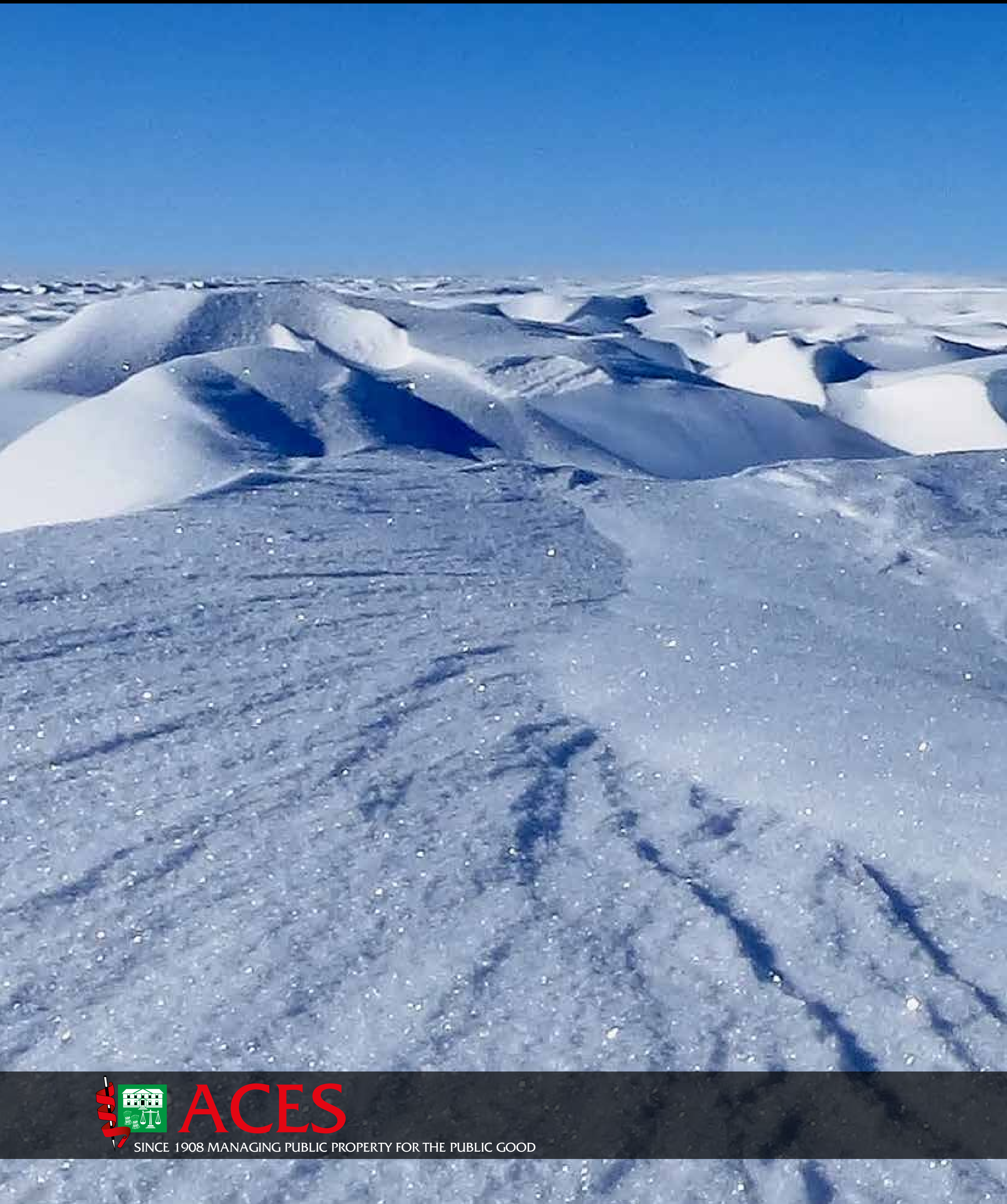
The Terrier

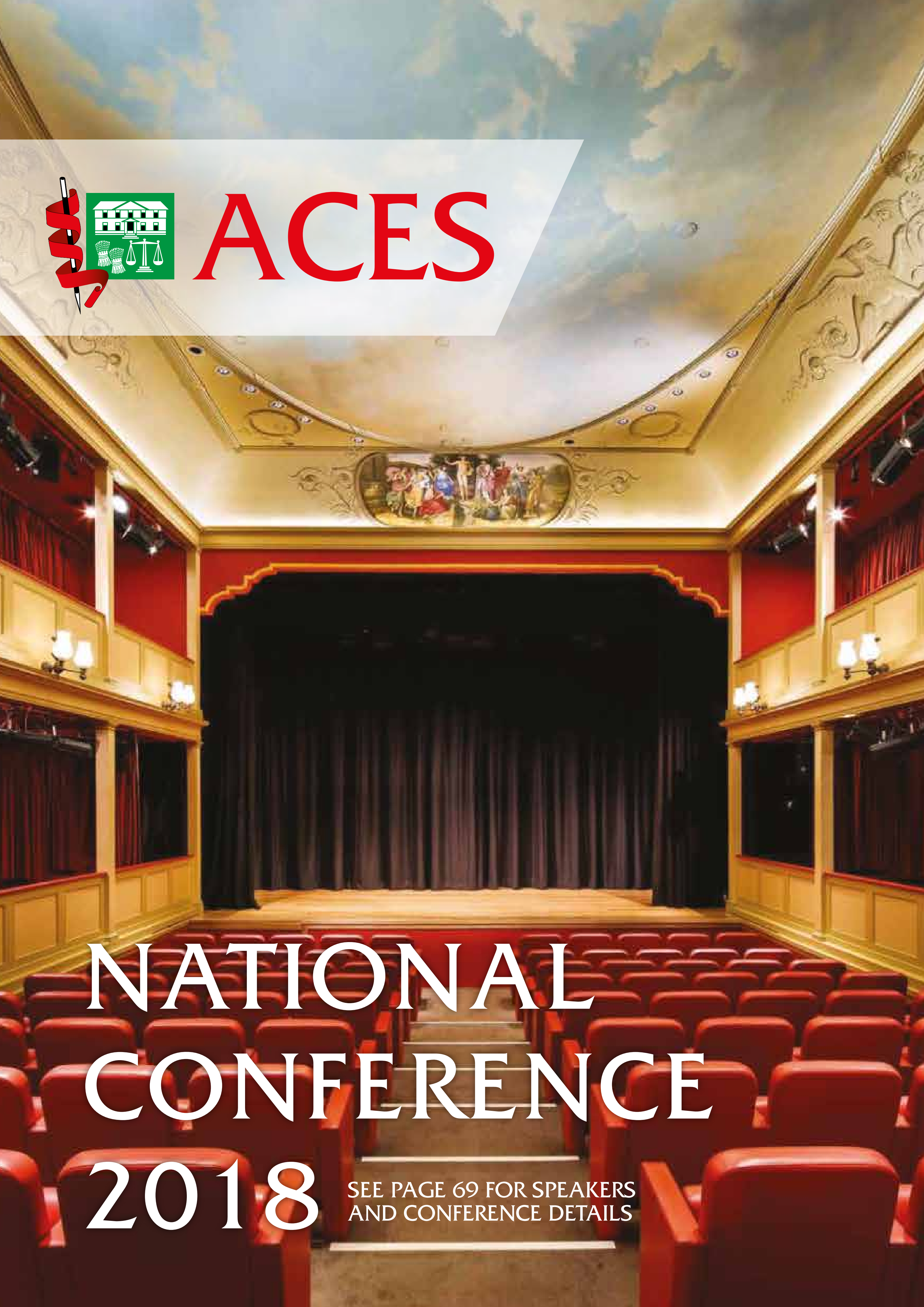
The Journal of ACES - The Association of Chief Estates Surveyors & Property Managers in the Public Sector

Volume 23 Issue 1 Spring 2018



ACES

SINCE 1908 MANAGING PUBLIC PROPERTY FOR THE PUBLIC GOOD



ACES

NATIONAL CONFERENCE 2018

SEE PAGE 69 FOR SPEAKERS AND CONFERENCE DETAILS

THE TERRIER

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

VOLUME 23 - ISSUE 1 - SPRING 2018

EDITORIAL

Betty Albon

Welcome to this edition of The Terrier.

Spring? I make no apologies for the front cover. Although it happens to be the Antarctic, it could just as easily have been photographed from a few regions in the UK. I'm still not altogether convinced that we have seen the last of winter.

This edition includes some interesting articles on health and environment, especially positive actions that can be taken to improve our streets, our parks and other open spaces, with linked pieces on community involvement. There is also a summary of a research project on house building. It seems that the majority of local authorities are either doing it or thinking about it. So appropriately, there are some case studies giving practical advice of steps to undertaking development working with private sector partners, and how to capitalise on re-using brownfield and infill plots.

Other topical issues include investment in commercial property, comparable investment evidence, MEES, office utilisation, procurement, and leasehold enfranchisement. In fact, a whole range of professional material which I hope readers will find useful.

Sadly, I'm a bit light on branch news again – obviously too many Easter eggs this time! How about a mid-year resolution: "I must submit my branch report every quarter, for Terrier."

By special request, the Suffolk Scribbler is back, telling his tale of a close encounter of the celebrity kind. And back to where I started, don't miss the article about motivational skills in a hostile environment – which happens to be the Antarctic, but could be applied to our challenging workplaces.

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Cover photo: Endurance South Pole 100 Expedition.
Photograph kindly provided by David Henry.

NOTES OF ACES NATIONAL COUNCIL MEETING 26 JANUARY 2018

Trevor Bishop, ACES Secretary

24 members attended the meeting which was held at the Guildhall, London.

President's report

The President, Neil McManus, reported that he had spent some time reviewing the member survey in 2017 and preparing his report and recommendations arising out of the responses and findings. He had also arranged a number of visits to branches and he was looking forward to meeting as many members as possible. Progress had also been made on preparations for the National Conference in Cambridge in September.

Secretary's report

The Secretary reported on matters arising during the period from the 18 August 2017 Council meeting, which included the transition of the secretary role from Keith Jewsbury at the Cardiff AGM in November.

The Secretary said he was honoured to be involved in the judging of the ACES Award for Excellence demonstrating the quality of service delivered by members, and was pleased to be able to assist the outgoing secretary in the arrangements for a successful AGM in Cardiff in November [Ed – see 2017/18 Winter Terrier for notes, Presidential address and professional papers delivered].

He reported that the invoices for ACES' membership subscriptions were sent out in December 2017 and there was the usual activity in responding to queries. More authorities required purchase order numbers before payment, which involved re-issue of invoices; because of the change of Secretary details, many required "new supplier registrations" in various forms. At the date of Council, more than half of the subscriptions had been paid.

The Secretary was looking forward to attending some branch meetings, along with the President, during the year and noted that there were a number of key tasks to be delivered with regard to improving membership numbers, ACES modernisation agenda and data protection compliance, for example.

Financial matters

The Treasurer, Willie Martin, reported on the finances of the Association and in particular, the latest position to 31 December 2017.

He informed Council that in general terms, the current account is within the budgeted for parameters for the year and the conference account reflected a successful 2017 conference, with some income from the conference yet to be accounted for.

With regard to the financial outlook, the Treasurer reported that the budget for 2017/2018 anticipated a surplus. However, due to increased Asset and AGM costs, coupled with anticipated reduced income from CPD roadshows and jobs advertising, the surplus at the end of the year may be moderate. A reduction in income from job adverts prompted a review of the process including fee rates and the possibility of broadening the opportunity to consultants, which the Secretary will address.

Discussion took place on the London AGM in 2018, which required an early cost plan for review. An approach by the Secretary to the London Branch with regard to suitable venues was agreed.

