measures that reduce their energy bills and help tackle fuel poverty. Estimates indicate that the resulting increased energy efficiency in these households should reduce residents' fuel bills by around 40%, or up to £400 per year.

The scheme at Scott House, a 101 flat block in Edmonton, provides wall and roof insulation, double glazing and switches this tower block's current oil powered boiler to a more economical gas one. The council is also developing a further phase of improvements to council homes and a pilot project for private sector homes.

Enfield Council's 'Retrofit London' funding bid to the GLA's European Regional Development Fund (ERDF) 2006-13 programme was successful and secured £525,000 in ERDF funds. LBE is the lead partner in the Retrofit London project, working in partnership with: LB Haringey, LB Waltham Forest, LB Lewisham, Enterprise Enfield and North London Chamber of Commerce. The Retrofit London project will support 175 local SMEs based in the 4 partner boroughs, delivering 12 hours of business advice & support to enable local businesses to access new market opportunities driven by carbon reduction and energy saving agenda.

This project has been developed following dialogue with the big 6 energy companies and local SMEs and has been designed to address barriers

faced by SMEs when trying to access energy saving markets. The project was launched in July 2014 and end on 31st December 2015. It will sustain 35 existing jobs, create 25 new jobs, achieve sales of £900,000 for SMEs in new markets and enable 20 SMEs to secure PAS203 installer registration.

Barnet and Southgate College has also been supported to develop and launch solid wall insulation training for unemployed Enfield residents.

Enfield has also been participating in the RE:FIT programme with an initial £1.7m phase encompassing 3 corporate buildings and 11 schools. Following a mini-competition within the RE:FIT Framework Energy Service Companies (ESCos), Johnson Controls Global Energy Solutions was appointed as preferred supplier in December 2012. The ESCo developed an Investment Grade Proposal (IGP) for each building, which fully identifies the energy savings that can be achieved and the specific measures that will be installed.

The installation of the energy conservation measures started in July 2013 and finished in March 2014. The Council will save 21% of its annual energy consumption through RE:FIT on the technologies employed. This is around £240,000 per year with a payback of just 7 years.

Some of the planned energy conservation measures that have been applied across the buildings in Enfield's RE:FIT project include:

- Boiler replacement
- Photovoltaics
- Upgrades to air handling units and variable speed drives
- Low energy lighting and controls
- Chiller replacement.

In later phases the Council could use the RE:FIT Framework to improve the energy performance of additional buildings and is already using the RE:FIT Schools Programme to deliver energy savings in 2 more schools.

Delivering solutions

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Local housing company

The current housing “crisis” provides an opportunity for local government to step into a gap in the market. Enfield Council is not alone in having a current and future gap between the demand for affordable rented housing and its supply. Not only does this fulfil the authority’s obligations to its residents, but it offers up an opportunity for the authority to help localise the ownership, provision, and management of the housing stock. Much has been made of the return of the private rented sector (PRS) also known as “build to let” as opposed to “buy to let”. The government is very supportive of PRS and the traditional institutional investors appear to be supporting the sector and establishing specialist fund management teams.

So how does it get started? Initially it is a modest investment to purchase existing stock which is then rented out followed by larger scale development plans, potentially with partners.

Again, Enfield Council is not alone in this venture. Other authorities up and down the country appear to be following similar paths but are starting from different base points. Some authorities have left themselves with little stock under direct control and in other places the yield profile between vacant possession value and rental levels makes the proposition unviable. Enfield appears to be an area where the ratio works.

The nature of the development programme is still being scoped

but Enfield benefits from having an ambitious regeneration programme of mixed development, including housing, where the 2 initiatives can be dovetailed.

Conclusion

These are just 3 themes which Enfield currently has underway which reflect a new attitude and approach to council business. Not only are they innovative, but they demonstrate that, despite cuts to local government, the authority can still make a difference to lives of its residents and wider stakeholders.

If you want to see the above from the Guardian perspective the link is <http://www.theguardian.com/cities/series/the-enfield-experiment>

This is an outline of the report prepared by the Task and Finish Group, published in May 2014. It can be found at https://www.atcm.org/policy_practice/future_high_streets_forum/fhsfreport1-good_leadership-great_high_streets - Editor.

GOOD LEADERSHIP: GREAT HIGH STREETS

Future High Streets Forum

Introduction

Task and Finish Group One has a broad membership drawn from the parties represented on the Future High Streets Forum, including retailers, industry bodies, local government and subject experts. The Group has a remit to review and understand leadership on the High Street using the existing Portas Pilot Towns.

After 4 study visits to Portas Pilot Towns, the Group gathered information on planning; strategies and tactics that have worked well; activities which have not worked, availability of funding streams; and the make-up of the wider Town Team Partners. This has led them to recommend a model for good leadership and local visioning that contains appropriate steps to

establish strong partnerships, with a focus on local delivery. This model could be promoted as a template for Town Teams and beyond to follow, with the understanding that this is a framework still requiring strong leadership at the local level to be truly successful and sustainable.

Methodology

Bedminster, Dartford, Rotherham and Sydenham were selected for study visits and focused on answering a series of questions, including:

- Who is providing leadership and direction for the Pilot?
- How engaged is the Pilot with support from the Association of Town & City Management (ATCM) and Business in The Community (BiTC)?

- What, if any, medium and long terms plans are in place for the Pilot?
- How do these reflect your vision for the future of the town?
- Who are the key stakeholders and what is their level of engagement?
- What structure and functional “way of working” have you established?
- What are the main funding sources for the group?
- Have you identified other funding streams to support and sustain future activity?
- What are the key successes achieved to date?

- How do you reach out to local business and other key stakeholder groups?
- Are there any areas of concern to be flagged?

The report includes case studies from the study visits.

Common themes from the study visits

Four common themes emerged from the study visits relating to the eventual perceived success of each Portas Pilot:

Local authority engagement - In successful pilots, there is clear and demonstrable ownership and often tangible support from the local authority. Where the wellbeing of the town centre is at the forefront of local government policy, results are often seen sooner than elsewhere. This is due to their license to act and support local groups delivering local action plans. They can also take a holistic view of Town Team objectives and try to link them into wider development aims for the area to generate increased return on investment benefits; this includes linking Town Team work into existing local, neighbourhood and regional plans and ensuring work complements shared objectives. Close partnership working between Town Teams and local government is clearly an essential ingredient for successful, sustainable town centres

Sustainable funding - While the DCLG grant to Portas Pilots has provided great seed capital and successful towns have gone on to realise money from other sources, it has also ironically blinded many groups to longer term, systemic planning, which would have a much greater impact on making the town a better place to live, work and visit. Several Portas Pilots are beginning to consider their legacy, but not all are in a position to do so yet

Establishing and communicating a shared local vision - These towns are hindered by the current lack of defining and measuring success and a means of

sharing learning successes from pilots to allow other towns to replicate similar initiatives

Entrepreneurial spirit - Great examples often focus on a community hub, a pop-up shop or a new market. This entrepreneurial spirit is an essential component of any Town Team as it allows the group to expand in new, exciting and locally relevant directions. A policy environment where this entrepreneurialism is encouraged and facilitated is required to underpin this, again showcasing the important role of local and national government.

The Plan-Do-Review model for town centres

The model for good leadership for high streets and town centres is a 4-step model for carrying out change and should be repeated regularly for continuous improvement.

A shared vision

- Identify and define a local partnership to support the socio-cultural, environmental and economic wellbeing of the town
- Appoint a leader to oversee the local partnership
- Local partnership to develop a shared vision and a town baseline for the next 5 to 10 years

Town strategy and action plan

- Develop a town strategy to establish why and how the town will respond to the needs of the 24 hour economy, digital opportunities, and its role as a socio-cultural hub
- Produce an associated action plan outlining what is to be delivered and the impact measures
- Publish timescales for delivery (typically 0 to 5 years)

Delivering Action

- Action plan is delivered through expert teams

- Local authority commitment to invest in regeneration for growth
- Sustainable funding and appropriate resources are required to be effective

Data gathering

- Conduct an annual review of the 'facts' to determine what benefit was realised
- Qualitative and quantitative data needed for a full picture

Review & communicate

- Dialogue with key stakeholders establishes insight
- Revise the town strategy and action plans where required
- Communicate and celebrate successes.

Recommendations

This report and the recommendations seek to build upon the work done following the identification and successes of the Portas Pilot Towns. From an extensive review of the original pilots, it is clear that there are common factors for success in each of the towns and common areas that have been problematic. Adoption of these recommendations will support the delivery of more successful towns and high streets in the UK.

It is recommended that the 'Plan-Do-Review Model for town centres' be recognised as best practice for managing town centres in the UK. The presence of a structure (be it a BID, local partnership, town centre management group or Town Team) is a key community asset in bringing local businesses, communities and public sector representatives together to help develop a common vision for the future projects that support that vision. The model sets clear steps for any location to follow.

The 'Plan-Do-Review Model for town centres' has been adopted by several Portas Pilots and Town Teams, and is

being supported by the Association of Town & City Management. Business in The Community (BiTC) is supporting high streets through their business network and the Healthy High Street Campaign, designed to roll out a package of support for 100 locations to help reduce vacancy rates, increase footfall and create jobs.

Future High Streets Forum, in their capacity as town centre stakeholders,

be encouraged to offer further support to aid the development of local partnerships. This could be by releasing local staff to work with groups, or in the case of the Local Government Association, helping to ensure public and private sectors join together effectively. ATCM and BiTC are well-placed to help match local groups with support from partners both inside and beyond the Future High Streets Forum.

We recommend that an online resource is set up to provide high quality current information on how to help high streets and town centres, support sharing best practice and provide an interactive forum. Work is now underway to develop this tool primarily using resource from the ATCM, supported by DCLG and the online resource should be available towards the middle of 2014.



MARKETS - A CATALYST FOR REGENERATING TOWN AND CITY CENTRES

Ken Greig and Nigel Stephenson

Ken Greig and Nigel Stephenson founded architectural practice Greig & Stephenson in 1994 which works primarily in the retail sector ken@gands.co.uk nigel@gands.co.uk,



At the conclusion of Love Your Local Market Week in May, Brandon Lewis, the government minister for High Streets and Markets proudly announced that this UK initiative in future years would also be happening across Europe.

A memorandum of understanding was signed at a House of Commons reception with co-signatories including the National Association of British Market Authorities, the World Union of Wholesale Markets, URBACT markets and Market Operators Groupe Geraud who deliver over 2,500 markets across Europe each week.

The agreement meant that members will work to promote retail and wholesale markets in different ways, share experience and knowledge to benefit the wider markets industry, and bring a higher profile to their local markets.

As far as the UK is concerned, it is the market sector's response to the highly publicised concerns shown regarding the rise of out of town superstores, the

rapid growth of online shopping and the impact it is having on Britain's high streets.

In an interview last year with Market Stall magazine, Anne Coffey, MP, Chair of the All Party Parliamentary Markets Group stated clearly: "I think we've now got an understanding at the centre of government how important markets are in the regeneration of town centres in a way that there wasn't before."

Of course our failing high streets were controversially highlighted by Mary Portas in her review on the Future of High Streets in 2011 where she highlighted the need to put the heart back into the centre of our towns, re-imagining them as destinations for socialising, culture, health, wellbeing, creativity and learning. "Places that will develop and sustain new and existing markets and businesses," she said. "Markets are a fantastic way to bring a town to life. There's a market for all of us. From a bustling 'roll up, roll up' veggie market to a thriving organic middle-

This article provides a practical insight into the valuable role that markets can play in town centre economies and how we can make the most of them, citing London and Leicester as good models.

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class farmers' market," added Portas.

But the decline of the traditional market had attracted the attention of government well before the Portas report. In 2009 the House of Commons and the Department of Communities and Local Government produced a report which highlighted evidence of prolonged decline but said there was scope for optimism for the future provided that local authorities and other key stakeholders were prepared to invest in them and they commended councils such as Bradford, Bolton and Leicester who had already taken steps to increase and sustain investment in their markets.

In terms of regeneration, the report made the important point that markets offer a range of non-economic benefits. It said that markets help to bring communities together and act as a social focus that fosters a shared identity helping to create a town's character. Markets also have a role to play in promoting local and national agendas around regeneration, health and the environment.

The report pointed to local authority and industry 'own goals' such as a failure to invest so that markets are enhanced in line with customer expectations, poor planning decisions which have sidelined some markets, poor management and a reluctance to adapt to change.

Two areas that it highlighted were finance and management. In a written response to the DCLG's inquiry into traditional retail markets Georg Nicholson, Secretary of the National Retail Planning Forum, said that historically there had been a dedicated markets committee and staffing within most local authorities but latterly these had been merged into much larger and more generic committees. He added "markets have also lost any direct professional management oversight. In addition surpluses – where made – are usually absorbed in wider council finances and are not reinvested in the markets concerned. The net effect of all of this is that markets could have been said to have disappeared 'off the radar' of the public policy agenda in recent years."

The NRPF report suggested that there had been a recent trend - encouraged by central government – to view markets as simply part of the wider property portfolio of an authority. "Markets are of course of their very nature a place where space is rented out in different ways. But in viewing a market and the spaces within it as simply a property portfolio or in the context of the rental structure of the town within which they are located, we run the risk of misunderstanding the nature of a market or pricing out existing traders."

At about the same time as the DCLG inquiry, another report produced by the Retail Markets Alliance, called Markets21, concluded that "if significant change does not materialise quickly,



it is not unreasonable to suggest that somewhere between 20-25% of current markets will close within the next decade."

But a combination of the markets industry taking a much closer look as to how it can revive the sector, together with the DCLG and its recommendations coming into effect, has created a much greater climate of optimism within the last 2 or 3 years. This has culminated in government appointing Brandon Lewis as the High Streets and Markets minister and the National Association of British Markets Authorities, the UK's leading market body, launching the Love Your Own Market week which this year saw over 900 markets participate with 7,000 separate events taking place.

There is finally a realisation that the markets sector forms part of the wider



retailing industry which by its very nature is dynamic and is always having to reinvent itself. Just as the most recent generation of shopping centres are looking tired and are starting to go through their first refurbishment cycle, so traditional markets have to look at doing the same.

The retail buzzword these days is about increasing dwell time and with the threat of online shopping, the owners of shopping centres have to find ways of attracting customers and keeping them there which is where leisure comes in. And markets are no different; in order to survive and thrive they have to make them destinations where the offer has to be more than just selling fresh meats, fruit and veg.

As the majority of indoor and outdoor markets are still owned by local

authorities this means that their property departments have to look at doing more than collecting the rents from the stallholders once a week. So they either have to apprise themselves of latest retail trends and how to put them into practice or they have to subcontract it to markets operators such as Groupe Geraud.

Ideally local authorities have to get back to recognising markets as property assets which need to be managed properly but in some cases this will be difficult because over the last 20-30 years many of them have drastically cut costs and lost that estate management expertise. In many cases the properties they owned that housed the markets have been sold off to the private sector but where they still own them they will need to have the requisite expertise with the vision that enables them to create a sense of identity and space.