Terrier advertising for 2018

The Editor, Betty Albon, reviewed the financial position on production costs for the Terrier, set against income from advertising. The Terrier remains self-financing, albeit marginal, even though advert rates had not been increased for a couple of years. The recommendation to maintain current rates was approved.

The Editor made a request for more branch reports for the Terrier this year and the Branch Liaison Officer agreed to support this.

ACES website

The Secretary advised that, for a number of reasons, proposed improvements to the website had not been progressed. Paul Over agreed to contact the website designers on the issues, which included a search facility for Terrier articles, on-line payments, and a general refresh and tidying up of the website. The Secretary agreed to arrange a meeting with TVW to cover ACES' requirements in more detail.

ACES Membership review and survey

The President presented a detailed report on the Working Group analysis of the 2017 Member Survey, together with trends and conclusions arising from the responses and a list of recommendations designed to take forward the wishes of ACES membership, and ensure the growth and success of the organisation.

Council debated the recommendations at length and it was agreed that in general the recommendations were approved, subject to some amendments and clarifications particularly with regard to membership criteria for individuals in the private sector. It was agreed that the formulation of a 3-year business plan was a key to ensuring that action was taken and the President agreed to assemble and lead a working party on this. As an immediate measure, it was agreed that an action plan to increase ACES' membership, alongside a paper refreshing the benefits of membership, be brought to the next Council meeting. A summary of the findings and recommendations would also be produced for the website and Terrier [Ed – see executive summary of conclusions prepared by Richard Allen in this edition of the Terrier].

National conference 2018 – Downing College, Cambridge

The President confirmed matters were progressing well to support the conference and its theme of "Income generation and revenue reduction in the public sector". Ideas for speakers were requested from Council. Tim Foster reported on arrangements for the social agenda, which included a tour of the city and a punt on the river and a trip to the National Stud at Newmarket [Ed – see flyer in this edition of the Terrier, including speakers already secured].

The President agreed to bring a detailed financial plan to the next Council meeting.

AGM and July Council meetings

Council agreed to the 2018 AGM being held at a venue in London and the Secretary will follow up Council recommendations on venues and costings. Glasgow was recommended as the AGM venue for 2019. In line with previous years, it was agreed that the summer Council meeting be held outside of London. Farida Ahmed kindly offered to investigate a suitable venue in Manchester and later confirmed that this had been secured.

ACES Award for Excellence 2018

The Senior Vice President, Graeme Haigh, reported progress with arrangements and hoped to better last year's numbers. It was agreed that all participants should be informed of the results and that consideration be given to earlier circulation of the submissions. Branches to be asked to encourage their members to contribute to this very high profile and well-recognised award.

Coordinators and external working groups

A number of useful and informative reports were received from co-ordinators and these have been posted on the ACES website.

Consultation Co-ordination Group

The Senior Vice President reported that improvements to consultation responses needed to be made. This included better engagement of all members, ideally through the website, and pre-empting possible consultations before reports are published. It was noted that close liaison with relevant government offices needed to be maintained.

Branches

The North East Branch submitted a written report on matters arising in its region and other branches reported at the meeting on developments, particularly with regard to CPD events and workshops. Discussion ensued about the cost of travelling to branch meetings. It was agreed that a review of the practicalities of changing branch boundaries will be addressed at a future Council meeting.

Future meetings

ACES Council
20 April 2018 Guildhall, London

ACES Council
20 July 2018 Manchester

Annual Conference
20 September 2018
Downing College, Cambridge

Annual Meeting
16 November 2018 London

Annual Conference
September 2019 tba

Annual Meeting
November 2019 Glasgow

Other matters

The Secretary reported that he will open a Twitter Account under the secretary@aces.org.uk email address with key officers enabled to tweet. Council noted that a LinkedIn account should be considered.

The Secretary noted that new General Data Protection Regulations were to come in force in May 2018. The Secretary will prepare a paper outlining what needs to be done to ensure compliance by ACES.

The Branch Liaison Officer, Keith Jewsbury, reported on issues regarding the condition and location of the various ACES banners and whether a review of wording and use was due. Council agreed and the BLO undertook to progress the design and procurement of new banners to be distributed to branch secretaries.

The Editor referred to an approach for members to contribute to a survey by REVO (formerly the British Council for Shopping Centres) to assist in a research project into the future of town centres. It was agreed that ACES would support this, subject to agreeing a mechanism to comply with members' data protection.

MEMBERSHIP Trevor Bishop

I list below the changes in membership between 1 January and 31 March 2018.

New members approved

There were 20 new applications approved during the period:

First Name	Surname	Organisation	Branch Ref
Guy	Allen	Redcar and Cleveland Borough Council	NE
Michele	Brand	West Sussex County Council	SE
Chris	Burke	Lambert Smith Hampton	E
Matt	Burns	Hinckley & Bosworth Borough Council	HE
Steve	Carter	DVS Property Services	W
Gerry	Devine		W
Philip	Doggett	Cambridge City Council	E
Julie	Fittock	Cushman & Wakefield	L
Lee	Kinder	Blackburn with Darwen Borough Council	NW
John	Lee	Nottingham City Council	HE
John	Macmillan	Cambridgeshire County Council	E
Dee	Maddox-Hinton	Wokingham Borough Council	SE
Louise	Reid-Thomas	Stirling Council	S
Andrew	Rowson	Concertus	E
Colin	Scott	North Lanarkshire Properties LLP	S
Julian	Stanyer	Basildon District Council	E
Neil	Turvey	St Edmundsbury Borough Council	E
Lee	Wigley	Calderdale Metropolitan Borough Council	NE
Derek	Woods	NHS Property Services Ltd	NW
Colin	Wright	West Suffolk Councils	E

Transfer from full to past membership

The following members transferred during the period.

First Name	Surname	Branch Ref
Cath	Conroy	NW
David	Street	NW

Resignations

The following 5 members resigned during the period.

First Name	Surname	Organisation	Branch Ref
Rachel	Covill	DVS Property Services	L
Chris	Gillett	Wokingham Borough Council	SE
Miles	Hooton		L
Darran	Hunter	NHS Property Services Ltd	NW
Tony	Schrier		HE

Summary of current membership:

Summary of current membership at 31 March 2018.

Total membership	
Full	224
Additional	58
Honorary	33
Associate	27
Retired	38
Total	**380**

SURVEY CLARIFIES ROLE AND OBJECTIVES OF ACES, IDENTIFIES BENEFITS OF MEMBERSHIP AND SUGGESTS CHANGES TO MEMBERSHIP CRITERIA

Council in January 2018 considered the analysis of the recent Membership Review and Survey which was completed by ACES members in autumn 2017. The following is a summary of the conclusions. ACES members can log into the members' section of ACES' website to see the whole report.

Council at its last meeting received a report from the Working Group that had analysed the results of the recent Membership Review and Survey. The following is a summary of the conclusions produced by Richard Allen, who was a member of the Group. After each question the working group provided some conclusions which they had formed, following the analysis of the questions answered and members. comments. These were considered by ACES Council at its last meeting in January.

Executive summary

Although not suggesting any major changes, the survey clarified the objectives and role of ACES. It endorsed the view of Council that ACES is a 'peer to peer' members' association where the main reason for getting together is to help each other to do their jobs through mutual support, and that this should continue to be its main focus and role. Members should be from a local authority or similar public sector body; or a company, either publicly or privately owned, contracted to deliver the majority of an estates function for a public sector body. They need to be committed to being part of a community of professionals promoting excellence in the management of the public sector estate. Members should hold senior positions and have authority to promote and represent both themselves, their public/private sector body and fellow professionals in that body. They should have a strong public service ethos and be willing to contribute to, as well as personally benefit from, membership of the association.

Analysis of survey report

Responses to the survey were received from 137 members, who answered and commented on the following questions.

Q1) Please indicate which sector(s) you represent or work for

Conclusion - ACES members still primarily work within local government. The Association relies heavily on support from retired members which, while greatly welcome, is a high risk strategy that needs to be addressed.

Q2) Primarily ACES is a 'peer to peer' networking members' association where the main reason for getting together is to help each other do their jobs through mutual support. Do you agree that this should continue to be its main focus and role?

Conclusion - This view was endorsed, with membership being the individual who represents their local authority/ public sector body.

Q3) To what extent do you consider that the existing ACES objectives are relevant to the estate surveyor in the public sector?

a) Promote good asset and estates management in the interests of the community and public

b) Promote ACES as the first call for property advice and make recommendations to government, associations and institutions

c) Meet and represent members' interests and to disseminate information

d) Improve the public image of the profession

Conclusion - A wide range of insightful and informative views were expressed, but ultimately the conclusion was drawn that the existing objectives were endorsed and should remain, although as these are the shortened version on the website, they should replace the ones currently in the constitution. Could delete in a) 'in the interests of community and public' as it is not an objective, it explains the reason for the objective, and replace with 'across the public sector through sharing innovation and best practice' to fit in with the One Public Estate agenda and what ACES primarily does. Could add into c) 'to develop skills and expertise of members' as providing CPD is considered to be an important role for ACES. Objective 5 in the actual constitution regarding seeking representation from every local authority and public sector body could remain but be shortened.

Q4) What changes, if any do you consider should be made to these ACES objectives (in Q3) to reflect the way services are and will be delivered in the future?

Conclusion - A large number of suggestions were made, but in the main they were ways of delivering the existing objectives, so it would be better if they formed part of a delivery strategy.

Q5) How important to you as a member of ACES are the following?

Each of ACES activities were itemised (branch meetings; CPD events; national Council meetings; national conference; The Terrier/Asset; website forum; website news, job adverts etc; national Council Coordinators; making individual network contacts via ACES; links with other government and public sector organisations; consultation and lobbying).

Conclusion - All are important, with national Council meetings, coordinators and website scoring the lowest. Suggest promote the role of coordinators, whose performance until recently has been very patchy, including what they do not generally being shared with branches. Promote better use of the website forum as there was a view, although not shared by all, that responses to forum requests are disappointing and members should be encouraged to make more use of it.

Q6) ACES operates efficiently through its website and printed output, but much of its work takes place at local meetings all over the country organised by its 10 branches. Do you regularly attend and get involved in these meetings, so as to get full benefits of ACES membership for yourself and the organisation you represent? If 'No' why not?

Conclusion - Branches need to promote the benefits of attending local meetings and demonstrate that attendance and supporting meetings will actually deliver tangible benefits.

Q7) What do you consider to be the main benefits of ACES membership and provide examples

The responses to these 2 questions were wide-ranging and have been grouped into headings as follows:

- Networking to share best practice and problems - This is the benefit most mentioned

- Profile - Raise profile of local authority/public sector body and own profile with employer and property community; being a member of ACES helps with introductions and negotiations; ACES Award for Excellence helps raise profile of individual winner and public body represented and is a good motivational tool

- General support through branch meetings, forum, and visiting other authorities - Examples of areas where support given covered obtaining peers' views; finding specialists on a particular subject; producing asset management plans; valuation, principally asset and rating; access to national comparables; property investment strategy; AMP software; office rationalisation; agile working; corporate landlord; community asset transfer policy; rights of air valuation; marketing policies; CPOs; EPCs; registered valuer scheme; recruitment; procurement of consultants; consortium-working to appoint consultants; cross-authority working (collaboration); insurance benchmarking; leases for a charity; TRIG AMP guidance; training for non-property support staff, promoting work on health estates; promoting OPE and Single Estate Pathfinder work; Community Empowerment Act 2015.

- Terrier articles - Widely beneficial, but in particular they help with policy development and negotiations

- Policy - ACES influences policy at government and RICS level; early insight into policy agenda helps develop own strategy

- Keeping up to date and ahead of the game - Particularly with policy and legislative changes

- Continual professional development - Provision of relevant affordable CPD at local level and at national conference

- Procurement of services - From the private sector generally and a number of authorities for a joint rating consultancy; learning from others who have outsourced; not making mistakes in appointing consultants and getting locked into poor agreements

- ACES best practice guides - Production of various guides, with the guide to Rural Estate Asset Management mentioned as being particularly helpful

- Better understanding of the public sector and role and challenges facing ACES' colleagues.

Conclusion - Promote these benefits widely to public sector bodies with no ACES membership

Q8) Membership

a) Is it important that ACES continues to focus on being about and for the public sector?

b) Are you in favour of private sector estate surveyors/property consultants as individuals being allowed to join if they are primarily involved with public sector work?

c) Are you in favour of private sector companies being allowed to join as a separate membership class if they are involved with public sector work?

d) Should private sector individual members have voting rights?

g) If permitted to join are you in favour of any restriction on numbers of private sector estate surveyors relative to existing branch members?

Q9) In connection with questions 8 c) & 8 d) above, if you answered 'agreed' or 'strongly agreed' which of the following scenarios would you agree to allow a private sector company membership to ACES?

a) Companies who deliver ad hoc public sector work e.g. disposals/ valuations

b) Companies who are contracted to deliver the majority of an estates function for a public body

c) Companies who have a contract to deliver part of a property function for a public sector body e.g. asset valuations/rating work

Conclusion – Not all members responded to this question; a majority of all respondents are in favour of membership from companies who are contracted to deliver the majority of the estates function for a public sector body.

Q10) In connection with question 9 above, if you agreed to any of the examples should it still be the individual or the company (Note: ACES' current criteria is that it is the individual)?

The majority view is the individual should be the member as it will enable relationships to be developed that ensure the private sector surveyors involved in ACES activities are those who are genuinely committed to the public sector. There was a strong view that ACES is about individuals networking and so membership should be restricted to individuals with this ethos.

Q11) In connection with question 8 g) above, if permitted to join are you in favour of any restriction on numbers of private sector estate surveyors relative to existing members e.g. a maximum percentage of membership of each branch? If yes what do you consider to be the maximum percentage?

Conclusion - Membership should be opened up to the private sector in the way supported by the survey which, although not promoted by ACES, is already permissible under the revised constitution adopted in 2016 which says 'ACES Council may approve an application from senior surveyors working in the private sector who are employed by an organisation appointed to represent the entire or substantial estates interests for a public sector client(s).

This will bring membership into line with local authority owned companies that are already providing estates services eg NPS, Concertus, Place Partnership; private sector companies specifically set up to provide services to the public sector eg Capita; and individual ACES members who have now left the public sector and set up their own consultancies to provide services for the public sector. Suggest that Council, through a small working group, produces a special membership criteria for the private sector, and that membership is restricted to a low percentage for each branch, and could exclude voting rights. Keep future membership for individuals from companies who deliver part of an estates function under review.

Q12) Please suggest any ways you consider ACES could improve as a members' association in order to better achieve its objectives?

Suggestions were to raise the profile within the public sector hierarchy and with elected members; promote ACES more widely across the whole of the public sector, as it is still mainly a local authority association; develop a business plan with targeted objectives; improve website and develop 'insurv' type add-on where examples of best practice can be located; more CPD at branch level and full day meetings; work closer with CIPFA and RICS; represent all estate surveyors not just 'Chief'; raise profile of President through national issues and articles; more articles from ACES in Estates Gazette, Property Week, RICS publications; more sharing of best practice across branches; increase number of conferences but buy in support; more on-line content; increase younger membership; reduce level of branch fees and give discounts to new members; better use of social media such as LinkedIn and Twitter; have a light membership for colleagues in the public sector who are not surveyors e.g. solicitors who deal with property transactions; better use of modern technology; be less reliant on retired members' support; on-line video training; reinvigorate rural branch; widen access to property professionals across the public sector; more opportunity for structured problem sharing; change name to Association of Surveyors in the Public Sector or something similar as there are no longer Chief Estates Surveyors in public bodies.

Conclusion - Council should develop a Business Action Plan to promote the role and benefits of ACES membership and take on suggestions made; replace the existing ACES strapline with one that reflects the current role of ACES such as: 'Promoting and sharing innovation and best practice across the public estate'. The present strapline of 'Managing public property for the public good' does not help promote ACES as it says what its members do, not what ACES does for its members.

The demographics of the member responders can be found on the website.

What happens next?

Council approved a number of actions to better promote the role and benefits of ACES and broaden membership across the public sector, including the production of a 3-year Business Plan (see notes of 26 January Council meeting). Final recommendations on membership and other key issues will be taken to the AGM in November, for formal approval.

Ed – Daniella Barrow, ACES' Immediate Past President has also written an article about the benefits of membership in this edition of The Terrier.

THE BENEFITS OF ACES

Daniella Barrow

Daniella is Operations Director, NPS Leeds. She is ACES' Immediate Past President and had a very productive year as President, including organising a successful 2-day conference in Leeds.

ACES recently carried out a membership survey (see summary in this edition of Terrier). Daniella highlights the opportunities and range of work a public sector surveying career offers, and lists the benefits she has gained from being a participating member of ACES.

Before university, I was not familiar with surveying or what it entailed. After studying economics, biology and accountancy at A level, I was looking for a degree that would be interesting and a little different. I particularly enjoyed economics and came across a degree course at Sheffield Polytechnic – now Sheffield Hallam University – in urban land economics. The syllabus detailed that the degree was accredited by the RICS and my interest was heightened. I went to an open day and discovered a whole new discipline and career area. I went on to study the RICS-accredited course, even though my school careers advisor was not able to enlighten me about the surveying profession that the degree covered.

During my studies, which covered general practice surveying, I particularly found very interesting the work that a visiting speaker from a local authority undertook. When a work placement came up at the same authority, I applied for one of two places with a fellow student and we both got offered the placements.

Opportunities for the public sector surveyor

It was a little in at the deep end, taking on a role that touched on all aspects of property within council services – education, housing, health, social care and many others. The support from the team there was great and I soon found myself shadowing experienced surveyors on large complex disposals, land acquisitions for highways and commercial retail centres.

The multifaceted nature of work in a local authority is what I believe makes such surveying roles different from others.

Surveyors can bring a wide range of skills to the public sector, from planning and development to dealing with landlord and tenant issues, as well as analytical problem-solving in general. The work requires versatile and flexible professionals who are ready for a different challenge every day.

This gives surveyors looking to undertake their APC a whole range of experience and a grounding in many property issues. The negotiations I used to get involved in may have had less zeros than deals by colleagues in the private sector, but the theory was still the same.

There are sometimes thoughts that we in the public sector are not as commercially astute as our private sector colleagues. I never fully experienced this, although if we ever brought in private sector support on schemes in my authority, it was to supplement rather than take over; I did have to remind one or two over-zealous consultants of this. However, I did find that as an APC assessor for 7 years, that this knowledge was shared with APC colleagues as to the vast experience we do gain the in the public sector.

Over the years I have dealt with a whole range of asset valuations of public wcs to investment ground rents, grazing licences, ransom strips, community buildings, site assembly for town centre regeneration, charitable trust land, property sold at commercial auctions, and industrial sheds, to name some of the areas. This type of portfolio will be very familiar to many readers.

An important skill I do feel is knowing the limits of your expertise and when to bring in extra support. This may mean utilising the skills of specialists within wider fields including the private sector, when it comes to specialisms that cannot be found at the authority itself.

The local authority surveyor's clients will be the different council departments, whose service delivery aspirations, policies and drivers must be understood by the surveyor, so he or she can work towards addressing or fulfilling these. Working in the public sector, you are answerable to the public and responsible for the public purse, so integrity and standards are also a vital part of our work. I do feel that in addition to the local authority governance, being a member of the RICS and adhering to its code of conduct also backs up the environment of integrity.

Surveyors also deal with the whole property lifecycle, from development to disposal and regeneration. There are great personal rewards in this work, by making a difference in the built environment. I have particularly enjoyed place-shaping, improving workplaces and creating a better quality of life for communities, by developing assets such as libraries with cafés, care services for older people or better healthcare facilities.

The value of involvement with ACES

Yet those in the public sector should also be mindful of what is going on in the wider property sector. It is extremely beneficial to find out what is happening outside of your borough or city boundary, not only from a geographical perspective but also an industry perspective. Since being an active member of the ACES national Council and former President of the organisation, I have had a great exposure to a number of members, organisations and third parties. My professional network has grown immensely and I have contacts within a large number of local authorities, and other public sector organisations. I have a greater knowledge of the challenges faced in the public sector as a whole and the inter-relation between the various sectors and their issues. This I feel allows me to undertake my current role with a wider understanding of the political, economic and geo-political landscape. Being an active member of ACES has allowed me to do this.

ACES forms a supportive network at local branch level, through meetings where members can share information, issues and best practice. ACES also associates with local universities that teach relevant courses and encourage surveying students into the public sector.

At a national level ACES Council looks at consultations, meets members of government to shape policy where possible, and works closely with RICS, each organisation using the other as a sounding board for relevant issues. ACES' members also contribute to papers such as best practice guidance for local authority property managers. At a national level, ACES has firm links with organisations also involved in property and asset management.

Naturally, among the biggest challenges ACES members are now facing are the large-scale cuts in local authority funding: everyone is having to do more with less. Partnership with the private sector and other service delivery models has come to the forefront as local authorities have fewer in-house staff, sometimes taking with them the relevant skillsets as staff retire and recruitment proves difficult. As the public sector changes its priorities, we need to be bold and embrace the changes as leaders so that we can better effect the change.

As with all surveying disciplines, there is also concern about keeping standards high and ensuring that the next generation of surveyors have strong strategic skills and can maintain public trust and confidence in the profession. Project management and soft skills such as communication, stakeholder management and leadership are moving up the training agenda and I believe that this is a priority area for the public sector surveyor, to keep us relevant and in control of our delivery outputs.

Regardless of the tough circumstances in which local authorities find themselves, surveying in the public sector offers the opportunity for those with a flexible mindset to explore a general practice role that is now rare in the private sector.

OBITUARY – AUSTIN BROWN

Sadly Austin passed away on 22nd December 2017. He hadn't been well for a while but remained his smiley self and bore his illness well.

Austin was born in 1946 and was 71 when he died. He studied at Newcastle Poly (now University of Northumbria) and he started working for Newcastle City Council around 1972, as was the case with many NP students. Stewart Allen, who knew Austin well, struck up a friendship with him at Newcastle in the early 80s. They managed to finally quit smoking together and it was Austin who introduced him to a variety of dubious new musical artists such as Tom Waits and Scritti Politi! Austin took up the position of Development Section Head at Sunderland City Council in 1983 and remained there until retirement. Stewart also moved across that "divide" that only a few footballers have made…Tyne to Wear!

Stewart remembers that in Sunderland, Austin suggesting they start a record club in the surveyors' office to purchase vinyl records (later CDs). These would be chosen from a list by the highest vote, then circulated among club members who would tape their own copy and someone would keep the original vinyl. Austin took it upon himself to prepare the list, based on his own in-depth knowledge of music and Stewart had the job of influencing (or pressurising) unwary staff to vote for the records of our choice! The Likely Lads or what!

When compulsory competitive tendering was introduced in the late 1990s, roles split and Austin remained on the "client" side. Stewart recalls that it was typical of Austin that he would do all within his power to ensure that the jobs of surveying staff were protected

in this era. Thankfully, with Austin's assistance, the surveying staff won a number of tenders against strong private sector competition. Stewart hastens to add they were won fair and square - unlike the record club!