The benchmark for market repositioning is Borough Market in London which has become a food lovers' destination and is one of the top 10 tourist attractions in London. Over a 15 year period the market has reinvented itself from being a failing wholesale fruit and veg market to being a consumer market that sells the very best in speciality foods and has attracted around it restaurants, bars and coffee shops.

Typically, markets that have not been renovated maybe deficient in a number of ways, namely lay-out, health and safety, signage, connectivity with the surrounding area, and the market environment.

Lack of market porosity is a common drawback of many traditional markets. At Borough Market one of the first tasks was to create a master plan to improve circulation at the market creating additional entry points. Often markets are laid out in a rectangular grid pattern which prevents customers moving smoothly between aisles and this can be alleviated by creating diagonal aisles.

At Borough Market, as well as reconfiguring the layout of the market stalls – and providing a range of stall sizes that improve sight lines for visitors – a whole new square was created as an

additional attraction which can be used for events and 'temporary trading stalls' at busy times and weekends.

There is much discussion in modern shopping centres about increasing dwell time and this applies, equally, to properly run markets which can increase turnover by giving customers reason to stay a while. This is achieved by providing additional facilities such as restaurants and coffee shops or organising cooking demonstrations or bake-offs. Positioning of these leisure offers around and in the market area needs proper design and master planning together with a market ownership that has retail vision.

Refurbishment of market buildings requires detailed attention to the internal environment. Shoppers do not wish to walk around in dingy, unhygienic conditions and therefore good lighting is a priority – with LED lighting now being the preference over strip lighting. Further, good lighting will show colourful market produce off to its best effect.

Strong market management is a prerequisite, down to details such as how stall holders decorate their stalls, ensuring a consistent quality of signage and display. Local authorities or private companies who own town centre markets should be considering their upgrading strategies which if undertaken professionally and with a proper retail eye will produce dividends and act as a major contributor to town centre rejuvenation.

Case study – Leicester food market

A new food hall at Leicester's historic market opened its doors on Friday (23 May), providing a bright and airy space for the sale of fresh meat, fish and cheese. Developed by Leicester City Council, the contemporary glass, steel and timber building is lightly connected to the market's 19th century Corn Exchange by a glazed roof.

Complementing the outdoor market that's been at the heart of Leicester for more than 700 years, the food hall sells fresh meat, fish, seafood, game and poultry, as well as artisan cheese, fresh bread, cooked meats, olives and other delicatessen produce.

"We all know that Leicester Market is one of the city's treasures," said City Mayor Peter Soulsby. "I hope that the new food hall and the other improvements we're making over the next 12 months will help it realise its huge potential – attracting both shoppers and visitors to the market, while encouraging the regeneration of the shops and buildings in the conservation area that surrounds it."

Architects Greig & Stephenson – who specialise in market design – were asked to come up with a masterplan that would increase footfall through the market and improve its links to the city's main shopping areas. Their design for the new food hall features a timber ceiling under a curved zinc roof – and a glazed façade that floods the building with natural light that helps strengthen the visual connections between the new





Another objective is healthy eating with food sourced locally and the markets management is very focused on improving the quality of the hot food offer and refreshments. They are keen, also, to participate on the educational side and have set up a Food Enterprise Workshop teaching start-up companies and individuals what they need to do to establish a food business including food hygiene, legislation and financing of an enterprise.

public realm, the built environment, and the outdoor market.

The opening of the new food hall marks the completion of the first phase of the council's £9.2m redevelopment of Leicester Market. Phase 2 will get under way in the summer, with the demolition of a 1970s market hall and the creation, in its place, of a major new open space, framed by heritage buildings.

The plans for Leicester Market are part of the City Mayor's Connecting Leicester project: a major programme of investment that's creating better pedestrian links between the city's historic areas and its modern retail core.

Mike Dalzell, head of economic regeneration at Leicester City Council, says: "We are trying to create a better leisure and visitor experience." He points out that the £9.2m cost has been financed through the council's resources apart from £1.9m which comes from the European Regional Development Fund that is specifically for public realm projects.

Dalzell makes clear that it isn't about increasing rents from traders. "In the longer term we would expect to see

some rental growth from the food traders, but this will be a gentle uplift phased over 3 years." However, he is clear that this is about improving Leicester City centre as a whole and that economic regeneration plays an important part. "We are collecting a baseline of information about the properties surrounding the market and we will use that to track the impact of our investment with an expectation that there will be an increase in property values and ultimately business rates."

The success of the scheme relies on the building owners improving their properties. "We have got incentives and have a fund allocated for owners to improve their building facades. For example there is the old Odeon building which is badly in need of repair and is currently being looked at by a developer for a prospective residential scheme," adds Dalzell.

It is clear that Leicester City Council has a number of reasons for undertaking the improvements. It is looking for an increase in occupancy of the public realm space by holding more events in the city and they may have unwittingly been helped by the surprise discovery of the remains of King Richard III.

The council is trying to broaden the appeal of the market square area for all age groups. Encouragingly the food hall has only been open a month but it has found that there is a whole new demographic, which is interested in the quality and sourcing of food and is now coming to shop there.

Creating employment opportunities for young people is another concern and Dalzell acknowledges that markets have traditionally been a great way of setting up a business at a relatively low cost. "It would be sad if that was lost, Dunelm, the interior furnishings business, was set up in Leicester market and now it is a multi-million pound business," he acknowledges.

The Greig and Stephenson website is www.gands.co.uk





TRANSPARENCY AGENDA – INTERIM NOTE

David Bentley

David is Head of Asset Management for CIPFA Property david.bentley@cipfa.org.uk

AMP Network members received in May 2014 an updated note of the latest proposals by government. This is the Editor's brief note taken from David's, as further guidance is awaited from DCLG. Thanks to David and CIPFA for allowing me to précis his work. Any mistakes and omissions are those of the Editor. The AMP Network will continue to cover this important topic. For more details please contact Denise.edwards@cipfa.org or phone 01244 399699.

1st May saw the publication of the 'Local government transparency code 2014'. The document (together with the accompanying 'Frequently Asked Questions' paper) sets out the minimum data that local authorities should be publishing, the frequency it should be published and how it should be published.

While this document is intended to provide the final requirements for authorities to implement, there are still some outstanding queries and clarifications that are required.

The actual proposals and frequently asked questions paper can be obtained from:

<https://www.gov.uk/government/publications/local-government-transparency-code-2014>

The property attributes are part of a much wider drive to help cut council waste and increase local accountability. The Transparency Code applies, inter

alia, to local authorities, national park and fire authorities.

The code states that 'Public data should be as accurate as possible at first publication' but 'the publication of information should not be unduly delayed to rectify mistakes. Where errors in public data are discovered, or files are changed for other reasons (such as omissions), local authorities should publish revised information making it clear where and how there has been an amendment. Metadata on data.gov.uk should be amended accordingly'.

Property attributes

Property attributes must be provided on an annual basis as a minimum requirement. Authorities may choose to publish more frequently than this as recommended by the code but this is not mandatory. They must be published within 12 months of the Code becoming mandatory (i.e. when the Parliamentary process to make part 2 of the Code mandatory has been completed). At the time of writing this has not been achieved.

Local authorities must publish details of all land and building assets including:

- all service and office properties occupied or controlled by user bodies, both freehold and leasehold
- any properties occupied or run under Private Finance Initiative

contracts

- all other properties they own or use, for example, hostels, laboratories, investment properties and depots
- garages unless rented as part of a housing tenancy agreement
- surplus, sublet or vacant properties
- undeveloped land
- serviced or temporary offices where contractual or actual occupation exceeds 3 months, and
- all future commitments, eg under agreement for lease, from when the contractual commitment is made.

Exclusions are as follows:

- social housing
- rent free properties provided by traders (such as information booths in public places or ports)
- operational railways and canals
- operational public highways (but any adjoining land not subject to public rights should be included)
- assets of national security
- information deemed inappropriate

for public access as a result of data protection and/or disclosure controls (e.g. such as refuge houses).

The above categories are exactly the same as the December 2013 consultation, the only change being that reference to the Office of Government Commerce guidance 08/05 included previously has been omitted from this final version. The 'mandatory' and 'recommended' property attributes again are identical to the consultation.

For each land or building asset, the following information **must be published** together in one place:

- Unique Property Reference Number
- Unique Asset ID - the local reference identifier used by the local body, sometimes known as local name or building block.
- name of the building/land or both
- street number or numbers
- street name – this is the postal road address
- postal town
- United Kingdom postcode
- easting and northing (geocoding in accordance with ISO 6709 Standard Representation for Geographic Point Location by Coordinates, usually a centre point of the asset location)
- whether the local authority owns the freehold or a lease for the asset and for whichever category applies, the local authority must list all the characteristics that apply from the options given below:
 - For freehold assets – occupied by the local authority; ground leasehold; leasehold; licence; vacant
 - For leasehold assets - occupied by the local authority; ground leasehold; sub leasehold; licence

- For other assets - free text description e.g. rights of way, access etc.

- whether or not the asset is land only (i.e. without permanent buildings) or it is land with a permanent building.

Information **recommended** for publication is as follows:

- the size of the asset measured in Gross Internal Area (GIA, m²) for buildings or hectares for land, in accordance with the Royal Institution of Chartered Surveyors Code of Measuring Practice.
- the services offered from the asset using the services listed from the Effective Services Delivery government service function list <http://doc.esd.org.uk/FunctionList/1.00.html> (listing up to five main services)
- the reason for holding asset such as, it is occupied by the local authority or it is providing a service in its behalf, it is an investment property, it supports economic development (e.g. provision of small businesses or incubator space), it is surplus to the authority's requirements, it is awaiting development, it is under construction, it provides infrastructure or it is a community asset
- whether or not the asset is either one which is an asset in the authority's ownership that is listed under Part 5 Chapter 3 of the Localism Act 2011 and/or an asset which the authority is actively seeking to transfer to the community
- total building operation (revenue) costs as defined in the Corporate value for money indicators for public services at <http://www.vfmindicators.co.uk/guidance/2010-11-Estates-Management.pdf>
- required maintenance - the cost to bring the property from its present state up to the state reasonably required by the authority to deliver the service and/or to meet statu-

tory or contract obligations and maintain it at the standard.

- functional suitability rating 1-4 using the scale:
 - good – performing well and operating efficiently (supports the needs of staff and the delivery of services)
 - satisfactory – performing well but with minor problems (generally supports the needs of staff and the delivery of services)
 - poor – showing major problems and/or not operating optimally (impedes the performance of staff and/or the delivery of services)
 - unsuitable – does not support or actually impedes the delivery of services
- energy performance rating as stated on the Display Energy Certificate under the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007.

CIPFA Property comments:

CIPFA hosted a number of additional events in March to discuss the requirements. Questions raised from these events and from the AMP Network have been discussed with representatives of DCLG. There are however a number of issues where final assurance has not been given and these are subject to further clarification which CIPFA hopes to get at a joint meeting with DCLG and other key stakeholders which was programmed for mid-June.

Questions from the AMP Network and responses received from DCLG

1. Houses occupied under condition of service contract i.e. school caretaker's house. Are these included or excluded as social housing?

Answer – These should be included if they are part of the school arrangement

and not as a separate social housing agreement. However you could simply state that the school site includes a dwelling

2. Parks – one authority's legal advice has suggested these could be classified as highways although we are assuming all parks should be included

Answer – Yes all parks should be included

3. A freehold owned by the authority, let on a 999 year ground lease to a church. The building was owned by the church, and the council has no interest in it or any knowledge of building details. Should this be included?

Answer – The authority's interest should be included on that basis

4. A church school where the council owns the playing field, and the church owns the school building which is used for educational purposes, but the council has no legal interest in the building. How should this be recorded?

Answer – Only the authority's interest should be included. If not covered by any of the suggested transparency categories an explanation for the land (i.e. the council's interest) could be explained in free text

5. VA & RC schools – do the buildings need to be in the list? Will this change if CIPFA/LASAAC decides to bring such assets onto the balance sheet?

Answer – These should be included only where there is a property interest

6. Council land being used to site clothing banks being provided under contract. This involves land outside council retail units, or on edge of car parks (not highway land). Should this be included?

Answer – Yes, these should be included using free text if necessary

7. Future agreement/contractual

terms on land not in council ownership, eg option to acquire land in future. Should these be included?

Answer - Exclude

8. Not all land has an NLPG reference (is it ok that this field would be just left blank?)

Answer – Yes, leave blank if no reference

9. Services offered from the building - is it the high level function list (13 categories) referenced at service group level, rather than the detailed full Service List

Answer – Yes

10. There was confusion from some delegates over interpretation of the legal ownership categories (the 9th mandatory attribute) and whether the suggested categories cover every possible option

Answer - If the list doesn't cover expand with free text

11. Does the attribute list need to include long leasehold flats sold under right to buy?

Answer - No

12. Direct communications from Ordnance Survey state that publication of the attributes in a searchable list, that includes eastings & northings and other attributes, will be a breach of the PSMA licence. Can you investigate and let us know what the formal position is?

Answer – The answer that has been provided by DCLG to this question and other licensing issues relating to Ordnance Survey data is as set out below. However this has still caused some queries within authorities who tell us they are getting mixed messages from local contacts. This is one of the issues we hope to resolve in the future meeting with DCLG and stakeholders

"In relation to Ordnance Survey data (including Royal Mail data where licensed as part of an Ordnance Survey address-

ing dataset), Local Authorities can use Ordnance Survey data if they have a Public Sector Mapping Agreement (PSMA) Member Licence. These licences are paid for by the Department for Business Innovation and Skills and are free at the point of use for local authorities who can apply for a licence by emailing psma@ordnancesurvey.co.uk. Full details of how data may be shared and published by the licensee are included in Appendix 1 to the PSMA Member Licence, which is available via the link on this page: <http://www.ordnancesurvey.co.uk/business-and-government/help-and-support/public-sector/guidance/licences.html>. Additional guidance is available via: <http://www.ordnancesurvey.co.uk/business-and-government/help-and-support/public-sector/guidance/index.html>"

13. Further guidance on allotments and garages. CIPFA Property's view is use discretion i.e. list an allotment site, or a garage block not individual tenancies

Answer – This is a sensible interpretation, individual allotments plots would be impractical as would individual garages.

And Finally.....

While there are still some points of detail still to be clarified, the broad components of the 'mandatory' and 'recommended' property attributes are clear and authorities should be actively gearing up to publish the data next year in the required format. There is some element of interpretation that could be applied in some areas and we would encourage authorities to take a pragmatic approach to ensure that they publish data to accord with the principles of the Transparency agenda.



SMART CITIES: DEVELOPMENTS FROM LEEDS

Brian Ablett

Having spent his career working as a civil servant, Brian decided a change was due and now works for Leeds City Council. For 2014 he is working solely on Smart Cities policies within ICT and the Economic Development Service, bringing the property perspective to the work. He was Chair of the North East Branch, 2009-11.