Stewart concludes his thoughts: "A true gentleman and anyone who knew him will tell you the same".

Austin was Branch Chair from 2001 – 2003 and one of the highlights of his tenure came on 8 November 2001 at the Stadium of Light, Sunderland, when he hosted the 31st ACES North East Branch Meeting, together with the Branch AGM. The meeting was attended by the Senior Vice President of the RICS and the Regional Director for the NE [Ed – spot the 'young' faces of many loyal ACES' members. Austin is standing 2 to the right of Jill]. He was able to arrange a tour of the Sunderland FC changing room in the club's new stadium, much to the delight of Jill Bungay, who despite working in Sheffield for many years, was an avid Sunderland fan. Jill came across Austin after his time as North East Branch Chair and her abiding memory is of "a thoroughly nice chap".

Mike Ackroyd the former Branch Secretary, knew Austin for several years and found him most helpful during his period as Chairman, even though to Mike's frustration, there was one set of minutes he failed to sign off!

Most colleagues remember Austin for his sense of humour, laid back style and his love, as witnessed above, of contemporary music. He also enjoyed walking, travelling and even an occasional glass of red wine. He is survived by wife Karen (who also worked for Newcastle City Council), son Peter and daughter Grace.

Written by Bernard White, Nigel Walker and Stewart Allen, all ex colleagues.

Professional

LIONHEART – PROMOTING POSITIVE MENTAL HEALTH IN PROPERTY

Jo Grant

Jo joined LionHeart in November 2016 as the co-ordinator for the charity's new mental health in property project, the John O'Halloran Initiative (JOH). After receiving her MRes from the University of Birmingham, Jo decided to pursue her lifelong love of sport as a career. A keen hockey player at a high amateur level, she worked in the public sector as a physical activity development officer, running outreach programmes in the community, as well as working with people who had been referred by their GP to get involved in exercise. It was in this role that her interest in the field of mental health and wellbeing grew, particularly as her caseload included people who had struggled with issues such as depression, anxiety and stress.

She now runs all aspects of the JOH Initiative for LionHeart, co-ordinating the annual symposium events, mental health workshops and ambassadors programme.

Jo outlines the real issue of mental health illness, and outlines the work of LionHeart in offering help and support in a whole spectrum of ways.

Mental health statistics

The subject of mental health is never far from the media spotlight these days and it is as though people are finally waking up to the idea that mental ill health is something that affects us all.

Some of the figures around mental health are simply startling. The fact that, on

average, 84 men in the UK take their own lives every single week has prompted the current national awareness campaign by CALM, #Project84 – with pictures and videos of a thought-provoking installation of 84 sculpted figures on top of the ITV studios building in London being shared widely.

Obviously the issue of suicide is at the more serious end of the spectrum – but other statistics suggest that almost 1 in 3 of us will now be affected by mental ill health at some point in our lives. At any one time, 1 in 6 British workers will be off work due to mental health issues, including problems like stress, anxiety or depression, and this is said to account for almost 13% of all workplace absences.

And yet the idea that poor mental health is something that "happens to other people" still perpetuates, often making it difficult for people in professional, driven and, dare we say it, often male-dominated, environments like the property sector to be honest about whether they're struggling.

The John O'Halloran Initiative

LionHeart's John O'Halloran Initiative was born out of the very tragic story of a former Fellow of the RICS who took his own life in 2015. To the outside world, it looked as though John had it all – a successful career as a company MD, voluntary activities to fill his retirement, a loving wife, children and grandchildren. In fact, he had secretly struggled with depression on and off for his whole adult life and, after he lost his wife of 36 years to cancer in 2012, the periods of depression became longer and deeper.

Still, news of his suicide came as a terrible shock to his former friends and colleagues in the property industry and they began to ask themselves if the outcome might have been different if John had felt more able to be open with other people about his mental health, and get support. Along with John's son Rob, in May 2016 they organised a mental health symposium aimed at property professionals, inviting LionHeart to speak at the event. Later, they asked if LionHeart would take over the running of the symposium, alongside a wider mental health project, and the JOH Initiative was born.

Since then, the project has grown and grown, with the ultimate aim of promoting positive mental health in property and making it more possible for people to ask for and receive help. Last May we ran the second John O'Halloran Symposium in London, followed by 2 smaller regional events in Manchester and Bristol, which were attended by close to 200 people. The aim was to raise awareness of mental ill health among property professionals, as well as share best practice tips on how organisations may provide better support for employees affected. The photographs show a panel discussion including Davina Goodchild, LionHeart CEO, and Rob O'Halloran, addressing delegates.

Workshops and ambassadors

Alongside the annual symposium events, LionHeart has also welcomed hundreds of RICS professionals to almost 30 mental health and wellbeing workshops held all over the country. This includes around 100 people who have completed half-day mental health training workshops delivered by LionHeart, in partnership with leading charity Mind. One is an introductory half-day session on mental health awareness, described by one delegate as "the best CPD course he'd ever attended". Those who have completed that course may also follow up with a second session, Managing Mental Health At Work, aimed at those who manage other people and want to feel

more confident when approaching conversations with staff members who may present with mental health difficulties. Usually, we find there is often a real will to offer support, but a real fear of somehow saying the wrong thing and making matters worse, which this workshop hopes to help address.

Our wellbeing workshops include a half-day Improve Your Work-Life Balance session, which aims to help people find and maintain a sustainable balance between work and leisure, and hopefully avoid more serious mental health problems triggered by work-related stress.

We have also supported some firms in their work to sign up to the national Time to Change pledge, which is a commitment to changing attitudes and ending mental health discrimination. In addition, we've signed up well over a dozen volunteer mental health 'ambassadors' – chartered surveyors with first-hand experience of mental health problems such as anxiety or depression, who are very bravely prepared to raise awareness by sharing their own stories.

We set out hoping we might find one or two brave souls who would be prepared to work with us in this way, knowing it is a big ask for people to share publicly something so personal. But we've been blown away by just how many people have wanted to become involved, many of them approaching us after hearing some of the first ambassadors speak at events and telling us they could really relate to their stories.

The ambassadors are playing a hugely important role by sharing their experiences. They really seem to resonate with their audiences, because they are people just like them, with the same professional qualification, shared interests and often similar backgrounds. Our hope is that by sharing these stories, others who may be struggling will feel less alone and isolated, and may feel more able to reach out for the support that is there to get them through a difficult time.

Most important of all, though, is that these are all successful individuals who have recovered from periods of sometimes very serious ill health and gone on to resume their careers, so there's the really positive message that people can and do recover from mental health issues.

We have been very fortunate so far to receive such positive support for the work of the JOH Initiative, from individuals, our ambassadors and a number of large firms who see supporting the health of their employees not only making moral sense, but also business and economic sense. We also continue to work closely with John O'Halloran's son, Rob, and former colleagues, who remain involved with the project as a steering committee, and bring real drive and commitment to the work. It is their hope that the legacy of this project will be to raise awareness of mental ill health and suicide, and that as a result, something positive will come out of John's very tragic death.

This year, we look forward to building on this work even further, with a continuing programme of workshops, webinars and involvement in corporate events. We will also be running 4 symposium events throughout May, visiting Scotland and Wales for the first time, and hope to welcome more people than ever before.

The symposia will be held in:

London – 9 May

Cardiff – 15 May

Manchester – 22 May

Edinburgh – 30 May.

All are free to attend and they are open to anyone working in the property industry with an interest in finding out more about mental health, providing better support within the workplace, and starting and maintaining conversations around people's wellbeing at work. Each event will feature some of the LionHeart ambassadors, as well as industry figures and experts from the field of mental health.

More details of the project and bookings can be made through the LionHeart website: https://www.lionheart.org.uk/john-o-halloran

LionHeart's training and development offer: CPD for RICS professionals

LionHeart now offers a range of workshops and webinars aimed at supporting RICS professionals to lead happier, healthier and more secure lives. They also count towards CPD requirements. These include personal finance sessions for those starting out in their careers, through to those starting to think about what financial decisions need to be made ahead of retirement.

Introductory 30-minute webinars are also offered on personal finance and legal matters, including will-writing, efficient child-care savings, pensions, company benefits and budgeting. Each is designed to give a 'bite-sized' amount of information and complement the longer face-to-face workshops.

Mental health workshops are offered in conjunction with expert trainers from Mind. Wellbeing subjects include Improve Your Work-Life Balance, and hour-long seminars Supercharge Your Wellbeing and Boosting Your Resilience. Each of these have been designed specifically with chartered surveyors in mind, and the seminars have proved particularly popular with younger professionals, including APC candidates.

LionHeart offers all events free of charge as part of its charitable aims, to provide as broad a base of support as possible to as many RICS professionals as possible. Donations are however gratefully received if people choose to do so.

For more information visit www.lionheart.org.uk/events

Need support?

Support from LionHeart includes financial help in certain circumstances, access to practical, work-related and legal advice, professional counselling, and ongoing help from support officers for any RICS professional or their immediate family facing difficult times.

Call the support team in confidence on 0845 603 9057 to find out more.

THE POWER OF PARKS

Chris Worman MBE

Chris has over 34 years' experience in the parks industry and is currently Rugby Borough Council's Parks and Ground Manager and also vice chair of the West Midlands Parks forum. Being passionate about parks and green spaces for as long as he can remember, he became a Green Flag Award judge from the very start of the awards and over the past 22 years of volunteering, has had the opportunity to judge many hundreds of parks both around the UK and beyond. He has undertaken a number of international judging tours including Spain and the Middle East. For his service to the Green Flag Awards and public parks he was awarded an MBE in the Queens 90th Birthday honours in 2016. More recently Chris has been appointed to the governments Parks Action Group as the parks' industry representative. Chris.Worman@rugby.gov.uk

As a highly experienced local government officer, Chris volunteered to set the case for the importance of public parks for health and wellbeing, citing Rugby's Centenary Park. "It is time we recognised that parks are a fundamental part of the health prevention service. If these figures were replicated across the country how much money could be saved from the NHS budget?"

The value of parks and current challenges

Parks are an essential part of the fabric of all our communities. Whether for health and wellbeing, exercise, relaxation, places to volunteer and socialise, for children to play, encountering nature, adapting to climate change or just providing a place to gather your thoughts. Then there are all the environmental and biodiversity benefits too.

National research shows that parks and green spaces are the most used local public facilities, with over 37 million visits annually. With a growing problem of obesity and inactivity in young people they have never been more important to the future of our nation.

However, the grass is not very green. Most green spaces are maintained by local authorities who have been forced to cut budgets continually through successive government funding challenges. Some parks' budgets have been cut by 100% with authorities now selling off parks, with some appalling examples of decline on some spaces. I now see sights that I have not witnessed since the 1980s.

Where once our Victorian ancestors led the world in public parks for public benefit, we now enviously look on as other countries invest and maintain parks to a much higher degree, as they place parks at the centre of their long-term health and wellbeing strategies.

So, what is the future for our parks? In recent years we have seen changes in management and maintenance practices that have come about as a direct result of the financial challenges that many of the traditional parks departments have faced. Are all changes bad? Can some of the challenges we face produce new and innovative ideas that increase the use of tired green spaces? Or are we just managing the demise of our once proud heritage of public parks? The answers can very much vary across the land, and there is a north south divide.

In my experience 'parks and green space people' are quite a hardy bunch, and for decades have been used to ensuring that every penny matters. Successful examples that I've come across include a former bowling green, now a successful community garden, unused football pitches, now a rich wildflower meadow, communities joining forces with their local authority to raise funds for parks improvements, and volunteers working alongside parks staff, all creatively showing how some authorities are still trying to deliver quality green spaces in difficult times. Indeed, some authorities are looking to prioritise investment in parks to tackle local problems, so the picture is quite mixed.

The opportunities

The need for quality parks and green spaces has never been greater; and neither has the communities' expectations, who are wanting to see their local green space maintained and improved.

The use of the Green Flag award, owned by governments and delivered via Keep Britain Tidy, as the international standard for quality green space, is a critical measure on how the sector is coping - or not - and a very public admission of a reduction in quality for those parks that either withdraw from the scheme or fail the judging assessment. Alongside this, authorities can give a commitment to the future of parks by protecting green spaces by dedicating them through Fields in Trust.

There is also over 6,000 friends' groups that help champion our green spaces, who have made a real difference in galvanising public opinion. The Communities and Local Government (CLG) enquiry gained a huge public response and as I write, a petition to halt the decline in Heritage Lottery funding for parks is heading for 200,000 signatories. The silent majority is not happy and this will start to manifest itself at the ballot box.

The CLG report on public parks in September 2017 [CLG Select Committee: 'The future of public parks'] declared that our nation's parks are at a tipping point. I would agree, and suggest the scales are tipping in the wrong direction. For over 25 years, successive governments have wanted some data and for 25 years, universities and organisations across the world have produced report after report showing that parks and green spaces are central to people's health, wealth and wellbeing: how much more evidence is needed? Regardless of your political opinions on the NHS, we cannot keep pouring in billions of pounds year on year to treat illnesses that can be avoided by having access to, and use of, quality parks and green spaces. I'm neither a rocket scientist nor a politician, but there is a massive opportunity waiting for a government to make a real difference to every community across the land.

There are no other universal facilities that you can find in every community, from the smallest village to the largest city. Who would not want our residents to live in safe inclusive, accessible communities that provide local opportunities to live healthy lifestyle in a quality environment? I sometimes wonder what century I'm living in!

Centenary Park

A small example of the difference a park can make in changing people's attitudes and behaviours is Centenary Park in Rugby: a new park created on derelict allotments in a deprived ward with a raft of health-related issues. The results of the £450,000 investment produced the following results:

- 14% of people using Centenary Park had never used a park before
- 67% said it had a significant impact on being more active
- 50% said they accessed nature more
- 60% said their visit had made them feel better about themselves
- 60% visit once a week or more
- 90% were satisfied or very satisfied
- 96% would return to the park
- 77 % said it is important to protect the park
- 70% live within 1 mile.

It is time we recognised that parks are a fundamental part of the health prevention service. If these figures were replicated across the country how much money could be saved from the NHS

Previous Parks Minister at Centenary Park and touring Rugby

budget? The problem is that services are not connected. Why should a local authority worry about saving money for the NHS, or for the Home Office by reducing crime? This is a long-term strategy and the results and outcomes would not be seen overnight, nor for a few parliaments. Maybe by looking at the benefit of parks in a similar way to the DEFRA 25 environment plan we could finally bring about some stability and long-term sustainable planning, the outcomes of which could be measured?

The Park Action Group

So what's being done to address the issue?

The government has respond to the CLG report by establishing in late 2017 a Parks Action Group (PAG) to consider a sustainable future for the nation's parks and green spaces. The government recognises both the need for this, and also the many and varied benefits parks bring to our communities. Rishi Sunak MP was appointed as Parks Minister in January 2018 and is committed to reporting back to Parliament.

The PAG has established a number of workstreams to look at all the issues that are affecting the industry. These are:

- Explore the funding landscape and propose solutions
- To set parks and green spaces standards
- Share a national vision for parks and green spaces
- Empower local communities
- Increase knowledge and build skills
- Increase usage by all.

To address any previous silo thinking, the group is not only made up of external partners, but also has representatives from a cross-section of government departments including the Heath Service, Home Office, DWP, DEFRA, Department for Education, DCMS, and DHCLG [Ed – Chris is the Practitioner Representative of the group].

The challenge is to identify a way forward that can halt the decline and reconnect parks with people and places in a way so that everyone understands the positive role quality green spaces can play in all our communities.   Watch this space….

Ed – Chris has kindly offered to write further as the Parks Action Group starts to identify solutions.

BETTER LAND-BASED ECONOMIES – GROWING YOUR WAY TO ECONOMIC RESILIANCE

Mark Walton

Mark is the founder and Director of Shared Assets, a think and do tank that supports the management of land for the common good. He currently acts as an advisor to Defra and the Charity Bank on civil society issues. mark@sharedassets.org.uk

The Better Land Based Economies project was funded by Friends Provident Foundation.

Mark identifies the role of local authorities as critical partners in helping to establish, assist and make successful community food enterprises. The full series of guides for community enterprises and local authorities exploring these issues in more detail can be found at www.sharedassets.org.uk/innovation/local-land-economies, and Mark is keen to hear from local authorities or local food partnerships who would like to explore further how they can develop more resilient local food economies. Please get in touch at hello@sharedassets.org.uk

Community food enterprises are a success story of local collective action. They offer employment, training, and education and create new economic opportunities, contribute to more vibrant local high streets, and shorten supply chains in the local food system. Despite these successes the sector faces barriers to realising its full potential. Very low food prices make it difficult for community food enterprises to increase their income, and so many are focusing on reducing the costs of growing, such as access to land and housing.

Local authorities can be critical partners in helping to achieve these cost reductions, by providing access to land and creating a supportive planning environment.

Elements of local economic resilience (credited to Lydia Thornley Design)

Local economic resilience

Shared Assets (www.sharedassets.org.uk) undertook a 2-year action research project in order to explore the barriers facing community enterprises, and the opportunities to create stronger, fairer and more resilient local food systems. Using a model of local economic resilience developed by the New Economics Foundation, we worked with Ecological Land Co-op, Kindling Trust, and Organiclea to identify how they each contribute to the different elements of a resilient local economy. We also undertook interviews with local authority councillors and officers they work with, to explore the opportunities and challenges of collaborative working from their perspective.

The organisations involved:

Ecological Land Cooperative (www.ecologicalland.coop) secures land to develop affordable sites for farming, forestry and other rural enterprises, and opportunities for ecological land-based businesses. They provide the sites, infrastructure and business mentoring to enable growers to develop their businesses.

Kindling Trust (www.kindling.org.uk) supports new organic growers in Greater Manchester through its FarmStart training programme, and has established and supported a cooperative of growers and buyers, and a worker-owned organic box scheme. It is one of a group of organisations managing a disused local authority plant nursery, transforming it into a community hub linking up inclusive community gardening, social prescribing and commercial growing.

Organiclea (www.organiclea.org.uk) runs an organic market garden, a veg box scheme, provides training for new growers in London, and helps them access land and set up new enterprises. It manages 2 former local authority plant nursery sites, and provides a market for growers through its retail and wholesale activities.

Measuring impact

Local authority officers stressed the need for evidence of the impacts community food growers were making in order to secure support from within the councils, and to build a strong case for providing access to public land for growing. As a result of the project, we have been able to suggests a range of ways in which community food enterprises can provide this, often using data they are already gathering for other purposes. These include:

- Responsible business: e.g. number of jobs/training places provided, mapping local supply chains, procurement and partnership policies, support provided for establishment of new businesses

- Positive economic activity: e.g. sales and expenditure within the local region, number of local businesses worked with, investment secured in the form of crowdfunding, community shares or grants

- Community assets: e.g. land or buildings owned or leased for community benefit, number of people accessing assets, development of local networks, examples of skills and resource sharing

- Resilient citizens: e.g. self-reported improvements to physical and mental health of volunteers and service users, testimonials from referral partners, social prescribing evaluation outcomes

- Environmental sustainability: e.g. ecological/habitat/soil surveys, habitat management plans, records of energy and water use, self-reported behavioural change of volunteers and users.

Collaboration

A responsive public sector that is working to strengthen and invest in the local economy is a final critical element of local economic resilience. Joint working with community food enterprises (CFEs) can provide mutual benefits.

CFEs can benefit from a range of support from local authorities. Often, the most important form of support is in gaining access to land. By offering CFEs affordable leases on public land and supporting them through the planning system, local authorities can make a critical difference to their viability. In return CFEs can make important contributions to local economic resilience, creating livelihoods, providing health and wellbeing services, overcoming isolation, providing training in workplace skills, and maintaining public assets and keeping them in use.

However, austerity has placed increasing pressures on local authorities, reducing the staff resource available to support local initiatives and increasing the incentive to secure a financial return on land and assets that they own. The project identified some key ways in which local authorities can provide effective support on limited resources. These include:

- Be a facilitator: Often the most valuable thing you can offer is your knowledge and connections. You can provide valuable signposting and make connections with other relevant organisations and individuals – especially with colleagues in other departments within the council. Attend meetings of local food partnerships as a partner, rather than leading them

- Know your assets: It sounds basic, but know what you have in terms of land and assets. What kind of sites might be suitable for food growing? Do they have access and services such as water or electricity?

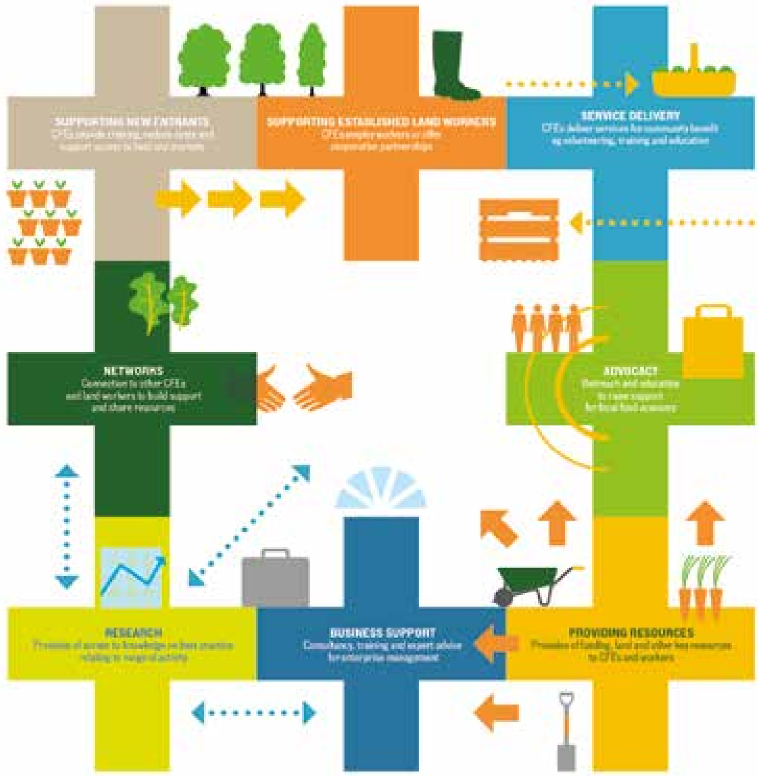
- Provide access to land: Local authorities own a wide range of assets, some of which are ideal for use by CFEs, such as old plant nurseries. You may also be looking for new uses for derelict or disused assets, such as bowling greens or under-utilised allotment sites, or considering food growing in parks. By offering CFEs affordable leases on public land and supporting them through the planning system, you can make a critical difference to their viability, while delivering against a number of council priorities in relation to public health, training and the environment

- Provide appropriate tenure: In order to get things moving and enable a new group to prove itself, it may be appropriate to consider a short-term lease or licence to operate, but in order to secure investment and commit to making improvements to the site, a CFE is likely to need a longer-term lease so that it can be sure the investment is worthwhile. In some cases, transferring the freehold to a community enterprise may be the best way to secure the asset for the long term and ensure it continues to deliver benefits to the local community

- Secure leadership and buy in: There will often be competing uses and priorities for local authority owned land. For instance, leasing a site to a CFE for food growing may mean that the local authority will have to accept less than market value for the freehold or leasehold. It will be important to be clear about the wider objectives and strategies that food growing on the site will help to achieve, and to have clear political and executive leadership, in order to make a strong case to colleagues in finance, estates and legal teams to work flexibly to enable it to happen

- Keep in touch: Having regular informal contact with your local CFEs means that you will be aware of their capacity, resources and needs, so that you can be opportunistic if the right piece of land becomes available and already have a relationship of trust established

- See the whole system: Community food enterprises may be small, especially in the context of the wider issues that local authorities are dealing with on a day to day basis. But these organisations are frequently at the heart of a wider system, supporting a myriad of small businesses, building markets for local food, supporting individuals into work, training or healthier lifestyles, and enabling communities to be more self-reliant.