This article features another public sector innovation, where an ACES member is at the forefront in extending the requirements of the Transparency Code (featured in this Terrier). Brian outlines ideas being progressed in Leeds in a light-hearted style – but the potential of this work is anything but light-hearted.

One of the interesting things about Smart Cities policy is that it is being developed by cities rather than their national governments. This largely derives from the way cities find their populations to be increasing, and rapidly, and need very quickly to find the means to meet the needs of their citizens while financial resources are tight.

So, what is happening in Leeds? Well, like many UK local authorities, the income from central government to the authority is reducing, and smartly, and there is a compelling need to identify alternative means to do things. How we have done things hitherto won't necessarily be a pointer to the future. And we will need to be far more integrated across public agencies to resolve requirements, this becoming the new business-as-usual. This will, in varying ways, involve the property professionals in public bodies and will mean that an appetite for deploying core professional skills into new policy areas will be essential; simply remaining contained within defined property teams may no longer seem the best way of operating.

As a first step, we have in place a Smart Cities team comprising, well, just me at present, and I report into our ICT and economic development business areas. And sometimes, directly to the Chief Executive for whom this is an immediate priority.

An early decision was to support emerging developments in the policy architecture in this field. Leeds (ok, just me) worked with government Departments, particularly Business Innovation and Skills (BIS), to be sure our views were heard; far better to influence what is to happen than simply to react later. A suite of documents was commissioned by BIS from the British Standards Institute to try to pin down what is meant by "smart cities"; google the term and around 55,800,000 results are found! I was a member of the national steering group that produced PAS 181: 2014 : Smart City Framework. Google this and you get one result. Follow the link and you reach an 11 page executive summary. So, read it and you can see how to develop your city to become Smart. Easy! Implementing it is rather more difficult.

October 2013 saw a soft re-launch of the policy by BIS and the establishment of the Ministers' Smart Cities Forum. Two Ministers means it is serious; they are considering where the UK can make a difference in both domestic and overseas opportunities. BIS asked Arup to look at the global market for smart cities products and services; a

figure of over £400bn, much the most conservative, was given and the UK is thought to be good for at least 10% of the total. Understanding this, using the council's own procurement to develop better our local supply chains, just might be a way to help companies to see the potential for exporting and getting a share of that huge sum. Already enquiries come from cities looking to the UK to try to understand how we manage to be 80% urbanised yet continue to function; some countries are at 50% but expect to be 75% urbanised in the next 25 years.

Working your way into the fog of the Smart Cities agenda isn't straightforward. Simply responding with "I have no idea" seems reasonable to me but, when said for a second time, somehow comes over as a little lacking in imagination. Better, though, is to ask where one might make a start and then to do so. Allowing that I am mixing amongst a loose knit community of engaged but non-surveyors, there were varied and competing proposals put forward.

But, surveyors have one thing in common. We all float on a vast sea of data; it pervades everything we do and, to a degree, say and influences many of the authority's policies we support. So the establishment of a data platform seemed an urgent initial step to take and certainly the first one for Leeds. However, during 2012 the Technology Strategy Board ran a competition

for cities; while 29 secured funds for feasibility studies, including Leeds, we didn't win, and didn't get the first prize of £24m nor a consolation prize of around £2m.

Yet not winning a huge bag of central government funding means Leeds is far more similar to cities around the world; we have to find, and fund, our own way to being Smart and puzzle out our own priorities. Getting a prototype data platform started meant asking colleagues to drop money into the corporate hat and doing the best we could. The Leeds Data Mill (satanic, pepper, wind, water etc) is now to be found (<http://www.leedsdatamill.org>) as the place where Leeds as a council will publish all its data – meaning everything that may be discovered through a Freedom of Information Act enquiry, but nothing of a personal nature. A number of authorities have data platforms, and some are very good, but only a few have similar aspirations to be places where any organisation may publish data. To tell the story of a city means, ideally, all organisations put their data in the same place; Yorkshire Water has some data there already and we want the Third Sector also to put data onto the Mill (ok, t'Mill). We have plans to increase the size of the Mill very significantly during 2014.

Why do this? It is said that 75% of enquiries to such data platforms come from the very organisations that have placed it there. Again, why so? Because people collect and maintain data sets for particular purposes yet don't mention what they have to colleagues. No organisation has a full data base of data bases, none. For the first time you find out really interesting things. Having the data in a single place allows it to be quickly cross cut, and at will, to develop new insights. For example, we have published the whole of the Rating List; the first win is that we no longer have to respond to Rating Fols.as we've already given out everything. But we have also published our city centre footfall data. This records, by the hour, the numbers of people passing one of 12 points and this is an unbroken series for 10 years. These are immediately interesting to rating and rent review surveyors. What becomes apparent is that the Mill works better with more numerous and diverse

data sets; new stories can be told by this means and the answer is "yes", we'll take the lot.

The second task arose from discussions with the private sector. In short, you also need a physical place for people to work and meet and to encourage chance conversations. We supported the creation of the Leeds Node of the Open Data Institute (<http://theodi.org/nodes/leeds>) as a city region level undertaking, in part, to encourage creativity. Following tea at my office of choice, Le Chalet, (<http://le-chalet.co.uk>) [Ed – it looks very nice Brian] with colleagues from Bradford, it too is now a Founder Member, along with Arup and a number of private sector bodies. All early days but with an expectation for others to join; creativity is a form of vested self-interest and we need these opportunities to succeed, but there have already been results.

Three further areas are being worked up. First, the Ministers' SC Forum has a number of groups looking at issues – transport, energy and for Leeds, Health and Wellbeing. Put bleakly, if we don't find the means to put right what was got wrong in 1948 (when the NHS was established) then we may find it impossible to afford to care for increasing numbers of elderly people, but also younger people who are already obese and developing, right now, diabetes, the treatment of which could also prove to be unaffordable. Data crunchers are finding new patterns that will interest property people. They have a clear understanding as to exactly how long it would take, following the closure (and no doubt, disposal) of a community facility, for the same people to end up in A & E at the nearest hospital (about 6 months). So, holistic planning across public bodies with the needs of the patient firmly first will most likely turn out to be the least costly method overall for the public purse. We are charged with making recommendations to government by the autumn, so thinking caps on.

A good deal of my effort is expended with a colleague who is our Head of Sustainability. In Leeds, we're considering issues at the city-portfolio scale. How can the city secure energy

for the city centre at lower costs than at present? Using our energy-from-waste plant is the intention but to install a District Heating System from scratch is prohibitively expensive. Two thoughts flow from this: firstly, that it is incredibly expensive to dig a trench; and that it then seems an act of perversity simply to back-fill it later. So, can we have a trench-conduit facility to permit other services to be installed subsequently? Just at the moment, I don't know; however, if we can then maybe it will be possible to develop a funding model attractive to pension funds since you could turn the trench into a revenue earning utility. Perhaps!

A Leeds based company (CITU) is developing passiv haus homes in central Sheffield (http://en.wikipedia.org/wiki/Passive_house). The impressive thing to me, among very many impressive features, is that I gather the build price per square metre for these homes is lower than local authorities have achieved thus far for traditional council houses. This points the way to the elimination of fuel poverty since neither a heating boiler nor cooling system is required. Perhaps for the first time since the Babylonians invented the concept of the city, we have the possibility of decent houses that are, from the outset, affordable and properly designed. So, colleagues are to hot-foot it down to Sheffield to see some of the houses for themselves. Better is that the possibility that the specification for new publically funded houses could set the standard for all housing in Leeds if we can puzzle out how to achieve this. The Sheffield houses are all individually connected with fibre optic cables since there seemed no point in stinting on the wrong things. Can we do all this? Well, possibly, but this one seems perfectly do-able.

So, what next? Well, we're in about month 6 of a 15 year journey. We need to permit ourselves to make mistakes, or to learn from others and certainly to share with colleagues where we can. Some things are already clear; getting the input and support from others, from Whitehall and the private sector, and the third sector, shows that a team effort is needed because you can't succeed without them. We have

ideas around crowd sourcing: asking open questions on the Mill will certainly bring interesting responses, some good others less so. Developing an app to crowd source information about non-council assets in the public realm will be interesting, too, linking up the selfie, social media and pulling this into new data bases. What about taking this further into other asset management work? Disrepairs to council buildings? Finding pot holes in the roads? Or using council vehicles in new ways to survey roads periodically to monitor change and identify places for intervention? Making information available will bring

new opportunities that presently we don't see. The recent DCLG directive that local government must publish all the information it has about every property or piece of land will be interesting; whatever will people do with this? And what will we do with it?

Simply because I don't know the answers to, well, pretty much everything in this field isn't a concern to me since there's lots of people out there who will find opportunities for all of this. Extending the work to include the other cities in the Leeds City Region, in a cooperative way, will help to speed

things up. I am wondering if perhaps we would do better if we had a joint board across 2 or 3 other public bodies; we could certainly reduce duplication.

It's too soon to draw firm conclusions but we have little appetite to turn back the hands of the clock. We believe that one of the intentions behind the huge funding cuts is to drive innovation within the public sector and we have every reason to feel confident. Certainly our predecessors were clever and creative; why should we be less so?



LOCAL AUTHORITY PROPERTY INVESTMENT STRATEGIES

Chris Parkes FRICS

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Since 2003, Chris has been lead consultant and representative for the Hertfordshire County Council (HCC) Estate Management Contract. He has over 28 years' experience in the Hertfordshire and north M25 property markets, where he has been involved in asset and strategic reviews and optional appraisals. He was awarded 'Corporate Real Estate Partner of the Year' at CoreNet Global UK's 2006 Corporate Real Estate Awards, in recognition of LSH's partnership working with HCC.

Chris presents a comprehensive picture of commercial property investment considerations, but does point out that "Traditional LA property procedures are often too slow and cumbersome to enable them to compete in a quickly moving investment market and the advantage that they might have previously enjoyed through being a 'cash buyer' is rapidly diminishing."

Continued reductions in government funding, coupled with decreased returns from cash investments is placing ever increasing pressure on local authorities (LAs) to identify new and improved sources of income.

A property investment strategy - whereby surplus capital that would otherwise be held in accounts yielding low returns is instead invested in

property to deliver an enhanced income - is one option available to LAs looking to increase their revenue.

For a large number of LAs this is nothing new. Most already hold some investment property in one form or another - whether for historic reasons (post WW2 agricultural land, 1950s/1960s built retail parades within neighbourhood housing schemes, small

1970s industrial estates created for employment generation and start up businesses etc) or created specifically as part of an overall financial strategy.

However, a significant number of LAs are currently holding outdated and underperforming portfolios which now require extensive management and additional sources of capital funding for refurbishment and re-building.



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Many portfolios need to be re-aligned through acquisitions and the sale of underperforming assets.

LAs with land holdings are increasingly looking at housing based models as a means of delivering additional housing stock while also generating an income stream. Where land is available for development or sale, consideration is again being given to geared ground rents (commonplace back in the 1970s and 1980s) in preference to outright freehold sales generating one-off capital receipts.

Increasing exposure to investment property is generally achieved through:

- i. investing in property based funds - indirect property investment
- ii. buying the freehold of individual properties - direct property investment.

As an asset class, property investment can provide a better total return (i.e. from both income and capital appreciation) than cash investments, while still maintaining a high level of security. Any rental income generated from the property benefits the LA annually, although capital appreciation will be of little direct benefit until such time as the asset is sold and a capital receipt is generated - ideally to be recycled to purchase replacement investment assets.

N.B. 'Wealth Warning' - Property values can go down as well as up!

However, the first step should be to ensure that the appropriate governance structures are in place in order to fully comply with local government finance rules and standing orders. A large number of LAs have already looked extensively at this issue and the consensus thus far is that the underlying principal of using capital to generate income is acceptable, although creating the right legal structure can be potentially challenging. [Borrowing purely to invest is not permissible within the CIPFA Treasury Management Code of Practice - there must therefore be an underlying capital finance requirement related to the level of approved capital expenditure.]

The 2011 Localism Act has also created new opportunities insofar as it introduced a new "general power of competence" to LAs - which could include the freedom to set up and hold property within a separate property investment company.

In creating the correct structure, there are several other important considerations, not least the form, size and type of investment(s) to be made and where.

Some frequent questions include:

1. Must the investment be within the LA's own administrative boundary?
 - Investing in general property funds or trusts could be UK wide, is low risk and is usually 'invisible'
 - Investing directly in a commercial property can be highly visible and, if undertaken outside of the LA boundary, while potentially more prudent in terms of spreading risk and obtaining best value, might nonetheless be perceived as negative - implying a lack of confidence with the LA's own locality and its rate payers
2. Can the investment be held purely for income producing purposes or must it also reflect regeneration/placemaking/employment needs within the locality?
 - One solution is a 2 or 3 tier approach separating those properties held purely for income from those held for development and/or wider community benefit
3. If investment is to be undertaken in conjunction with housing strategy, is this limited to social housing or can it also include the more lucrative private rented sector?
 - Should the LA be taking a 'developer risk'?
 - A joint venture (JV) or special purchaser vehicle (SPV) may be required to avoid the risk of enfranchisement of any private rented housing
4. Is the Authority limited to acquiring investments in its own right, as a separate company or as part of a joint venture?
 - In the case of a JV with a housing provider or a pension fund how is that party to be selected or procured?
5. Can a LA 'gear up' available funds in the same way that private investors do by utilizing additional mezzanine borrowing or long term finance sources?
6. Can LAs join together to create a SPV to hold and trade a range of property investments - each LA having shares that can also be traded?

Investment in housing by a housing authority is also governed by numerous rules and regulations regarding use of HRA funding and application of RTB receipts. Authorities involved in development realize the viability of schemes requires an element of either private sales and/or Private Rented Sector development. This raises issues of competence and more importantly State Aid. To overcome these constraints, authorities are establishing a JV or SPV with some more innovative authorities considering arms length wholly owned companies to deliver projects

General principles of property investment

Property has many well known risks including:

- Low liquidity and flexibility
- Greater exposure to economic, cultural and technological changes
- Over under supply within local markets (leading to unrealistic pricing)
- Physical/structural issues with buildings
- Void periods (no return but con-

tinued outgoings)

- The variability of net receipt from the asset having regard to management and other costs.

However, the advantages of property as an asset class are:

- Ownership of a tangible asset at the end of the investment (either the building or the land the building sits upon) – the ‘reversionary interest’
- Lease arrangements continue to provide one of the most secure legal contracts and therefore good surety of income
- The opportunity to negotiate more favourable terms in response to improvements in the market
- Returns average above bank interest rates.

As part of a balanced investment portfolio, property will therefore frequently sit alongside bonds in providing a relatively secure (and often low yielding) investment asset. However, for those LAs in need of enhanced revenue income this could present something of a dilemma.

The CIPFA code of practice states that the priorities for treasury management must be security, liquidity and yield in that order. This creates a challenge in that the most appropriate environment for those LAs needing to prioritise income is arguably a property investment portfolio run on a purely commercial footing - free from day to day political or service interference (although this does not mean that the LA’s investment strategy and investment criteria cannot be fully aligned to council policies).

Some typical policy considerations

- Should lettings be based on the highest (or most secure) rental achievable – rather than on which tenant/type of letting best supports LA objectives, local residents

or most closely aligns to equality and diversity objectives (e.g. community lettings policies typical of local shopping parades)?

- Are retail tenants to be allowed to sell alcohol, tobacco and ‘fast food’ – regardless of public health responsibilities - or should green-grocers and butchers to be offered ‘discounted’ rents to encourage healthy eating practices?
- Is there to be an ‘ethical’ lettings policy – occupiers of offices and industrial units may include companies (or their subsidiaries) that undertake oil exploration, animal testing or arms manufacture?
- Is the disposal of assets, upward reviews of rent, and enforcement of repairing/dilapidation obligations to be carried out without regard to local economic or tenant specific factors or concessions?
- How does the need to prioritise income sit alongside decisions relating to a retention/disposal policy within a portfolio where there are competing needs?
- What is the most effective management/decision making structure to align a ‘commercial’ approach with corporate asset management planning – or is this purely an issue of perception?

Adopting a ‘commercial’ approach does not have to mean an unethical approach – all property can be managed in a way that is sympathetic to the local area and in accordance with national and local planning policies and guidelines. However, any impositions or restrictions on uses and users or seeking to use property to drive wider social objectives will directly impact upon the ability of the authority to maximise income from its property assets.

Typical property investment criteria

Since the economic crisis which started in 2008, there has been considerable uncertainty as to the performance of traditional sectors and more generally

there has been an oversupply of property which has considerably strengthened the negotiating hand of tenants. This led to a downward pressure on rental income and increased rental/tenant concessions particularly in the retail and (grade B/C) office markets. There are signs that those concessions are now reducing and the outlook for commercial property in 2014/15 is significantly more positive than it has been for many years.

Typical criteria applied by the majority of LAs:

1. Financial benefits and considerations
 - Secure medium to long-term income (ideally 10+ years)
 - Good rental growth prospects (upward only or inflation linked rental income)
 - Ability to add to or enhance capital value
2. Location
 - Established commercial locations
 - Only within the LA boundary - providing limited scope and sometimes resulting in the LA becoming in effect a ‘special purchaser’
3. Investment Type
 - Good quality commercial property in traditional sectors (ground rents, car parks, retail, office and industrial)
 - Low management costs – long leases, secure tenants, FRI leases; not management intensive
 - Alternative sectors (residential, leisure, agricultural, medical)
4. Price and Return
 - Price underpinned by vacant possession value
 - Minimal or no repairing liability on the landlord

- Minimum initial return – usually not less than the cash returns available to the council for 3-month lending
- A return over the first 5 years of ownership at least 2% greater than cash returns available from 3-month lending
- Typical yields would be between 4% and 8%

5. Security

- Pre-let to tenants of good covenant on FRI terms (particularly public sector tenants and supermarkets)
- At least 5 years term certain
- Quality buildings and locations that are easily re-lettable or re-saleable – ‘institutional’ quality

6. Strategic value

- Where a property (including land) is of major strategic value to the Council, some of the above criteria may be relaxed, but
- Any investment should still provide a return over the first 5 years of ownership at least 1% greater than cash returns available from 3-month lending

7. Other criteria

- Where a property is for the benefit of the local community e.g. placemaking
- High quality design and environmental sustainability.

However, with the growing need to prioritise revenue income over capital appreciation the contrast in the criteria being adopted by different LAs is becoming increasingly significant:

Authority A - any commercial or industrial property within its district, let on a FRI lease and having a minimum of 10 years unexpired; reasonable covenant strength; max

£5m; yielding 6+% return

Authority B – any investment property providing a minimum 8.5% capital return – in this instance the return to be based on the Prudential borrowing level + 90 day Treasury Rate and a minimum ‘capital return’ of 3.5%. However, this level of return is now almost impossible to achieve without compromising on lease length and/or covenant strength and the LA adopting a significantly higher degree of risk.

LAs may experience significant difficulty in implementing a revised investment strategy against their newly agreed investment criteria if they have not also adopted the necessary delegations and authorisations required to sit alongside them. Traditional LA property procedures are often too slow and cumbersome to enable them to compete in a quickly moving investment market and the advantage that they might have previously enjoyed through being a ‘cash buyer’ is rapidly diminishing. A greater degree of flexibility and increased delegation is essential to give the ability to identify and transact within weeks rather than months (subject to due diligence).

Knowledge is vital to implementing an optimal property investment strategy and key steps should include:

- Identify key investment criteria
- Identify investment options, risk and return performance
- Benchmark performance of existing portfolio
- Identify options for existing portfolio
- Identify alternative investment options, return and sensitivity assessment
- Provide risk assessment.

So how is the market currently performing?

Since Q3 of 2013 there have been rapid improvements in the UK investment

market - the last 3 quarters show the highest levels of investment recorded since 2007. The all-property transactional yield is, at 6.42%, now at a 6 year low.

The major indicators suggest that 2014 will be a good year for UK commercial property, with increased investment volumes and total returns in the low teens. The economy is firmly on an upward path and the occupier markets are starting to reflect this. With debt also becoming easier to obtain, the shortage of good quality stock (for both investors and occupiers) is likely to become an increasingly significant factor in the markets.

The regional investment market is of particular significance for most LAs. Investment in commercial property outside London made up 39% of the total in Q1 2014 – the highest percentage recorded since Q3 2011. Moreover, if portfolio sales are included (the vast majority of which are for regional property) the figure goes up to 55%.

Investment volumes in the regions have also doubled from where they were 12 months ago. This is being driven in part by the increasing expense of accessing central London stock – pushing investors out into the regions in search of greater value, coupled with improvements in the occupier markets and the weight of-money being placed into property funds. This is also encouraging the institutions to return to the regional market - 75% of their total investment for Q1 2014 being in property outside Greater London.

The one note of caution is whether the current pace of expansion in the investment market is reflected in the property fundamentals, or whether investors are now running too far ahead of the occupier markets – anticipating that reductions in the availability of quality stock will serve to further push up values.

There is no doubt that the opportunities are still out there, but for regional investors in particular, local knowledge of micro-market movements and trends will be the key to success.



BRIDGING THE STRATEGIC PLANNING VOID: REAPPRAISING THE SHIFTING ROLES OF LOCAL ENTERPRISE PARTNERSHIPS

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The authors are collaborating on a study sponsored by the Royal Town Planning Institute (RTPI) – Planning for Growth: The Role of Local Enterprise Partnerships in England. The Interim Report, published earlier this year, is available online. It reviews the development of LEPs so far and analyses their role in relation to the statutory planning system. It also considers the potential of alternative strategic planning mechanisms. The research is ongoing and the authors are currently surveying the 39 LEPs in order to provide a comprehensive and up-to-date analysis of the planning roles that they may be focussing on, the challenges they face, and their ambitions for the future. The final report will include policy recommendations regarding strategic mechanisms for combining economic growth and sustainable development.

Introduction

A key element of the government's dual goal of stimulating growth and rebalancing the economy is evident in its patronage of 39 Local Enterprise Partnerships (LEPs), which are public-private voluntary entities. They represent a particular variant of 'localism': open in terms of remit and policy scope, but not given many legislative powers and resources (i.e. constrained localism). Thus statutory planning is not necessarily a major aspect of LEPs' regular concerns, although in some respects LEPs can be and are viewed as vehicles for tackling 'planning barriers'.

Almost 4 years ago, in the wake of the dismantling of regional policy machinery following the 2010 General Election, we examined the strategic

competencies of nascent LEPs, questioning whether they could fill an apparent 'strategic void'. A pragmatic stance was taken as we examined the case for LEPs to undertake some planning-related functions, which led us to draw attention to some pitfalls. [Ed – see 2012 Autumn Terrier].

The last year has seen a number of changes which together consolidate the case for some kind of sub-national strategic planning, including the deficiencies of the duty to co-operate and the government's response to Lord Heseltine's 'Growth Review' that clarified the need for LEPs to develop Strategic Economic Plans as part of a process of negotiating 'Growth Deals' (as part of a £2bn p.a. 'single' Local Growth Fund made up of a variety of largely capital programmes from a range of different Whitehall departments, in which spend

had previously been earmarked for local areas or specific projects). In addition, LEPs will perform a pivotal role in the disbursement of European Structural and Investment Fund monies for the programme period 2014-2020 and have also been charged with preparing associated strategies.

Nevertheless, LEPs, as business-led bodies, lack a statutory basis, clear democratic credentials, and any significant presence of qualified planning staff. Whereas the National Planning Policy Framework places a duty on local planning authorities to take account of the views of LEPs, a key issue is that these informal entities possess no statutory basis for directly making decisions within the formal planning system. Consequently, LEPs' relationship to the planning system is not without controversy.

With the 2015 General Election looming large, Ed Miliband and Ed Balls recently issued a letter to local leaders (including LEPs) which stated that a Labour Government would '[put] in place stronger political governance to drive economic leadership and decision-taking over a functional economic area through Combined Authorities or Economic Prosperity Boards'. A report, "Mending the Fractured State", undertaken as part of a policy review by the Labour Party by Lord Andrew Adonis, recommends giving city and county regions more powers to promote growth. It states that the existing 39 LEPs 'require significant improvement' and need to be 'rationalised where they do not reflect the geography of city and county regional economies'. But the document argues that LEPs should 'have the right of sign-off on local growth strategies and investment plans for economic development, housing, transport and skills, and the ability to scrutinise the implementation of these plans'.

These arrangements are intended to strengthen the democratic credentials of subnational governance and, in essence, would be implementing a vision of regional development, local economic development and strategic planning enshrined in Labour's Local Democracy, Economic Development and Construction Act 2009 (under

consultation for amendments at the time of writing). Irrespective of adaptations to present configurations of subnational governance, the fundamental question remains: how are we to undertake strategic planning effectively to support economic growth objectives as well as sustainable development principles? It is this question which frames the remainder of this article as we consider the prima facie evidence on the degree to which LEPs are filling the strategic void, surveying the planning roles that LEPs are undertaking.

Are LEPs filling the strategic void?

Our interim report concluded that LEPs clearly have an important strategic role in supporting investment confidence and championing economic growth, especially through their spatial priorities, support programmes and other initiatives, but that their role in the planning system and softer forms of planning remains unclear, as they lack clearly defined planning roles.

LEPs have the potential to engage in some planning matters, just as they have the potential to engage in numerous other policy domains, such as transport, tourism, economic development and business support, and housing. For example, the York, North Yorkshire and East Riding Enterprise Partnership moulds its Strategic Economic Plan to include development of the food industry and its research establishments in the area, as well as tourism and market town development, while the Black Country Strategic Economic Plan maximises the opportunities for upgrading and extending the industrial sites of the area and their strategic access.

The TCPA report "Filling the Strategic Void" identified 5 principles that should underpin any consideration of strategic planning, described below. The report argued that local government boundaries do not correspond with functional regions, that strategic planning must be directly accountable to the broader public, that planning decisions should always be devolved to the most appropriate local level, and that a legal basis and adequate

capacity for strategic planning is vital if it is to be effective. These principles can be usefully applied to help assess the strategic planning merits of LEPs:

- **Functionality:** Most assessments indicate that the 39 LEP geographies are a poor approximation to travel-to-work areas and 'functional economic areas', and follow Lord Heseltine in seeing a need at least for amendment of the LEP map (although the manner and scope of possible amendments is more disputed). Adding further complexity (as well as enhanced flexibility), some LEPs have overlapping territories
- **Accountability:** Some constituent local authority leaders are represented on LEP boards, but councillors are not democratically elected to serve at a larger-than-local geography, and second-tier authorities are often disconnected from decision-making processes. There is also confusion and local difference in respect of to whom LEPs are accountable and in what circumstances. LEPs struggle with multiple (and sometimes conflicting) accountabilities, hampered by the secrecy, lack of transparency and limited stakeholder engagement arrangements of some LEPs
- **Subsidiarity:** The present demarcations between national, subnational and local influence, responsibility and stewardship remain confused and ambiguous
- **Statutory:** At present, Strategic Economic Plans and other LEP strategies (with the exception of European Structural and Investment Fund Strategies which have to conform to European regulations) have no legal basis, although Strategic Economic Plans in particular may in some instances have a particular influence on the economic land use priorities of local plans
- **Capacity:** The loss of institutional memory will take time to re-build and re-cultivate. Many Strategic Economic Plans have been reliant on in-kind support, such as second-

ments or external consultancy support, but some LEPs have worked closely or even 'as one' with local authority planners and/or a joint planning team.

Based on these principles then the overall conclusion, put plainly, would be that LEPs are not capable of addressing the strategic void.

Despite some of the intrinsic flaws designed into the formation of LEPs, as outlined above, they also offer some distinct advantages. Since the approval of LEPs began in late 2010, some (if not all) have begun to influence planning decisions and processes in a number of different ways, in providing:

- A business perspective/voice – intended to inform and shape policies, decisions and funding
- Lobbying – intended to influence policies, decisions and funding (as for major central government transport projects)
- Spatial visioning and 'soft forms' of spatial frameworks – intended to provide the strategic context for statutory local plans, to align strategic economic priorities and guide infrastructure delivery
- Information, intelligence and evidence sharing – intended to inform and shape policies, decisions and funding
- Multi-area planning accords – intended to make the planning process more 'business-friendly' and speed-up the application process
- A co-ordination role – intended to reach broad consensus over larger-than-local priorities, bring together different interests in the development process.

However, all of the above preferably require and would benefit from the technical competence of qualified planners (there is a view such as that expressed by Lord Heseltine, although not without dispute, that the kind of 'soft planning' provided by outside consultants may be more objective

than reliance on internal competition among the constituent authorities of a LEP area). It is not enough for elites on LEP boards to agree on 'pet projects', 'demonstration initiatives' and 'flagship schemes' without an appreciation of the spatial consequences, intended or not, of business interventions. This may require, inter alia, the calculation of population, employment and traffic forecasts, and knowledge of the (now expanded) needs of Strategic Environmental Assessment, leisure flows and patterns of longer-term needs for social housing.

The potential for strategic planning is at least greater to the extent that some local authorities are preparing joint local plans across geographies that align with or are similar to those of LEPs (although these often pre-date the inauguration of LEPs). There are some firm precedents for a successful approach to strategic planning where political conditions are propitious and the need clearly exists, including aligning LEPs with combined authorities. Indeed, this is precisely what economic members of the Shadow Cabinet have announced for a possible incoming Labour government. We would argue that, while a pragmatic and imperfect piecemeal compromise, it is all that England may realistically anticipate at this present juncture, although radical alternatives should not be dismissed.