Functions of local food system (credited to Lydia Thornley Design)

In return CFEs should be able to demonstrate:

- Skills and capacity: Taking on a new piece of land and developing a business is not easy. Local authority officers should be able to check the experience, track record, or qualifications of the people who will be leading the work

- Clarity about needs: It is reasonable to expect the group to have a good idea of the kind of land they need – size, services, access, shelter etc – in order to help identify whether there is anything suitable within the local authority's estate and to act quickly if something should be become available

- Realism: They should have reasonable expectations. It is unlikely that a local authority will be able to provide a fully-serviced town centre site at a peppercorn rent. Local authorities should be honest about what might be possible and test the growers to see where they might be flexible in their requirements, and how pragmatic these seem

- A business plan: They should be able to provide a business plan that is of an appropriate scale to the nature of the enterprise. It should clearly outline how it is structured, how it runs, and how it will stack up in terms of finances and resources. They should also be able to provide practical plans outlining how they will deal with likely issues such as nuisance and visual impact

- A local authority officer may be able to provide valuable support to help a community food enterprise develop a business case outlining how it will contribute to wider local authority objectives such as public health, economic development, educational attainment etc. These may be backed up with evidence from research, case studies, or examples from elsewhere.

Some common barriers to joint working identified by participants in the project included:

- Changes to personnel within local authorities meant that progress made with individuals officers could be lost entirely if they were moved, left or made redundant

- Lack of consistency between departments meant that while a local office might be enthusiastic and flexible, barriers arose when the project progressed and required the involvement of other departments such as legal, finance or estates

- Identification of appropriate sites can take time; both sides need to be clear about requirements and what may or may not be possible in order to avoid wasting time and effort

- Securing appropriate tenure at the right price is critical to enable community food enterprises to get the best possible start and to be sure they can recover their investment in a site.

Planning

In many cases, especially in rural areas, community food enterprises need to build dwellings to enable them to develop a sustainable livelihood. Frequently, applications for dwellings associated with smallholdings are rejected. Ensuring that local plans reference the need for sustainable and resilient local food systems can help provide an enabling policy framework.

It is also important for both applicants and local planning authorities (LPAs) to understand the underlying principles that inform planning policy in this area, and the material considerations that are relevant to them. In many cases applications for dwellings that are rejected are passed on appeal due to factors such as:

- The site has been incorrectly identified as 'isolated' because it is in open countryside
- The needs of growers to be on-site to manage the day-to-day requirements of a small-scale agricultural business have not been properly taken into account or recognised as 'essential'
- Profitability, rather than the ability to create a sustainable/subsistence livelihood, has been incorrectly used as an indication of genuine intention of the growers or probable continuation of the agricultural use
- The low impact or sustainable nature of such enterprises has not been properly considered as a material consideration.

The local economic resilience project has created guidance for LPAs and community food enterprises on how the planning system can enable low impact development for small scale agriculture.

Local food systems

Finally, the research identified that community food enterprises operate as part of a wider system. Local food economies require the establishment of networks or 'clusters' of collaborative enterprises, organisations and networks delivering complementary functions.

An individual community food enterprise may play multiple roles: each contributes to its diverse income stream and its multiple social impacts. The research identified the importance for organisations working at a local and national level being able to understand their role in the system and to be able to identify gaps that need filling. It is also important for local authorities and other stakeholders to recognise that while individual community food enterprises may be small in scale, they are often critical elements in a wider system that supports an array of small growers, distributors, processors and retailers that together make up a resilient local food economy and a wider sustainable food system.

HEALTHY STREETS

Lucy Saunders

Lucy developed the Healthy Streets Approach, which is the overarching framework for the Mayor of London's 25-year Transport Strategy. She has worked with Transport for London (TfL) for the past 5 years, delivering its multi-award-winning Health Action Plan. She is now leading the embedding of the Healthy Streets Approach in London, including roll-out of the Healthy Streets Toolkit across organisations in London. Lucy is a Fellow of the Faculty of Public Health, and has worked across all areas of public health before specialising in transport and public realm. Lucy's work has received several national and international awards and she was personally awarded Transport Planner of the Year in 2015. LucySaunders@tfl.gov.uk

To read more about Healthy Streets and Lucy Saunders visit healthystreets.com

Lucy outlines the policy adopted by the Mayor of London which identifies the 10 Healthy Streets Indicators which are incorporated in strategies, to ensure that a wide range of professionals who have a role in designing, maintaining and managing public spaces are all working together.

Space between buildings

Buildings affect people's health in many ways. How they are designed, built, maintained and managed has effects as diverse as damp, exacerbating lung conditions, to lack of human interaction, contributing to social isolation. This is well known and there are regulations and guidance to protect people from some of these potentially negative health impacts.

The space between buildings is just as important to consider when seeking to protect and improve health. Streets make up the majority of public space in cities, towns and villages but pathways and communal spaces between buildings can also be considered alongside these. Four of biggest health impacts of these spaces are poor air quality, injury and intimidation by motorised vehicles, noise and isolation caused by severance.

The fifth, and biggest quantifiable health impact of streets and public spaces is their role in enabling people to be physically active as part of their daily routine. Everyone needs to get some exercise every day to stay healthy, nothing too strenuous, just a short walk will do. But the majority of us are not managing even that, either because we are completely dependent on using cars to run our local errands or because we are not leaving the house. The health impacts of this are broad; we are seeing rising levels of serious long-term conditions like type 2 diabetes, while depression, back pain and poor sleep are increasingly common.

10 Healthy Streets Indicators

We therefore need to change how we design and manage the space between buildings to have a positive impact on health and create places that are welcoming to all. The approach that I developed to do this is called the Healthy Streets Approach. The Healthy Streets Approach starts from the end point that we would want to see: places where everyone feels safe, welcome and relaxed. This end point is described in 10 Healthy Streets Indicators which I distilled from the scientific literature of the health and social impacts of streets. All 10 are of equal importance to creating a space that works well for people.

- Everyone feels welcome

  Streets must be welcoming places for everyone to walk, spend time and engage with other people. This is necessary to keep us all healthy through physical activity and social interaction. It is also what makes places vibrant and keeps communities strong. The best test for whether we are getting our streets right is whether the whole community, particularly children, older people and disabled people are enjoying using this space.

- People choose to walk and cycle

  We all need to build regular activity into our daily routine and the most effectively way to do this is to walk or cycle for short trips, or as part of longer public transport trips. People will choose to walk and cycle if these are the most attractive options for them. This means making walking and cycling and the use of public transport more convenient, pleasant and appealing than private car use.

- People feel relaxed

  The street environment can make us feel anxious – if it is dirty and noisy, if it feels unsafe, if we don't have enough space, if we are unsure where to go or we can't easily get to where we want to. All

The Healthy Streets Wheel is credited to Lucy Saunders

Source: Lucy Saunders

of these factors are important for making our streets welcoming and attractive to walk, cycle and spend time in.

- Easy to cross

  Our streets need to be easy to cross for everyone. This is important because people prefer to be able to get where they want to go directly and quickly, so if we make that difficult for them they will get frustrated and give up. This is called 'severance' and it has real impacts on our health, on our communities and on businesses too. It is not just physical barriers and lack of safe crossing points that cause severance, it's fast-moving traffic too.

- Clean air

  Air quality has an impact on the health of every person but it particularly impacts on some of the most vulnerable and disadvantaged people in the community – children and people who already have health problems. Reducing air pollution benefits us all and helps to reduce unfair health inequalities.

- Not too noisy

  Noise from road traffic impacts on our health and wellbeing in many ways; it also makes streets stressful for people living and working on them, as well as people walking and cycling on them. Reducing the noise from road traffic creates an environment in which people are willing to spend time and interact.

- Places to stop and rest

  Regular opportunities to stop and rest are essential for some people to be able to use streets on foot or bicycle, because they find travelling actively for longer distances a challenge. Seating is therefore essential for creating environments that are inclusive for everyone as well as being important for making streets welcoming places to dwell.

- People feel safe

  Feeling safe is a basic requirement that can be hard to deliver. Motorised road transport can make people feel unsafe on foot or bicycle, especially if drivers are travelling too fast or not giving them enough space, time or attention. Managing how people drive is vital, so that people can feel safe walking and cycling.

  People also need to feel safe from antisocial behaviour, unwanted attention, violence and intimidation. Street lighting and layout, 'eyes on the street' from overlooking buildings and other people using the street can all help to contribute to the sense of safety.

- Things to see and do

  Street environments need to be visually appealing to people walking and cycling, they need to provide reasons for people to use them – local shops and services and opportunities to interact with art, nature, other people.

- Shade and shelter

  Shade and shelter can come in many forms – trees, awnings, colonnades – and they are needed to ensure that everyone can use the street whatever the weather. In sunny weather we all need protection from the sun, in hot weather certain groups of people struggle to maintain a healthy body temperature, in rain and high winds we all welcome somewhere to shelter. To ensure our streets are inclusive of everyone and welcoming to walk and cycle in, no matter what the weather, we must pay close attention to shade and shelter.

Working together

The Healthy Streets approach has been adopted by the Mayor of London and is included in his statutory strategies for planning, transport, policing, environment and health. This ensures that the wide range of professionals who have a role in designing, maintaining and managing public spaces are all working together to deliver the 10 Healthy Streets Indicators.

A Healthy Streets toolkit has also been developed to enable practitioners (not just in London, but anywhere) to implement the Healthy Streets approach. This includes a Guide to the Healthy Streets Indicators, which sets out examples of small measures that can be implemented to deliver improvements in each of the indicators, as well as a set of prompt questions that can be used for audit or options appraisal.

For those involved in the technical design of street layout, there is a Healthy Streets Check for Designers. This is a spreadsheet tool for assessing 31 precise, technical metrics of street layout and traffic management, which enables designer to see how their proposals deliver improvements against the Healthy Streets Indicators (and how it compares with the existing street).

The health benefits of public spaces that are inclusive to people walking and cycling more as part of their daily routine can also be monetised. This can be useful for including in business cases. Probably the most well-established tool for this is the World Health Organisation's Health Economic Assessment Tool for Walking and Cycling. A brochure showcasing a range of projects that have been delivered and demonstrate significant health benefits has been published: 'Better Streets Delivered 2.'

'CAT' AMONGST THE PIGEONS

Scott Hughes BSc. MRICS

Scott is a general practice surveyor and RICS Registered Valuer with 27 years' experience in managing land and property assets within the public sector. In his role as Group Commercial Property Surveyor at West Lothian Council, Scott has led on the development of his authority's newly implemented Community Asset Transfer Policy.

Scott discusses Community Asset Transfer (CAT) and his authority's response to the introduction of Part 5 of the Community Empowerment (Scotland) Act 2015. "These newly-created governance arrangements have been carefully considered and specifically crafted to ensure that asset transfer requests are formally determined by our elected members rather than by officers."