Concluding remarks

At this stage of the research project, the findings indicate that the narratives of 'regionalism' and 'localism' may have altered the scale of policy organisation, but have done little to address the question of how to conduct

strategic planning in a democratically accountable and business friendly manner in England. As of 2014, LEPs have a considerably greater role in driving the local growth agenda compared with that originally set out in 2010: new responsibilities include the development of European Structural and Investment Fund Strategies and the production of Strategic Economic Plans. However, whether this will be enough to overcome LEPs' past pattern of bidding into limited short-term opportunities and meet some Treasury statements of their need to engage fully in comprehensive planning remains to be seen.

The planning functions dispensed by LEPs are, in any case, unlikely to be uniform, and could be marginalised by some LEPs if they opt to concentrate on a narrow economic growth agenda (which is a fair description of many Strategic Economic Plans submitted to the government in 2014). An approach which might sometimes be characterised as 'placing a business park at every dual-carriageway junction', irrespective in some cases of sustainable



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employee access and environmental impacts, cannot be entertained.

The Planning Inspectorate is on record as stating that LEPs' strategic planning role is both informative and informal. This may lend support to a view expressed by some that LEPs may continue to develop as a crucial 'bridging' mechanism, for example, mediating between different scalar, sectoral and state interests. After all, such a 'bridging' mechanism provides an ideal platform on which to transact those awkward, albeit highly necessary,

decisions at the crux of strategic planning deliberations that neither ministers nor councillors are keen to take for fear of negative electoral impacts. A more constructive approach might entail greater recognition of local environmental and social assets that could form a basis of future investment – an outlook beyond the prevailing narrow economic growth model.

There remains a long way to go. It is expected that the further stages of our examination of Strategic Economic Plans will clarify the strengths and weaknesses

of LEPs for further roles in plan-making. This caution points towards the limitations of LEPs under their present voluntary and non-elected constitution for a statutory planning role, but highlights that they may and could perform some important soft forms of planning, perhaps in conjunction with alternative strategic mechanisms.

This article is an abridged and modified version of a paper published in *Town & Country Planning*.



USE OF PLANNING POWERS IN SITE ASSEMBLY FOR REDEVELOPMENT PURPOSES

Mike Forster

Mike is employed by Rossendale Borough Council, Lancashire involved in asset rationalisation and consolidation with a particular interest in town centre regeneration and infrastructure assets. He is a member of ACES Council

Mike gives an outline of the recent use by Rossendale Borough Council, of the powers conferred by s227 of the Town and Country Planning Act 1990. This allowed the removal of a restrictive covenant on premises and land which formed the final piece of the jigsaw of a land assembly exercise for a major new supermarket site. The land assembly exercise also posed other questions in terms of asset rationalisation.

Pre CPO Scenario

The Site is bounded by Lee Street, Market Street and Henrietta Street in Bacup, Rossendale.

A design statement was prepared in 2006 to accompany a planning application to develop part of this site, for the erection of a new building containing a retail food store of around 2,000 sq m. The application site comprised an area of around 2.23 acres and consisted of a variety of

building types, ages and uses, many in a semi-derelict condition. The Lee Street frontage comprised a mixture of stone buildings dating back to the Victorian era, which while possessing some heritage qualities, were of little demand for current uses. The centre of the site was occupied by a modern light-industrial building and service yard area and the Henrietta Street frontage was occupied by a modern, Council-owned maintenance workshop, used in connection with its adjoining operations depot.

The surrounding land has a facing Co-Operative food store and car park and a typical post war built telephone exchange, which, due to the significant cost made relocation impracticable. There is a small development of fully let Council owned industrial units.

In respect of employment policy, RBC is keen to adopt a positive and constructive approach towards planning

applications for economic development, and redeveloping vacant sites is a key element of the Council's emerging spatial vision for Bacup.

Summary of 2011 position

Following the grant of planning consent the Council's officers were in the final stages of negotiation for an agreement governing the delivery of the scheme and a CPO indemnity agreement under which all the Council's costs in promoting a CPO and all compensation payable to third parties (including where any third party interests are over-ridden) were covered.

The site was the subject of some tenancies, albeit most short-term in nature. The CPO would help to ensure that vacant possession was obtained. Public highways crossed the site and following their stopping-up to facilitate the development, it was vital to ensure that title to the sub-soil rested with the

Council. The CPO was also needed to ensure that there were no title issues which might otherwise scupper the delivery of the scheme.

After the land was to be acquired by the Council (whether by agreement or via the CPO), sections 236 and 237 of the Town and Country Planning Act would allow development with the benefit of planning permission to proceed notwithstanding that it may interfere with private rights of way (s236), or with covenants, easements and other rights (s237). These rights are effectively "over-ridden" and those who hold the benefit of those rights have a right to claim compensation.

One such right was a restrictive covenant affecting that part of the site which was currently owned by part of the Co-operative Group which sought to prevent the use of that land for retail purposes. Where land within the development site was already owned by the Council, the Council would wish to rely on the power under s237 to "override" this restrictive covenant to enable the Morrison's development to proceed. In order to enable the Council to rely on the power, the land in question needed to be held for planning purposes.

Consent was granted for the above development in July 2011 and 2 reports were prepared for the Council's Cabinet, in June and December 2011. The relevant extracts from these reports are summarised below.

Report of June 2011

The purpose of this report was to obtain Member approval for the use of the Council's CPO powers and its power to over-ride third party interests such as restrictive covenants to enable the proposed retail-led redevelopment by Morrisons to proceed.

The scheme would directly contribute to the Council's corporate priorities by regenerating and improving the physical environment in that area, providing additional jobs within the local community and attracting shoppers and spend into Bacup.

The Report sought authorisation for the Council to enter into appropriate legal

documentation with Morrisons (and/or their developer partner) to ensure delivery of the scheme, and to put in place an uncapped indemnity so that the Council's costs in pursuing a CPO and over-riding third party interests (including any compensation payable) were covered.

It also sought authorisation that following the passing of a resolution to grant planning permission for the development and entering into legal agreements relating to the indemnification of the Council's costs, to make a compulsory purchase order under s226(1)(a) of the Town and Country Planning Act 1990 and if required s13 of the Local Government (Miscellaneous Provisions) Act 1976, for the purposes of acquiring any interests in the land (and any new rights) at the development site which are needed to facilitate the retail-led redevelopment, on the basis that it will contribute towards the achievement of the economic, social and environmental well-being of the area.

Approval of the report gave officers flexibility to exercise the powers under the confirmed CPO to acquire the land in the CPO, whether by General Vesting Declaration(s) or by service of Notice(s) to Treat and/or Entry and complete all matters subsequent to this. It also allowed the option that, if needed to enable the scheme to proceed, land be appropriated to planning purposes under s122 of the Local Government Act 1972 so that s237 may be relied upon.

The risks identified were:

- i. the CPO/over-riding of interests is not successful or is subject to legal challenge
- ii. planning permission for the scheme is not granted
- iii. the development is not delivered/ is unviable
- iv. jobs are lost by those who need to relocate from the site.

Advantages identified were:

- i. capital receipt to the Council to

meet the Council's future capital expenditure programme

- ii. the scheme is a potential catalyst for further business and commercial development in Bacup, as it attracts shoppers and spend into the town.

The public benefits associated with the Morrisons scheme were highlighted. The Council should only make the CPO if it considered that there is a compelling case in the public interest to do so. That is the test that will be applied by the Secretary of State, and is the test that Members should adopt in deciding whether or not to authorise the use of CPO powers.

Section 226(1)(a) of the Act gives the Council the power to acquire land by CPO if it thinks that it will facilitate the development, redevelopment or improvement of land in its area. The power must only be used if the Council thinks that doing so will contribute to the achievement of the social, economic or environmental well-being of the area.

Government guidance on the use of CPO powers (Circular 06/2004) stated that this power was a wide one and those authorities should consider its use to bring forward development in their areas. The guidance also stated that authorities should be reasonably certain of the proposals for which the land will be used, and that there was at least a reasonable prospect that any proposed development will go ahead within a reasonably short period after the confirmation of the CPO.

Officers argued that the proposals for the site were considered to be the very sort of scheme for which the section 226(1)(a) power should be used. While the use of CPO powers (and the over-riding of any third party interests) would involve an interference with individuals' private rights under the Human Rights Act 1998, it was considered that the interference is justified given the public benefits that the scheme will bring - there was a compelling case in the public interest in the use of CPO powers to facilitate the scheme.

The report noted that the Council

currently had 8 tenants occupying its industrial units, 2 of which had recently served notice on the Council. The remaining 6 were a mix of short term licences and leases.

As regard the site which was affected by the restrictive covenant, Morrisons/ developer partner had a conditional contract in place for the acquisition of this land. However, in order to rely upon s237 to over-ride the covenant, the freehold ownership of the land would need to be held by the Council. If transfer by agreement could not be achieved, it would need to be included in the CPO to ensure that it could be brought into the Council's ownership efficiently and swiftly.

Report of December 2011

This report authorised officers to conclude negotiations with interested parties and complete the onward sale to the developer/Morrisons at the negotiated prices. The land would be acquired for the specific planning purposes of facilitating the redevelopment of the land and adjoining land to provide a retail store. The acquisition would further the assembly of the site.

The land was to be acquired under s227 of the Town and Country Planning Act 1990, which empowered the Council to acquire land by agreement for any purpose for which it could CPO it for planning purposes under s226.

The Council had by now resolved to grant planning permission for the store, and the associated s106 agreement was

in process of execution.

At this stage, officers were still trying to negotiate with the Co-op Group to reach agreement for the surrender of the non-retail restrictive covenant affecting part of the site. Morrisons now had the benefit of a conditional contract to acquire the land subject to the restrictive covenant affecting the site to be over-ridden. However, the Council must own the land before it was passed to Morrisons. The Council would not seek to acquire this interest until it was satisfied that the onward disposal to Morrisons/developer partner would happen swiftly thereafter. The Council's costs in acquiring and disposing of the land would be covered by the indemnity agreement.

Relocation of displaced tenants

In anticipation of the displacement of up to 8 tenants, 6 units were kept vacant on a smaller Council owned industrial estate in close proximity to this site. Of these tenants 2 surrendered their tenancies prior to the date set for transfer, leaving 6 to be relocated. One of these tenants failed to settle outstanding arrears of rent and therefore repossessed by the Council. This left one unit available to let, which was offered to one of the private tenants displaced by the developers.

Of the 5 Council tenants, 2 were occupying as 1954 Act tenancies and 2 on contracted-out licences. The 1954 Act tenants were offered statutory compensation (1 x rateable value) together with a rent-free period to

reflect removal costs. All occupiers were offered a standard payment to cover national removal costs. All rents for the first year were fixed at the same rate payable for the surrendered unit in order to soften the impact of their displacement. All tenants were successfully transferred in good time for the date fixed for handover to the demolition contractor in October 2012 and the Council was reimbursed its costs of transferring tenants as an advance payment by the retailer.

Council buildings

The major part of the Council-owned land required for this scheme was occupied by a modern steel-framed industrial unit used for the purpose of maintaining its fleet of refuse vehicles. This building needed to be replaced or relocated prior to its demolition to ensure no breaks in service provision. The Council looked at several options including a new-build within the adjoining depot site, transfer to other facilities or re-configuration of existing buildings within the depot site. The latter option was approved on grounds of cost and operational suitability.

The completed development

The end result was the transformation of a derelict industrial area on the edge of Bacup town centre into a vibrant modern supermarket complex which has provided additional car parking and footfall to the existing town centre. It has also provided additional employment opportunities to part of the Borough classed as 'a deprived area.'





HS2 PROPERTY COMPENSATION PROVISIONS

Gary Sams

Gary is the Chief Estates Surveyor at Fylde Borough Council. He is a visiting lecturer for the College of Estate Management and part time lecturer at Reading University in his specialist field of compulsory purchase and compensation.

He is editor and joint author of "Statutory Valuations" and joint author of "Modern Methods of Valuation". He is also a legal editor of "The Journal of Property Valuation and Investment" for which he contributes regular papers on recent compulsory purchase case law.

Gary gives a comprehensive summary of compensation provisions and proposals for HS2, but also raises a few inconsistencies with statutory compensation rules.

Earlier this year, the government published the decisions it has made following consultation on improved compensation provisions for phase 1 of the HS2 high speed rail link which is proposed to run from London to the West Midlands. The outcomes of the consultation are at times quite visionary, though they mainly comprise versions of blight notice with relaxed rules, and the final proposal seems to have nothing to do with compensation. The main concern I have is they are underlain by some unchallenged assumptions, the main one being that claimants affected by HS2 are obviously deserving of better compensation than those affected by smaller compulsory purchase schemes. In this article I will outline the compensation proposals consulted upon, and then summarise the outcome on each.

The consultation proposals

In 2013 the government went out to public consultation on the following proposed changes to compensation provisions for those affected by HS2.

Property Bond scheme; Express Purchase; Voluntary Purchase scheme; Need to Sell scheme; Sale and rent-back; and Homeowner Payment scheme.

I consider each of the above proposals, in the order in which the outcomes were published.

The consultation criteria

In considering the outcome of the consultation exercise the government set out 3 prime criteria it would consider when deciding whether, and in what form, to implement the reforms:

- a. Fairness – ‘the Government intends to go beyond what is required in law in recognition of the exceptional nature of HS2 as is consistent with the fairness criterion we consulted upon’. As stated above, this seems self-evident to the government even though it will seem very unfair to anyone not affected by HS2
- b. Value for money – ‘this criterion in the property compensation consultation document referred specifically to the creation of new, long-term, property compensation measures’. In other words consultees who thought the government is just trying to minimise the cost of HS2 are wrong, but the cost of new compensation provisions has to be weighed against the benefits

- c. Functioning of the housing market - the government was concerned to minimise local distortion of the housing market. This could happen if, for example, a line was drawn inside which householders would get very generous compensation, but outside which they would get none. Property values for adjacent identical properties could then be very different depending on which side of the line they lie. They did not consider the impact on commercial property except small businesses.

Property Bond scheme

The Property Bond scheme is certainly the most visionary proposal. The consultation outcome was published earlier than the others in March 2014, with a promise of a decision on implementation to follow soon. However, when the main decision document on the other proposals was published in April it included a statement that “The Government has decided to rule out the implementation of a property bond for Phase One of HS2....we have concluded that the introduction of a property bond scheme could not guarantee sufficient benefits to outweigh the risks of the scheme and the significant commitment of resources that it would warrant.”

The scheme is not to be implemented at this time, but it is worth looking at it because it is an interesting concept which could be revived for future phases of HS2, particularly if the other provisions which are put in place do not work as well as planned.

The government describes a property bond scheme as 'a promise to eligible property owners affected by a major, long-term development. It is a promise that, in specific circumstances, they will be given a well-defined financial settlement – an amount of money, referred to as the 'protected value' – in exchange for their property'.