Introduction

Monday 23 January 2017 may not immediately spring to mind as a landmark date in the world of public sector property, but for local authorities and a wide range of other public bodies across Scotland, it marked the introduction of significant new legislation. After months and years of discussion, debate and consultation, Part 5 of the Community Empowerment (Scotland) Act 2015 came into effect: regulated community asset transfer was well and truly with us.

While the concept of community asset transfer was already well established, the statutory provisions contained within that new legislation presented a fresh set of challenges for the public sector. The message from the Scottish Government was clear. Empowering communities was a key priority and the new legislation required all 32 Scottish local authorities and those other public bodies affected by the legislation to have robust, structured and compliant community asset transfer provisions in place, or else risk asset transfer requests being taken out of their own hands and determined by the Scottish Ministers.

A summary of Part 5

Part 5 of the Community Empowerment (Scotland) Act 2015 introduces a statutory framework around which all public sector community asset transfer arrangements must now be built. It gives qualifying community bodies a right to make requests to all Scottish local authorities, Scottish Ministers and a wide-ranging list of public bodies, for the transfer of any land or buildings they feel they could make better use of. The community body can ask to buy, lease, manage or use any land or buildings that belong to or are leased to the authority. Nothing is exempt.

When an asset transfer request is made, the authority must formally decide within 6 months whether to agree or refuse the request, and the authority must agree to the request unless there are reasonable grounds for refusal.

The legislation does not provide a definition of what reasonable grounds are, since these are considered to depend upon the individual circumstances of each case. It does, however, indicate that reasonable grounds are likely to include cases where the benefits of the asset transfer request are judged to be less than the benefits of an alternative proposal (including existing use or potential disposal in the case of surplus assets), or where agreeing to the request would restrict the authority's ability to carry out its functions.

The legislation does not say how much should be paid to purchase an asset or paid in rent, whether it should be at market value or at a discount. The community body has to state in its asset transfer request how much it is prepared to pay, alongside the benefits the project will deliver, and the authority has to decide whether to accept that price.

If the request is agreed, the community body makes an offer and a final contract is negotiated. If the request is refused, or no answer is given within the statutory timescale, or the community body does not agree with conditions set by the authority, the community body can ask for the decision to be reviewed internally by the authority. If the outcome of the internal review does not resolve the issue, or if no decision is made within the required period, the community body can then appeal directly to the Scottish Ministers. It can also appeal if the request is agreed and an offer made, but no contract is completed within 6 months of the date of its offer.

Scottish Ministers may uphold the appeal or reject it. They may reverse or change any part of the original decision by the authority, including changing the terms and conditions under which the asset transfer is to take place. A decision by the Scottish Ministers cannot be appealed, other than by way of a judicial review through the courts.

The challenges

Prior to the introduction of the Part 5 legislation, many local authorities already had well-established community asset transfer policies in place that reflected prevailing best practice. It is fair to say, however, that in practice those policies were discretionary, with little underlying compulsion on local authorities to treat asset transfer requests with any degree of priority, and where the deck was often heavily stacked in favour of the authority and its own particular priorities. The result was a relatively low number of asset transfers taking place, with those that did proceed typically taking a period of some years to conclude. Cue the legislative intervention.

The introduction of regulation immediately removed that discretionary element and local authorities are now no longer able to dictate freely their terms of engagement or the likely timescales involved. Now, nothing is exempt from a potential asset transfer request and the presumption is firmly in favour of the applicant. Pencils have been sharpened and community asset transfer has definitely held our attention.

The challenge for local authorities has been to develop, implement and resource robust new policies that satisfy the legislative requirements, while ensuring the interests of the authority itself are suitably protected. In these most difficult of financial climates, the prospect of losing vital revenue-generating assets, potential capital receipts, or key operational facilities has been enough to give sleepless nights to chief estate surveyors and asset managers up and down the country. As ever in the public sector, the key to success is balance, consistency and transparency.

Where it can be shown that an asset transfer request has been properly evaluated and determined via a compliant, due process, then authorities should have little to be concerned over in terms of any potential appeal to the Scottish Ministers when a request is refused. Likewise, where an authority's due process ultimately proves asset transfer to be the best available option, then those same nervous chief estate surveyors and asset managers can perhaps now proceed with an enhanced degree of comfort and confidence.

The timeline introduced by the new legislative framework presents a further challenge, with authorities now required to issue a formal decision notice within 6 months of a valid application being lodged. Again, authorities must strike a balance between ensuring they have sufficiently detailed information available to make a fair, competent and defendable determination within the statutory deadline, while ensuring that community bodies are not disproportionately overburdened with a requirement for fully developed proposals from the very outset.

The legislation also provides that once a valid asset transfer request has been made, the local authority is not allowed to sell, lease or otherwise dispose of the land it relates to, to anyone other than the community body that made the request, until the whole application process is completed (including any internal reviews and appeals to the Scottish Ministers). While the principle of fairness behind that provision is perhaps commendable, the inevitable downside is an opportunity for immature or ill-advised applicants significantly to delay or frustrate the marketing and disposal of surplus properties and in doing so, jeopardise potential capital receipts and prolong vacant property holding costs.

West Lothian's approach

In addressing these challenges, West Lothian Council has sought to build upon an existing community asset transfer policy that had been developed in accordance with established best practice. That policy dated from 2013 and was developed in consultation with the Community Ownership Support Service (COSS) and the Scottish Government.

In 2016, an officer-led working group was tasked with updating that existing policy to incorporate the statutory requirements of the new Part 5 legislation. Our revised Community Asset Transfer Policy and its supporting governance arrangements were subsequently approved and implemented during the course of 2017.

Like its predecessor, our new policy recognises that community ownership of assets can make an important contribution to the range of innovative, bottom-up solutions that community groups can develop to address local needs. Importantly, it also recognised that these solutions not only meet the needs of the local people, they can also contribute to the delivery of our council's own strategic priorities.

Mindful of the need to issue a competent decision within 6 months of a valid asset transfer request being lodged, our new policy places a much greater emphasis on the "pre-application" stage, where interested community groups are strongly encouraged to engage with officers as early as possible to discuss and develop embryonic ideas.

In order to facilitate that engagement, a single point of contact and liaison officers have been identified within our organisation, thus ensuring from the very outset that groups are working with those key services best placed to help them advance. By engaging early and working in partnership with us from the outset, community groups better understand the implications and requirements of asset transfer and are likely to submit a formal and valid asset transfer request only when their proposals are suitably developed and substantiated. In turn, this enables robust assessment and formal determination of requests to take place within the mandatory 6-month timeframe.

When a valid asset transfer request is received, it is initially assessed by our Community Asset Transfer Board (CATB), in accordance with the evaluation criteria set out in the Scottish

Government's published guidance. The CATB is an officer board comprising representatives from a range of key council services, including property, finance, legal, economic development and communities (with other services drafted in as necessary, depending of the nature of project being considered).

Having assessed that request, the CATB submits a report (complete with a recommendation) to our newly formed Community Asset Transfer Committee (CATC). The CATC comprises 7 elected local members, who consider the terms of the report and ultimately approve or reject the application on behalf of the council.

Community groups seeking an internal review of decisions taken by the CATC are able to have their case heard by our new Asset Transfer Review Body (ATRB). The ATRB comprises 5 local elected members, none of whom can sit on the aforementioned CATC.

These newly-created governance arrangements have been carefully considered and specifically crafted to ensure that asset transfer requests are formally determined by our elected members rather than by officers. These arrangements and the approved policy that supports them are designed to ensure that over time, our organisation will develop an area of inherent expertise in the field of community asset transfer, both at officer and elected member level.

Ultimately, our aim is to facilitate the development of community-led proposals and to ensure that those proposals are fairly, timeously and robustly determined, always with the best interests of our wider public at heart. We look forward to using community asset transfer as an important tool in working with our communities, to explore and develop new and innovative ways of delivering tailored local services to our people.

Tim draws readers' attention to a forthcoming conference on this important topic. Details of dates and venues follow this summary. A supplementary article about differences in practice in Wales and Scotland follows.

CIPFA The Chartered Institute of Public Finance & Accountancy

ENGLISH LOCAL AUTHORITY PROPERTY INVESTMENT – A GROWTH AREA?

Tim Reade

Tim is Head of Property Advisory Services at the Chartered Institute of Public Finance & Accountancy (CIPFA). Prior to working for CIPFA, Tim specialised in asset and property management in the private sector, where he regularly dealt with a variety of clients and types of commercial property investment. His role in leading a highly experienced and accomplished team of public sector consultants gives him unique insight into the broad landscape of local authority commercial property investment activity. Given a previous career as a regular army officer, and now a Reservist, Tim is particularly interested in the effective leadership and management of property teams and the ways they can influence and achieve a sustainable property function within public sector organisations. tim.reade@cipfa.org

The subject of local authority property investment activity has been brought into sharp focus in recent weeks, following the release of the revised CIPFA Prudential Code, Treasury Management Code and Ministry of Housing Communities and Local Government's guidance on local authority investment activity (Capital finance: guidance on local government investments (third edition), and Capital finance: guidance on minimum revenue provision (fourth edition), both February 2018).

CIPFA Property recently undertook a nationwide series of events, via its Strategic Asset Management Network, outlining the changes to the codes and guidance in a property context, along with an examination of the risks associated with property investments. Feedback from its members has provided useful insight into activity at the 'coal face' and has identified a few revealing trends.

It is true to say that the vast majority of property investments made by UK local authorities occur in England. This article, therefore, seeks to better understand the motivators, barriers and drivers behind this activity within England, albeit similar factors would apply elsewhere in the UK.

A foremost concern of property and finance officers is the need to understand the markets in which they seek to invest. The practicalities of successfully investing alongside institutions, property companies and other sector specialists presents significant barriers and concerns to many. Competition is fierce and an organisation whose main purpose is not property investment, will necessarily find such activity more strenuous and demanding, exposing gaps in a number of areas.

There is a recognition that many authorities have limited experience or the necessary skills to enter the market when acting entirely as a body corporate without external support. Notwithstanding the fact that there are some authorities who have a very mature property investment model, the majority are currently limiting their forays into the market due to this knowledge and/or skills gap.

With the appetite for risk set that much lower in local authorities than elsewhere, those seeking to act are similarly concerned with the need to ensure a strategic approach to the risks associated with investment of this type. While most clearly understand 'property risk' in an investment context, many, when trying to ensure a holistic approach, seemed challenged and indeed troubled by the need to ensure the organisational and financial risks are encompassed within an overall strategy.

The challenges involved in needing to join together the very different parts of an already complex organisation, to grasp what can be a risky yet worthwhile investment opportunity, are not new.

Again, while some have a very mature and developed working relationship with each area fully covered within an established risk management framework, the majority are still feeling their way, making only limited progress, given the frictions and sometimes very divergent views held by those stakeholders within an investment project.

In sum, CIPFA Property had a very real sense that authorities in England wish to continue and indeed further explore property investment opportunities. They are, however, reticent to do so full-bore, while knowledge gaps and a deeper understanding of risk and its management require development. It is clear there is some very good practice being undertaken and so one has to suggest that what is needed most is the widest sharing of it, such that the corporate knowledge being built up within local government is there for the benefit of all.

A MEANS TO AN END – LOCAL AUTHORITY PROPERTY INVESTMENT IN THE UK

Tim Reade

Tim is Head of Property Advisory Services at CIPFA. tim.reade@cipfa.org

In this second article from Tim, he summarises briefly the different responses to investment in Scotland, Wales and Northern Ireland.

In recent years, commercial property investment by local authorities in England has grown exponentially. Why is this and moreover, what is so different elsewhere in the UK such that investment activity is much reduced in comparison?