The way it would operate is that eligible property owners would have the option of having their property valued before the scheme goes ahead. This would establish a 'protected value' which would be index linked and would be guaranteed by the government over the life of the scheme (ending one year after HS2 becomes operational). If at any time during that period the bond holder decides to sell his home he has to put it on the market for a specified period. If he cannot find a buyer at the protected value, the government will step in and buy it at the protected value.

Those eligible to apply for a property bond would be as for a blight notice (residential owner-occupiers, small businesses and agricultural owner-occupiers) whose property lies within a specified distance of the central line of the scheme.

This is a great idea. It is generally accepted that the threat of major public works is usually worse than the reality. When such a scheme is announced, nearby property owners often panic at the prospect of reduced property values, years of disruption during construction, and a permanent blight on the environment when the scheme is operational. Their instinct is to sell up and move on as soon as possible. However, those that stay often find the disruption during construction to be less than they expected, and forget the scheme is even there once it is operational. If those people have the security of a guaranteed sale at a known price, they have no need to panic

and many more may sit out the whole period, saving the government a fortune in buying blighted property.

That, however, is just the theory. The risk is that in practice the reverse will happen. Many property owners will be given a protected value. If the construction works and/or the environmental impact of the scheme cause as much, or more, disruption than they feared, there will be a flood of unbudgeted property acquisitions to add to the cost of HS2. The consultation identified this, and a number of other risks inherent in a property bond. One of its key criteria, distortion of the market, could be threatened by a flood of sales within the bond boundary and a completely dead market immediately outside it. Also, how would it set up administration for a scheme with the potential for such a wide variation in take-up?

It is disappointing that this innovative proposal has been dropped, at least for now, but given the risks it is difficult to blame the government for reaching that decision.

Now to consider the provisions which are being implemented.

Express Purchase

Express Purchase is simply an expedited form of Blight Notice. It was introduced on 9 April 2014 and, in respect of properties within the safeguarded area, removes from the procedure:

- a. The need to demonstrate that the property is required for the scheme, and
- b. The need to demonstrate that reasonable endeavours have been made to sell the property on the open market

The safeguarded area has already been in place for some time and typically extends in rural areas to 60m either side of the railway line, though it is less than this in towns. The extent of the area may be reduced as the scheme is firmed up but if so, there will be a 'sunset period' of 6 months during which the original area will remain valid for Express Purchase.

Otherwise, Express Purchase is exactly the same as a Blight Notice. It has the same eligibility criteria, and the same outcome – compulsory purchase with full compensation including disturbance and loss payments.

Need to Sell scheme

The Need to Sell scheme will come into force in late 2014 and is an improved version of the Exceptional Hardship Scheme (EHS) which has already been in place for some time. Both schemes are, like Express Purchase, similar to Blight Notices but with relaxed criteria.

The existing EHS has the same qualifying criteria as a blight notice except that it is not necessary to demonstrate that the property will be the subject of compulsory purchase for the scheme. It is necessary to meet the other Blight Notice criteria and demonstrate that you will suffer exceptional hardship if your property is not acquired – for example you need to sell because you have a new job elsewhere.

The Need to Sell scheme is very similar to the EHS with some changes – in particular to the name. During consultation much concern was expressed at the term 'exceptional hardship' which many consultees assumed to mean some form of means testing. In fact, it simply means having a pressing personal need to sell the property. The name has been changed to avoid this confusion.

The requirements to qualify under Need to Sell are as follows:

- a. Property type - as for a blight notice the claimant must be a residential owner-occupier, small business owner or agricultural owner-occupier. However, there is one significant relaxation of this rule. The rule is widened to include 'reluctant landlords', i.e. former owner-occupiers who have been forced to move and have rented out the property because they were unable to sell it. This is a significant change that has come out of the consultation, though 'reluctant landlords' will need to demonstrate that their reluctance is due to

the scheme, rather than being an investment decision, which may be difficult

- b. Location – there are no location criteria at all. Distance from the scheme is not a factor though, of course, the further from the scheme, the harder it will be to demonstrate that the scheme is what prevents a sale
- c. Efforts to sell – the applicant must make reasonable attempts to sell which means it must be on the market for 3 months. There is an expectation that applicants would accept offers within 15% of the realistic un-blighted marketing price
- d. No prior knowledge – the applicant must not have been aware of the scheme when he bought the property. Specifically, applicants must have bought their property before the Phase 1 of HS2 was announced on 11 March 2010
- e. Compelling reason to sell – this wording replaces hardship and will include the following as examples:
 - i. unemployment
 - ii. relocation for a new job
 - iii. dividing assets as part of a divorce settlement
 - iv. ill-health, and
 - v. the need to release capital for retirement.

Once an application under the Need to Sell scheme is accepted the procedure will be dealt with by a panel to be set up for that purpose. An independent chartered surveyor will be instructed to carry out a valuation which will fix the price. No disturbance or loss payments will be payable.

Sale and rent-back

Following consultation on 2 options, the government has decided to implement a hybrid provision known simply as rent back. It provides that individuals whose

properties are purchased in relation to HS2 under statutory measures or any discretionary scheme will be able to ask the government to allow them to temporarily rent back the property following its sale. It is intended to assist those who wish to sell because of blight, but have no pressing need to move elsewhere. They are able to sell at an unblighted value and continue to live in their home until they find a new one, until it is demolished or, if not actually needed for the scheme, until the scheme is completed.

The house will be assessed to establish that it is suitable for letting as, even if the tenant has previously lived there for many years as the owner, the government has to meet all necessary standards as landlord.

The government intended to grant assured shorthold tenancies until it was pointed out during consultation that it could not legally do so. It will therefore instead issue Crown tenancies in a similar format.

Perhaps most importantly, the Crichel Down rules will apply to any property acquired for the scheme but not demolished, and left surplus to requirements following its completion. These rules require the authority to offer the property back to the original seller, before offering it in the open market. It is therefore possible to envisage a scenario in which a house owner, worried about blight, successfully applies for his house to be acquired. He then rents it for the duration of the scheme and, finding that the impact is not as bad as he expected, buys it back once the scheme is finished.

Finally, 2 options on which the government is undertaking further consultation before deciding on implementation.

Voluntary Purchase scheme or Alternative Cash Offer

The Voluntary Purchase Scheme (VPS) is another variation on a blight notice, with relaxed requirements. It is not yet certain to be implemented as a decision will be made later this year following consultation on an Alternative Cash Payment option which is described below.

If introduced, the VPS will apply in rural areas only (not in towns) and within a Rural Support Zone (RSZ) defined as being outside the safeguarded area (normally 60m from the centre line of the railway) but within 120m of the centre line. Eligible owner-occupiers, which will be as for a blight notice plus 'reluctant landlords' as described in the Need to Sell section, will be able to sell their property to the government at its unblighted market value. There will be no need to try and sell in the open market, but there will be no disturbance or loss payments. The market value will be assessed by 2 independent chartered surveyors, and the scheme will remain in place until 12 months after HS2 becomes operational.

A number of criticisms of the VPS were highlighted during the consultation process. The limit of 120m was considered arbitrary and unfair to those outside it. However, the government feels that a limit is necessary to avoid an unlimited number of applications and any limit is unavoidably arbitrary.

There was also criticism of the fact that the VPS will not apply in towns. The government attempted to justify preferential treatment to rural areas as follows:

- a. 'By their nature, rural areas are comparatively tranquil and contain less infrastructure, therefore it is natural to expect that perceptions of the impact of HS2 will be greater in these areas'
- b. 'fears and uncertainties are exacerbated in rural areas owing to a perceived threat to the nature of the community'
- c. 'HS2 stations will generally be further away from rural areas, limiting the direct community benefits of the railway and leading to the impression that the costs of the development outweigh the benefits.'

Of course critics of the exclusion of urban areas from the VPS could argue that the government is really saying that urban areas are less deserving of a VPS because:

- a. Towns are dirty, noisy places anyway, so they want notice trains charging past at up to 250 mph
- b. Town dwellers don't talk to each other much and have less sense of community, so they won't be as concerned by the possible impact of HS2
- c. Town dwellers will be better able to use high speed travel so they have less right to complain about its impact on their personal lives.

The government is concerned about the potential number of applicants under the VPS and feels it worthwhile offering an incentive to those uncertain whether to apply under the scheme. Before bringing in the VPS it has decided to consult later this year on an additional option described as an Alternative Cash Offer (ACO). An ACO is a cash payment of 10% of the value of the property, tax free, with a minimum of £30,000 and a maximum of £100,000. This also applies only within the rural support zone and only to people who qualify under the VPS. The intention is to implement the VPS after this further consultation. The hope is that eligible property owners will find the ACO sufficiently attractive to persuade them not to go down the VPS route.

Homeowner Payment scheme

The Decision Document reports that the government is also to consult later this year on a Homeowner Payment Scheme (HPS) 'to provide cash payments to

eligible owner-occupiers between 120m and 300m from the centre line, following Royal Assent of the Phase One Hybrid Bill, enabling affected residents to share early in the future economic benefits of the railway.' Slightly more information is provided in the HS2 Guide to the New Property Proposals, also published in April, which announces an intention to consult on 'a home owner payment for properties in rural areas 120-300m from the railway. The scheme would offer substantial lump-sum cash payments to owner-occupiers. The payments could be from £7,500 to £22,500, depending on how close the route is to the property.'

This is the total amount of information I have been able to find on this proposal, which is certainly innovative but raises far more questions than it answers. Does the government really propose to use some of the profits (assuming it makes profits) from HS2 to make payments to house owners close to the scheme? Has this anything to do with compensation, as many beneficiaries will have suffered no loss? Why exclude house owners less than 120m from the railway as many of these will not benefit from the compensation provisions and, if they do, are likely to get only market value; not a bonus?

The consultation on this will be interesting but I will be surprised if this idea is implemented.

Conclusion

For the most part, and the Homeowner

Payment scheme is a marked exception, the new HS2 compensation provisions set out a logical approach to reducing the impact of the scheme on the people most directly affected by its blighting affect. However, I have a number of concerns including:

- a. They are based on the assumption that preferential compensation provisions are an obvious requirement for a major scheme like HS2. That is only obvious from the point of view of the government which is acutely aware of the potential for a public and media storm if large numbers of claimants feel they are being unfairly treated. Compensation should be about claimants, and from their viewpoint unfair treatment is not more acceptable if they are affected by a small scheme, rather than a large one
- b. It is arguable that the answer to point a) is to bring in these reforms universally, rather than just for HS2. However, there are far more urgent reforms needed to address unfairness in the compensation code (for example, the unfair distinction between compensation for severance and injurious affection where no land is taken, compared to when some land is taken) before these minor adjustments are considered.

The Terrier

The Terrier is published quarterly by ACES. The inclusion of any individual article in the Terrier should not be taken as any indication that ACES approves of or agrees with the contents of the article.

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ISLAMIC FINANCE IN PROPERTY

Kevin Joyce

Kevin is a Principal Development Surveyor in the Property Services Division of the London Borough of Wandsworth.

Kevin presents us with an interesting insight into the principles for investment in the Islamic world and the nature of property-related contracts.

Between 2007 and 2009, at a time when the western world was in the grip of the worst financial crisis since the Great Depression, the £1.3trn Islamic financial services market actually grew at an annual rate of 15% and is continuing to grow at this rate. So what is Islamic Finance all about, and why should we expect to hear much more about this market in the UK property sector in the years ahead?

Islamic Finance is generally known for involving ethical investment whereby investors are prohibited from investing in businesses engaged in activities such as gambling, alcohol production and weapons manufacture. Whereas this is true, Islamic Finance is also more sophisticated than this, having its roots in the teachings of Islam and the Prophet Muhammad, interpretations of the Koran, and the development of Islamic Law since the middle ages.

Inherent to these teachings is the belief that people are stewards of the earth and the earth's resources. They should therefore follow a path or way (translated as Sharia in Arabic) to lead their lives which, in a financial context, involves conducting transactions in a fair, open and transparent manner, avoiding speculative and extreme

risks, and generating profits from business activities in an active rather than an effortless way, meaning that the charging of interest ('riba' in Arabic) to generate a pre-determined profit is forbidden in Islam. Instead, wealth can be created from investment and trading activities where the parties involved share both the profits and risks attached to ventures.

Both the UK government and the London Mayor, Boris Johnson, are now looking to tap into Islamic sources of finance to help fund public sector spending programmes.

In October 2013, David Cameron announced plans for both the issue of a £200m Sharia-compliant government bond or 'sukuk', to be structured so as to offer investment returns without payment of interest, and for the London Stock Exchange to launch a new Islamic Index alongside the FTSE, to "enable London to stand alongside Dubai and Kuala Lumpur as one of the great capitals of Islamic finance". In February this year, HSBC and Linklaters were hired to advise government on the management of the sukuk issue.

Boris Johnson also announced plans in October 2013 for a GLA £100m sukuk issue to support high-tech start-up businesses in the capital.

Whereas conventional bonds are purely debt instruments, a sukuk certificate gives the holder a share in an asset(s) or

project(s), which share can be traded on both a primary market for new issues or a secondary market for earlier issues.

The lead taken by government and the London Mayor could not only set a benchmark yield at a premium above gilt yields, but encourage the private sector to follow suit in issuing Sharia-complaint corporate bonds.

Real estate Islamic Finance contracts, based on Islamic Law, can also be distinctly different from equivalent conventional contracts.

Equity participation contracts involving partnerships or joint ventures (musharaka) with 2 or more active partners investing both capital and project management expertise into ventures, will set out agreed proportionate profit and loss sharing arrangements, with the proportions being determined by the levels of investment made by each partner. Two musharaka contract variations are a consecutive musharaka, whereby the partners retain their respective shares in a venture until it ends, and a declining balance musharaka, which allows one partner to increase its stake by buying the other partner(s) interest in stages until it owns the entire entity.

A venture capital contract (mudaraba) allows a 'non-active' investor or silent partner to invest in a project where the profits are shared with a project developer on an agreed proportionate

basis, once the project developer has first taken out a fixed management fee from the gross profits. If an investor wishes its funds to be invested in a specific project, the contract will be described as a restricted mudaraba.

Where an asset is sold under a cost plus sale contract (murabaha) at an asset cost plus a profit margin, the seller is obliged to disclose both the asset cost and the profit margin details to the buyer, so that the buyer knows at the outset what the real profit being made by the seller is, thereby aligning the transaction with the Islamic principles of fairness and openness.

An Islamic Fund may purchase real estate and then let the asset(s), but only

to tenants engaged in Sharia-compliant businesses, under a leasing contract (ijara), with the rental income generated being divided among investors in the fund on a proportionate basis to fairly reflect each investor's level of investment.

Construction projects can be financed using a deferred delivery contract (istisna) under which the project owner will pay for the scheme, in whole or by instalments, prior to completion.

In the UK, Islamic Finance has funded both major property development schemes such as the Shard office tower at London Bridge, and property investments such as St. Martins' (Kuwait Sovereign Wealth Fund) 2013 purchases

of the 13 acres More London office complex next to City Hall on London's South Bank and the 5 Canada Square office building at Canary Wharf in London Docklands.

Not only is Islamic investor demand fuelled by a continual need to reinvest huge petrodollar surpluses arising from Gulf states wishing to diversify their sources of wealth away from a dependency on finite fossil fuel resources (some 45% of the world's known oil and gas reserves are in the Middle East) but, more widely, from a rapidly growing Muslim population looking for ethical investments which comply with the teachings of Islam and are characterised by fairness, transparency and shared risk.

Branches News



HEART OF ENGLAND BRANCH

Heart of England Branch supports Nottingham Trent University with its Corporate Real Estate undergraduate course

The Heart of England Branch has been supporting Nottingham Trent University (NTU) with its BSc (Honours) Real Estate course and has awarded a prize for the best coursework that analysed corporate real estate in a local authority context. The winner was Silke Sauer who started her undergraduate studies in International Real Estate Management in October 2010, at her home university; University of applied sciences Aschaffenburg in Germany. In September 2013 she came as an Erasmus exchange student to study Real Estate at NTU for a full academic year. NTU is a partner university of her home university and they both participate in the Erasmus programme, which is a European Union student exchange. An edited version of the submission made by Silke follows.

Government properties have been rationalized over the last few years. Nevertheless, further improvements are suggested by a number of reports, in order to improve and reduce the asset base and the associated costs, release capital and increase service delivery and productivity.

Effects of organisational context on public sector corporate real estate

The UK public sector still has to face a sharp downturn in public expenditures after periods of continued increases. This economic and financial pressure requires significant savings by the public bodies and their assets, in order to reduce expenditure and release capital.

Consequently, property asset management is high on the agendas of all public sector bodies as improved management leads to a range of benefits. Cost cutting is one of these benefits and as the Comprehensive Spending Review (CSR) in October 2010 had put further pressure on the public finances, it is also one of the main drivers for an asset change. Another benefit of effective property management is the achievable saving in carbon emissions. This is likewise of importance, as the UK has subscribed to a legally binding EU-target to reduce carbon emissions and introduced the Carbon Reduction Commitment (CRC) in April 2010 with its current updates. A decrease in carbon emissions is also required by the updated Building Regulations.

Table 1: Performance measurement systems for LA objectives

Local authority objective	Measurement group	Example of performance measurements	Benchmark for comparison
Financial savings	Cost	Occupancy cost per sq m	DTZ Total office occupancy costs, IPD occupancy costs databank, IPD space code
Environmental sustainability		Occupancy cost per employee	
Energy savings		Carbon emissions per sq m	
		BREEAM In-Use	
Support for council operations	Efficiency	Floorspace area per employee	IPD space code, DTZ total office occupancy costs, Actium Consult total occupancy cost survey
		Service delivery satisfaction	
		Post occupancy evaluation	
Space utilisation	Utilisation	Percentage of space occupied/unused space	No generic published benchmarks
Space consolidation		Utilisation of meeting rooms	
Modern working environment	Quality	Employee/customer satisfaction via satisfaction surveys	Comparison within or against other LAs
		Service delivery satisfaction	
		Post occupancy evaluation	

To deliver these economic and environmental savings, local government needs to be more inventive to guarantee service delivery to the community with less resources. This could be achieved through property transformation, abolition of departmentalism, co-location of services, reconfiguration of services and their administration or by collaboration between different public sector partners. This had already started under the previous government with Multi Area Agreements, Local Area Agreements and Total Place Agenda and has been continued by the new government with the localism agenda. Collaboration, for instance, gives the public sector the possibility to create its own hub with shared properties, which can contribute to better service access for the population, while producing the essential economic and environmental reimbursements.

This isn't a new approach for the public sector, but the present period of economic severity could contribute to an enhanced collaboration of public sector departments and organisations, as it offers a wider range of efficiencies as currently utilised. Therefore, local government organisations should aim to launch or enhance their central property structure, to rationalise effectively their estates and generate savings.

Some local authorities (LAs) tackled this challenge by using the corporate landlord concept. This idea involves a single central support service (CSS) holding all properties to generate a corporate overview. The CSS becomes a

notional landlord and the departments hypothetical tenants. The corporate landlord provides the tenants with suitable space in the right place and is in authority of facilities management, repairs and maintenance, payment of the running costs and manages the corporate capital programme. The costs for this service are reclaimed from the occupiers via a yearly all-inclusive fee. The exact services covered depends on the negotiated agreement between the Corporate Landlord and the occupiers.

This corporate landlord approach enables organisational change in the way LA and governmental departments deal with its corporate real estate. Changes to property assets, therefore act as a catalyst and facilitator for wider structural change. Take for example a change in the working practices; this does not occur without a physical change in the office space. Thus, changing real estate will influence the organisational change of public sector bodies in future.

Stakeholders of LAs properties

A challenge for government will be to guarantee service delivery to the community with a reduced asset base. Therefore, LAs and government departments must be aware of their stakeholders, in order to ensure fulfillment of their interests. A stakeholder is according to a definition given by Bryson (1995) "any person, group, or organisation that can place a claim on an organisation's attention, resources, or output or is affected by that output".

A survey analysed the stakeholders of English local government by interviewing chief executives of English LAs. It identified 22 different stakeholders, groups and categories of stakeholders. The 3 highest nominated stakeholders were central government, the citizens and the local businesses. These stakeholders have accordingly, to the opinion survey, the biggest influence on the decision-making process of LAs. In addition, many executives considered councillors, employees, fire and police authorities, health authorities and local media as important stakeholders. Some authorities mentioned also the Audit Commission, contractors, further education, lower and upper tier authorities, management team, other LAs, partner agencies, political parties, pressure groups, service users, trade unions and the voluntary sector as stakeholders, which are able to influence the achievement of the organisation's objectives (Gomes, 2004).

Therefore, it is assumed that the general LA stakeholders can affect also the real estate decision making process. Central government, for example, influences property decisions through legislation, reforms and funding changes. Citizens and local businesses must be given easy access to the LA and as tax payers, they are interested in efficient spending. Local media has a high influence as it effects the opinions of citizens and local businesses with their news coverage, and thus the property decision making process. Even if the employees or councillors are unhappy with their working environment, they can influence productivity and affect

Table 2: Possible balanced scorecard approach for LAs

Cost	Financial savings	occupancy cost per sq m
		occupancy cost per employee
	Environmental sustainability	Carbon emissions per sq m
		BREEAM In-Use
Energy savings	Carbon emissions per sq m	
	BREEAM In-Use	
Efficiency	Support for council operations	Floorspace area per employee
		Service delivery satisfaction
		Post occupancy evaluation
Utilisation	Space utilisation	Percentage of space occupied
		Utilisation of meeting rooms
		Percentage of unused space (e.g. floor)
	Space consolidation	Percentage of space occupied
		Utilisation of meeting rooms
		Percentage of unused space (e.g. floor)
Quality	Modern working environment	Employee satisfaction
	Service delivery	Customer satisfaction

the property decisions. So the public sector has to consider all different types of stakeholders while changing their organisation.

Strategic real estate objectives by LAs

LAs have a wide variety of properties with different objectives within their portfolio. It will include office and administrative buildings, but in many LAs also a range of properties from farm estates to schools, leisure centres, garages, factory units, libraries, or operational depots.

One main objective LAs seek from their real estate assets is support for council operations, to fulfil their service delivery requirements. Like any private company, LAs need a place where they can perform their services. However, due to their public nature and the current situation, LAs have additional objectives for their space. Their properties should generate significant financial savings to support the CSR. A further estate objective is the required contribution to carbon and energy consumption savings of CRC. Also, a higher utilisation rate or environmental sustainability can be aimed by some authorities as an objective. Moreover, space should administer a modern working environment, which increases productivity through new ways of working e.g. desk sharing.

Nottingham City Council's strategic objective from its new open plan office building, Loxely House, was for example to change the working culture and generate a single front door approach for customers, through relocation of over 2,000 workplace members in one building. Case studies from other councils show similar objectives. Cambridgeshire County Council property objectives include for example an improving service delivery and the achievement of cost savings. While Birmingham City Council objective was, inter alia, the consolidation of space through better utilization. Space rationalisation is mainly a property objective when inefficiencies exist or costs need to be saved. Dependent on the specific challenges in each LA there can be a wider range of objectives.

Performance measurement systems for benchmarking

For LAs, it is not enough to know their strategic objectives; they also need to measure the performance of their properties in relation to these objectives. These outcomes may be used to benchmark the success against the average of the public sector, or against different sectors, e.g. the private sector.

The RICS Local Authority Asset Management Best Practice series (2009) suggests for performance measurement and benchmarking 4 overall dimensions:

the performance of buildings and its environment; the property services performance; the property contribution to individual LA services; and the outcomes for the community. LA should also have a wider look at their strategic objectives and the objectives of its partners.

Therefore, LA need to define a clear asset strategy and identify the critical success factors and key performance indicators before they start collecting the relevant data for performance measurement, as there is no need to measure everything.

Considering the above mentioned dimensions and strategic objectives, a summary of the objectives of cost, efficiency, utilisation and quality appears sensible. The objectives are summarised in Table 1:

Cost - measurable via the calculation of the effective occupancy costs per sq m or per employee. This encourages the comparison to previous periods and shows if savings could be achieved in asset management. Environmental cost savings can also be measured by the carbon emissions per sq m or BREEAM In-Use, as this scheme provides the opportunity for building and facilities managers to evaluate the environmental performance of existing properties and to create benchmarks for improvement.

Efficiency can be quantitatively measured by the calculation of the floorspace per employee or a qualitative measurement can be achieved by surveys considering service delivery satisfaction or a Post occupancy evaluation (POE), as it involves systematic opinion evaluations of buildings in use by the properties users. It can assess how well real estate matches the users' needs, serves service delivery and can come up with ways to improve building design and performance. This measure gives LAs the possibility to identify problems in buildings, to find a solution, to respond to the users' needs, to improve the space utilisation and to deliver an informed decision making process. In the long run a POE contributes to improvements in the building performance, design quality and in the strategic review. The POEs can then be benchmarked

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against each other, as this evaluation must happen throughout a building's lifecycle to deliver effective performance measurement.

The POE contributes also to the measurement of working space quality and the utilisation of used space. But for measuring 'utilisation' there are also quantitative measures available, e.g. the percentage of space occupied, unused space, or the effective utilisation of meeting rooms, which can be benchmarked within the specific LAs or against others. A list of all published benchmarks can be found in Table 1.

Actual model

As the benchmarking process comprises the determination of gaps in performance, the implementation of change, review and adaption, and the collection of data, this information must be suitably put together to help LAs achieve greater productivity, efficiency and to support change and improvement.

Drawing all these together, a balanced scorecard model can be developed,

Table 2, which helps to reflect the building's performance and considers the specific objectives against the benchmarks.

The balanced scorecard for a property is colour-coded in a traffic light system to show the relative performance to the chosen benchmark. Green stands for significant performance above average and red for significant under performance. This balanced scorecard system is a strategic management and measurement model, that helps to link LA objectives to comprehensive indicators. It allows the public sector to consider a combination of qualitative and quantitative measures. Using this contributes to strategic managers focusing on their mission and motivates staff to achieve their strategic objectives.

While the qualitative measures can be benchmarked against selected benchmarks (see Table 1), the quantitative measures, like the POE can be measured against each other, e.g. the former POE.

In order to achieve an improvement of individual indicators, effective asset

management should be implemented or optionally a sale of individual properties should be considered. Therefore, this model shows the weaknesses that must be addressed by LAs to achieve greater productivity, efficiency and to support improvement.

Conclusion

Through these challenging times, the public sector has had to come up with an approach that enables a change in asset management to a more efficient system. The corporate landlord approach is one possibility to achieve both organisational change and better use of public sector assets, particularly through collaboration. For a successful implementation LAs need first to come up with a property strategy, identify critical success factors, and develop key performance indicators for each success factor before they then start to collect the relevant data. Performance benchmarking allows LAs to generate further improvements, greater productivity and efficiency of their asset base. For this purpose, a model in the form of a balanced scorecard approach, can be a supportive tool.

BERNARD WHITE, NORTH EAST BRANCH NEWS

Once again the aim of the Branch Executive has been to provide members with some good quality CPD. With this in mind, the latest event was the Summer Branch meeting hosted by Nabarro LLP at their Sheffield offices on 27 June 2014. Bernard White (ably supported by John Murray and the rest of the Branch Executive) worked with Victoria Thourgood and Tim Shaw of Nabarro LLP to provide a programme covering a wide range of topics. Over 50 delegates attended the event, including the National President, Andrew Wild. The hosts were pleased with the turn-out, commenting that it was better than some corporate events they run.

To add some levity to proceedings, the agenda was loosely based on The Tour de France Grand Départ 2014, not least as Sheffield is the finish for Stage 2. Delegates were advised that

those not wearing something yellow (and visible) would be fined, with the monies so collected going to the local Charity Nabarro LLP Sheffield office supports. However and without too much persuasion, all delegates, even those wearing yellow, happily contributed (thereby dismissing the myth about northern folk, Yorkshire ones in particular) and at the end of the proceedings it was possible, with a little help from Branch funds, to hand over a donation to the Charity.

There was a prize for the best yellow attire on the day (as judged by Andrew Wild) which went to Graham Price. His prize being a "goody bag" with items linked to the 4 North of England Stage towns staging either the start or finish. Similar "goody bags" were given to the various speakers, as an appreciation of their input into the day and to Andrew

to mark his attendance.

Following a welcome by John Murray the Branch Chairman, Andrew briefly addressed the delegates, mentioning in particular the work ACES IS doing with the Chartered Surveyor Trust (aimed at giving 16-24 year olds an opportunity in the property profession), the upgrade of the ACES website, continued links and dialogue with outside bodies and a national CPD initiative within ACES. He also mentioned the ACES Award for Excellence and gave a plug to the forthcoming Presidential Conference in London in September.

The following is a brief summary of the speakers and subjects covered:

[Welcome to Sheffield- Tim Shaw & Victoria Thourgood \(Nabarro LLP\)](#)



Conference delegates entering into the spirit of the The Grand Départ 2014 theme.

Tim and Victoria are well known to NE branch members in that they attended and spoke at the Spring Conference in Barnsley in 2012, so they were both pleased to renew their acquaintance and host the Summer Conference.

Procurement – Doing development differently – Kuldip Dhanoya (Nabarro LLP)

Kuldip spoke about the general EU principles and directives covering public procurement. She made reference to those implemented into UK law, by Regulation, including the new Directive (2014/24/EU) - to be implemented in 2015. The presentation also covered which contracts are covered and relevant financial thresholds. Delegates were advised that a land disposal or acquisition is excluded from the scope of the Regulations, but that when proposals go wider than just a land transaction, EU law applies, the landmark cases being Roanne and also Helmut Muller. Reference was also made to the Midlands Co-operative case (2012). There was then comment and advice on the issue of stalled developments and whether retender or renegotiate the way forward. The advice balanced the decision in the Presstext case, against the clarity in the New Directives as to when a variation can be made without fresh procurement.

A new approach to leisure – Anita Chib (Nabarro LLP)

Anita focused on recent trends in sports and leisure, including how providers (public and private sector) are looking at ways of making that provision, not least because of the current financial climate. She gave examples of work Nabarro LLP had done for a leading private sector provider, a number of local authorities, as well as Sport England and on PFI

initiatives. Particular reference was made to the Sport England Procurement Toolkit, the objectives and progress to date. Some guidance was also given as to the key considerations when utilising the Toolkit.

Planning update – Stuart Tym (Nabarro LLP)

The main focus of the presentation by Stuart was the issue of affordable housing provision as part of any residential planning proposals. He cited the Fox Strategic Land (Sandbach) example. There was then some comment and advice surrounding developer profit/residual land values and how this had featured in a number of reported cases over the last 5 years, including where initial land values had then been affected by the economic downturn. Further comment was made regarding land supply and green belt issues and examples of land in Brockham (Surrey) as well as Gallacher Homes Ltd v Solihull MBC (2014) were discussed. Stuart then touched on the matter of CIL charging schedules and the concern of DCLG that many authorities still don't have such schedules in place.

Occupational liability and public sector land ownership – Luke Bennett (Sheffield Hallam University)

Luke delivered an interesting and lively presentation broadly based on the issue of what liability occupiers actually have, against what they seem to think they have. A key case in this area was determined in 2003, since which there has been much said and written about such matters as Duty of Care, Standard of Care and Causation. Mention was made also of the Occupiers' Liability Acts of 1957 and 1984. In 2008 Luke and a colleague worked with a number of major agencies in the leisure and

outdoor "industry" to look at landowner perceptions. Findings included a general view that landowners take the risks in their stride, but there was the feeling that small landowners may not hold to this general view. Follow-on projects have been set up by Luke to widen the scope of the research, including in other areas where local authorities have been faced with issues and problems.

Valuation issues – David Couch (BNP Paribas Real Estate)

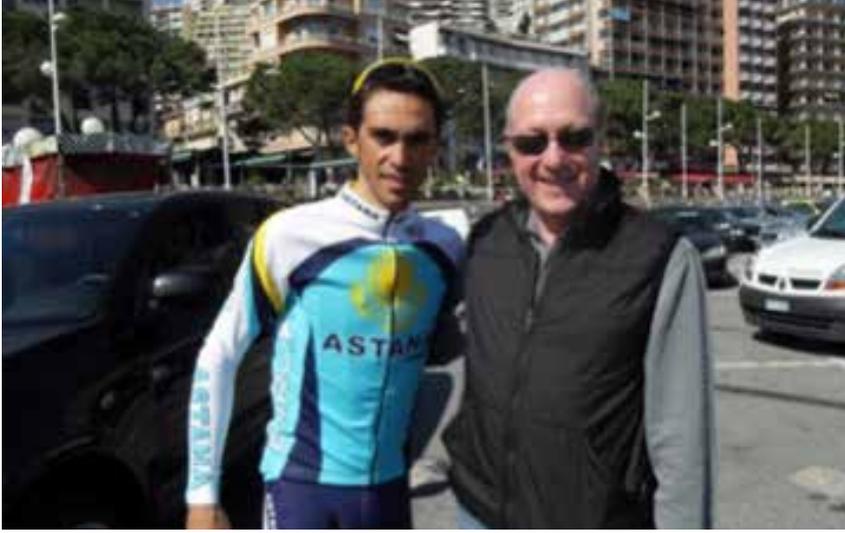
After enjoying the delights of the main feed zone (aka lunch) David acquitted himself well in taking on the graveyard slot and managing to keep delegates' attention. He covered Valuing development land in an improving market, including capturing future value and 'A Market Update'.

David spoke of the purpose of the valuation, the need to secure best consideration and the RICS approach (Information Paper 12). Comment was made on residual and comparison approaches. In terms of capturing future value, a range of possible options were mentioned and examined.

In terms of the residential market, the presentation was generally upbeat, not just in the south of England, but also moving further north; here steady growth is being forecast. The presentation also indicated that both the investment and office markets (again in the regions as well as London and the south) were showing signs of improvement and in a sustained manner.

Disposal of local authority assets by auction – Mahroof Mohammed and Adrian Little (Mark Jenkinson & son)

Mahroof is a regular attendee at branch meetings, having previously worked in the public sector for Sheffield City Council. His paper was particularly relevant in the current climate where authorities are being forced still further to realise capital receipts, yet maintain revenue streams. Mahroof focused part of his paper on the implications and requirements of complying with s123 of the Local Government Act 1972 and how this could and should be demonstrated,



Legal issues relating to disposal of land – Tim Shaw (Nabarro LLP)

Tim, having had a local authority background before joining Nabarro LLP, had a very clear understanding of the needs of the public sector surveyor to demonstrate best consideration. Following on from points made by other speakers earlier in the day, he reminded delegates of the duties under both the LGA 1972 and also the T&CPA 1990, together with the 2013 HM Treasury Guidelines “Managing Public Money”. He covered the exceptions to the requirements, but then went on to emphasise the nature of the obligation to obtain best consideration, including the main cases dealing with the obligation.

Tim covered both the Bolsover v Pepper and Molinaro v RB of Kensington & Chelsea cases and explained the reasoning behind the different outcome in the 2 cases. He explained that it centred on the narrow (basically one issue) consideration in the Pepper case, against the wider approach in the Molinaro case.

Brief mention was made of the Local Government Act 1988-s25- General Consent: April 2014 which deals with the obtaining of consent of the Secretary of State for a disposal of land for new housing, at less than best consideration, noting that such a consent doesn't need further “consents” under other legislation eg LGA 1972 and Housing Act 1985.

The next branch meeting is to be held in Redcar on 7 November 2014.

John Read the Branch Press Officer was unfortunately on leave when the event took place (but did send a photo of himself in yellow in an attempt to win the prize for the best yellow attire of the day), so continuing the Tour de France theme, Bernard White and his TdeF advisor, Señor Contrador (see photo) have prepared this item for The Terrier.

linked to the auction route for disposal. He also gave a number of anecdotal examples of issues he had faced in the public sector and where there was a requirement to release assets for disposal in order to derive capital receipts, but where there was then a degree of resistance, from both operational departments and on the political front. [Ed – see 2013 Autumn Terrier].

His colleague Adrian Little spoke of his experiences from many years as an auctioneer and how and why the approach to using the auction process had changed and evolved. He made the point that while many assets are suitable for inclusion in an auction, there are still those where another method of sale is probably more advantageous. This was a comment that he felt held good, be it assets of a public body, or those of private owners.

Passive Housing – Chris Thompson (Citu)

Chris has addressed members previously, but it was particularly pleasing that he could do so again and link his talk, in part, to Citu's experience in dealing with an initiative involving the Little Kelham site in Sheffield. Note this case study was the recent focus of an item carried in the June edition of the RICS Modus magazine.

The site is that of redundant buildings close to Sheffield city centre, including elements which are Grade II* listed. He explained the reasons behind their acquisition of the Little Kelham site and how they were looking at provision of city living for families through a mix of conversion of older buildings, as well as new. A key component of the development is utilising local labour and keeping close control on all elements, thus avoiding disputes with

and between trades which has often blighted construction projects.

The other major factor in the development is to apply the “Passive House” principles. There were first established some years ago on the continent, but the Little Kelham scheme will be the biggest single ultra-low-energy scheme in the UK. Chris outlined the approach, both in building techniques and also how occupiers are included in and kept informed on not just the benefits of the scheme, but also their on-going occupational costs.

Legal update on cases relevant to local authority property professionals – Victoria Thourgood (Nabarro LLP)

Victoria provided a number of examples and cases that were currently of relevance to surveyors, not least those employed in the public sector. She highlighted the following:

Mitchell v Watkinson: a case relating to adverse possession

The Paddico and Betterment Properties cases: cases relating to town and village greens

Coventry School v Whitehouse: a case relating to restrictive covenants

The Lanfear and Avon Estates cases: cases relating to description of boundaries in documents and the use of T marks

Walton Homes Ltd v Staffordshire CC: a case relating to overage provisions and valuation assumptions

Martin Retail Group Ltd v Crawley BC: a case relating to estate management principles.

Other Interest Areas

THE SUFFOLK SCRIBBLER

Educating Yorkshire

This piece is about the above television programme and not an overly elaborate lead into the punch line "Tha' can allus tell a Yorkshire man; but tha' can't tell him much."

Educating Yorkshire was a "fly-on-the-wall" documentary about a comprehensive school, the staff and pupils and how they all interacted. I was very interested to see if things had changed in the decades since I had been subjected to educating Yorkshire; and they had, substantially.

In the 50s, education, in the mining area where I spent my formative years, was seen as the only available escape route to a better life. Of course we pupils were unaware of this but our parents and the teaching staff and the education authority were all in on the conspiracy. And to emphasise this, at every school there would be a cast iron notice securely fixed either to the building or a substantial metal post setting out do's and don'ts, but mainly don'ts, and all signed "A. B. Clegg MA Chief Education Officer, West Riding of Yorkshire"; an early example of the reinforcement of brand awareness.

I was started at school at the tender age of 3. Our lunch comprised sandwiches brought by ourselves following which we all lined up outside the main hall, where we were issued with a camp bed which we carried in, erected and then slept the remaining lunch period away; a facility which I have keenly missed ever since.

The only objective of the education system was success in examination results, and later on how many pupils gained places at either Oxford or Cambridge. To this end likely pupils were accelerated through the system; though not always with complete success. For example I leapfrogged one year pre-11+ only to spend 2 years in the last year of

primary school and then at grammar school I was leapfrogged over the fifth year only to spend 2 years in the Upper Sixth prior to going on to university.

The way the system was organised was that we pupils received education provided by a munificent municipality and delivered by teachers who were clearly totally different. Neither the authority nor the teachers welcomed questions or "participation". To emphasise their difference most teachers, mostly men, wore tweedy sports jackets complete with leather accoutrements; clothing that self-respecting miners would object strongly to being buried in.

Clearly there was seldom much real contact between teachers and pupils. We were all addressed by our surnames. As I recall parents were not made welcome.

As shown on TV the system had changed totally. Teachers and pupils were all on the same side and participated in real conversations with each other. Pupils had changed completely. While we would not say boo to a goose, these pupils had firmly held opinions and feelings that they were not afraid of putting over in the strongest possible terms. The headmaster, Mr Mitchell, was a revelation. He strolled about the school corridors, sported designer stubble and chatted freely with pupils whom he addressed by name, as if he knew them!

I just wonder if I would have flourished better under such an enlightened system.

The best example of the new system involved Mr Burton the English master and Musharraf, known to his friends as Mushy P, who was a stutterer of heroic proportions. Mushy, who had Pakistani origins, was an intelligent and keen pupil anxious to get involved in all aspects of classroom activity. When Mr

Burton asked a question his hand was always the first to go up but his stutter always got in the way of his answer. Or to be more accurate his affliction was such that he was unable to get as far as his stutter.

Mr Burton went to great lengths to help him but without success. As a last resort he tried the solution used in the film "The King's Speech" in which to lessen the impact of King George VI's speech impediment his Aussie voice coach got him to wear headphones through which music was played as a distraction while the King read from a prepared script. After some experimentation Mr Burton and Musharraf got this to work and the final scene in that episode involved Musharraf giving a heartfelt speech of thanks to his fellow pupils.

There wasn't a dry eye in the house.

The ex-para

On the subject of "There wasn't a dry eye in the house" I caught this on TV at about 3am while waiting to feel tired again.

The motorway cops were alerted by the emergency services dealing with a minor collision on the M62. It was suggested that they ought to attend.

When they reached the scene they found that a car had had a minor collision with an HGV resulting in damage to the nearside front car wheel and nearby bodywork. The HGV was undamaged and was sent on its way. The car driver proved to be, after lengthy questioning, a 90 year old ex-paratrooper on his way to an annual regimental reunion in Holland. And the reunion was expected to last for 5 weeks and he had a ferry booking at Hull for early evening. So could someone put his spare tyre on so he could be on his way?

Although aged 90 the driver clearly was in possession of all his marbles and he

spoke in polite and respectful terms to the policemen while emphasising that it was imperative that he caught his ferry. Given his attitude and his wartime service the motorway cops decided to try and help and went way above the call of duty to provide all forms of assistance including real help.

His car wing was too damaged to allow him to continue so a hire car was the answer but who would want to hire a car to a 90 year old for a 5 week trip abroad starting today? The cops thereupon made arrangements for the recovery of his car, took on board his stuff for transfer, then found a car hire place willing to provide a replacement vehicle. The last we saw of the ex-para was him driving off in the hire car to Hull

At the end of the programme there was a very deadpan announcement telling us that he did in fact make the ferry at Hull and the start of his regimental reunion but, sadly, he had died after 3 weeks surrounded by his wartime colleagues.

The "N" word

The other day I came across a discussion in the Times, that is the Radio Times, about the epic wartime black and white film The Dam Busters which had just

been reshown on TV. The discussion was about an apparently serious project to remake the film but this time in full colour. However there would be a need to update the name of Guy Gibson's black labrador which is referred to by name in the film in order to recognise how social sensibilities have changed in the last half century or so. The dog's name is, of course, Ni***r.

Why leave it there as there are a number of other updates that could be deployed; for example:

- A black labrador could be seen as far too masculine and aggressive; would a cuddly kitten widen the film's appeal; and perhaps the name "Tiddles" would be a safer bet?
- When on "ops" bomber crews were sent off with a cooked full English breakfast which we now know is not the healthy option. Perhaps bomber crews could be shown being sent off after a modest breakfast of muesli and non-dairy milk
- And in the film, returning flying crews are seen celebrating in the Officers' Mess with pints of beer and high jinks. Not a very good

example really. A more sensible celebration could comprise a small dry sherry, a few glasses of sparkling Vimto and a jolly good sing-song.

Clearly once you start changing small elements of a successful formula it's possible to justify continuing changes until the whole point of the original is lost. For example the original film depicted one small event in the war with Germany. An unthinkable proposition today although I find it difficult to suggest an acceptable alternative opponent.

Perhaps a different sort of conflict could be depicted that would not offend anyone? I suggest an international competition between European WIs to produce the most appealing and tasty preserves – THE JAM BUSTERS!

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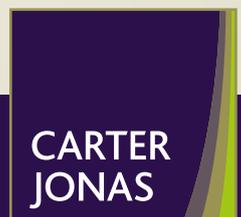
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