Common to all UK nations is the need to have regard to the Prudential Framework. The recently updated CIPFA Prudential and Treasury Management Codes call for more robust management of commercial activity and capital borrowing. Local authorities must now articulate long-term plans for capital expenditure and investments via a capital strategy. Consideration of both risk and reward is key, indeed a clear statement of an authority's appetite for investment risk is required, as are stronger linkages to asset management planning and a strategic approach to property.

In February 2018, the Ministry of Communities, Housing and Local Government directed English local authorities to prepare at least one investment strategy for each financial year, to be made publicly available and approved by the whole council. This guidance is commonly seen as a response to the increase in English local authority investment activity, as well as an attempt to bring clarity to the grey areas that exist around the legalities of investing outside an authority's boundary.

The above context does not however provide insight into the motivations of English authorities seeking to invest in property. The increase is, in our opinion, primarily driven by a need to respond to central government funding reductions. It is clear to us, as we tour the UK speaking to property and finance officers, that those English authorities with a more developed understanding of the risks involved in property investment, as well as the consequential returns, when combined with progressive and effective leadership at the right levels, have been best placed to capitalise on the cheap money available via sources such as the Public Works Loans Board to tackle this funding issue. Where the imperative to source income streams to combat the reduction in government funding is strong enough, those councils that recruit the right people (with the right skills) and inculcate the right culture, invariably find ways and means to bridge the funding gap.

In Wales, unlike in England, at present authorities lack the benefit of the 'general power of competence' conferred by the Localism Act 2011. This is due to change, with the Welsh government noting an intention to legislate to confer 'general competence' powers in its newly published Green Paper on Local Government Reform. We do not, however, believe this to have been a valid reason to explain the much-reduced appetite to commercial property investment. The majority of English local authority property investors actually use the 1972 and 2003 Acts as their power to support property investment activity. It is our belief that the most likely reason for this divergence in activity is the reduced pressure on Welsh local authority funding.

In Scotland, as in Wales, there is less pressure on local authority revenue budgets from the Scottish government. In addition, there is a general view that there is still scope for more revenue savings, and so perhaps making savings appeals more than revenue generation, to what are often regarded as risk averse organisations.

In Northern Ireland we have detected no commercial property acquisition activity. Our belief is that this is down to a combination of the 'boom and bust' in the property market in recent times, financial protection from the Northern Ireland Assembly and perhaps a link to recent local government reform.

And so a mixed picture exists across the UK! One thing in all this is certain, and that is that those organisations who make it their priority to recruit well, lead effectively and promote the right culture, will be best placed to take advantage of opportunities that arise in commercial property investment markets.

HOW COUNCILS ARE INVESTING IN COMMERCIAL PROPERTY

Helen Randall and Ed Hooper

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Ed is a partner in the corporate department at Trowers & Hamlins. He specialises in advising companies, directors, institutions and private shareholders on a broad range of corporate transactions, including initial public offeringss, fundraisings, takeovers, private mergers and acquisitions, joint ventures and restructurings. Ed also advises on compliance with on-going legal and regulatory obligations and corporate governance guidelines. He has developed a specialist understanding of the real estate sector, and has a wealth of experience in advising REITs, including Tritax Big Box REIT plc and Somerset Estates REIT plc. ehooper@trowers.com

Helen sets the context for investment in commercial property by local authorities and Ed outlines the possibility of councils using REITs as an investment tool.

Context

Recent reforms to the local government finance system mean that more councils are looking to raise income from investment in commercial property.

Just before last year's Autumn Budget, it was feared that the Treasury was going to clamp down on councils investing in commercial property outside their own jurisdiction, where they were not able to access high yields in their own areas. Councils such as Surrey County Council had bought the Malvern shopping park in Worcestershire for £74m and Runnymede Borough Council had bought the Chiswick Green office campus in West London for £65m. This had caused some considerable controversy, with queries being raised as to whether councils could properly understand markets outside their own area, in competition with the private sector, and there were also hints that with the publication of a new Prudential Code for Capital Finance in local authorities last year, this would classify commercial investment outside a local authority's own area as contravening the principles of prudential accounting for local authorities.

Neither the Treasury clampdown nor the restrictions in the Prudential Code came into being. So if your authority was previously inhibited from making commercial property investment outside its area because of these question marks, then the previously mooted potential restrictions appear to have melted away.

Case studies

There are some successful examples of local authorities investing in commercial property which serve as case studies of potential interest.

Last year Babergh District Council and Mid Suffolk District Council established CIFCO Capital Ltd with £50m from both councils to invest in commercial property, in order to help increase revenue in the face of falling central government grants. Investments have included a Marks and Spencer store in Brentwood, Essex for £6.7m, a Café Nero and a Wagamama in Peterborough, and a business park occupied by 4 car dealerships on the edge of Milton Keynes.

The councils have made the investment through a jointly-owned property company which is owned 50/50 between the 2 local authorities. The councils are deliberately managing and reducing their risk by spreading the investment costs across various sectors and locations in order to provide secure income and capital growth. They have sensibly drawn on a mix of skills for the company's Board of Directors including property, finance and development backgrounds, as well as being supported by an experienced fund manager.

Another example is Bath and North East Somerset Council which has chosen to acquire an out of borough industrial and commercial property, including a bespoke industrial warehouse and office accommodation, but without a separate corporate vehicle.

In both cases, the local authorities were careful to ensure that the appropriate legal powers (vires) were used, as in particular it should be borne in mind that there are a number of alternative legal powers which can be deployed, depending on the circumstances.

For example, local authorities now have a general power of competence under s1 of the Localism Act 2011 and they have long had a power to acquire property under s120 of the Local Government Act 1972. There are also investment powers under s12 of the Local Government Act 2003, trading powers under s95 of the 2003 Act and the power to act for commercial purpose under s4 of the Localism Act.

However, which power the council uses depends on the purposes for which the property is being acquired, the uses to which the revenue generated will be applied and above all, the underlying reasons for undertaking the transaction. It is vital to select the correct power. Otherwise, there is a risk that the transaction could be challenged by way of judicial review and the resulting contracts declared void by the court.

There has been a helpful case law recently in the decision of Peters v LB Haringey which has shed light on the issue as to when the council can be regarded as acting for a commercial purpose or not.

REITs

Another consideration to bear in mind is tax efficiency, which has led in the private sector to the creation of a vehicle known as a real estate investment trust (REIT). A REIT is a tax efficient vehicle, promoted by the government to encourage investment into UK property assets. Investment in property through a corporate vehicle can be inefficient where shareholders effectively suffer tax twice on income (first when the corporate entity pays UK tax on its profits and secondly, when the shareholder receives a distribution from that entity). A REIT cuts through this issue as it is not taxed on income and gains from its property rental business, and instead shareholders are taxed on a REIT's property income when it is distributed.

A REIT must carry on a qualifying property rental business which must include at least 3 properties. Care is needed where a REIT also carries out development activities, as this can result in a disposal being treated as part of the REIT's residual business and so subject to tax.

A REIT must meet certain other conditions, including being listed on a recognised stock exchange and it must not be an open-ended investment company (OEIC). A listing provides investors with liquidity by allowing them to sell their REIT shares in the market, in contrast to an OEIC, where units must be redeemed by the fund.

A REIT's underlying assets typically comprise properties with long-term, inflation-protected leases to tenants with strong covenants. This, combined with the requirement upon REITs to distribute at least 90% of profits from their qualifying property rental business, makes them an attractive prospect for yield investors.

There has been a recent flurry of new REITs that have listed, in order to capitalise on investor demand for sector specialisation within the wider real estate market, including in healthcare, student accommodation, private rented, logistics, storage, shopping centres and, more recently, social housing, care accommodation and retirement living. With continuing low interest rates, the UK's growing and ageing population and constrained government resources, REITs will continue to provide an important solution for investors, businesses, local authorities and government.

So far, a REIT has not been used in the local authority sector and may require some adaptation to fit. However, it is an indication that despite Brexit, the UK commercial property market is still regarded by many as a secure revenue-generating investment for some considerable time to come.

THE 2017 MODEL ESTATE REPORT

Catherine Penman

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The Model Estate report has been featured for a number of years, lastly in 2017 Spring Terrier. Catherine here summarises the findings for 2017. It provides useful performance trends for asset classes typically managed by many local authority surveyors, and some interesting comparisons against other investment types.

The 2018 Model Estate Report

The 'Model Estate' is a notional agricultural estate created by Carter Jonas in 2010. The estate comprises 3,168 acres, which includes a combination of let and in-hand farms, a commercial and residential portfolio, a telecoms mast, fishing rights, a syndicate shoot and a solar farm. It is located within the geographical triangle bounded by the M4, M40 and M5 motorways.

Analysing the estate's data every year enables us to give a balanced view of all the assets and make strategic recommendations for the coming months, similar to the annual reviews produced by Carter Jonas for estates under our management.

Furthermore, the model estate is also used to compare the performance of agricultural land against a basket of alternative asset classes: residential and commercial property, equities, gold, fine wine and classic cars. By recording the data since 2010, the report can focus on the estate's annual change and its longer-term performance.

Model estate performance

The model estate was valued at £40.1m as at December 2017, representing a fall of -1.5% from its 2016 level. Despite this reduction, it proved relatively resilient, compared to the -8.2% fall in average UK agricultural land values over the same time period.

This change in tone had an impact on the in-hand farms element, which decreased by -1.8% during 2017, a very similar level to the -1.6% reduction in 2016. The depreciation was primarily due to the decline in land values, as the value of the manor house only fell very slightly (by £15,000). That said, the manor house did not negatively impact on the total estate value as much as some of the other components. Indeed, when including the manor house, performance of the estate actually improved to -1.5% compared to -1.7% when it was excluded.

The value of the let farms component also declined, by -2.3% during the year. This figure, however, disguises a range of values where the cottages increased, between 2.0-3.0% in capital value, while arable land values declined by 2.7%. Pasture land values also fell between 3.0-3.5% as demand continues to become increasingly sporadic.

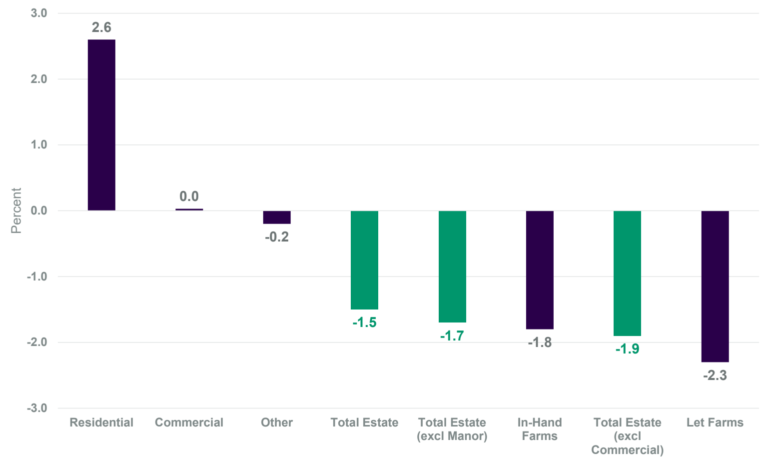
The residential portfolio was the only component showing growth, increasing in value by 2.6%, with rental increases also evident. Growth mirrors that of the housing market, which illustrates that on a national basis, prices are on a slight upward trajectory. Regional differences remain acute, with London in negative territory while certain provinces, such as the North West and Wales, have reported strong price growth. The model estate's residential portfolio remains fully occupied, reflecting a strengthening of demand for rural properties with reasonable access to major towns.

Values remained static in the commercial element of the estate, a sharp contrast to the significant 41.8% increase in 2016, following a comprehensive management and re-gearing exercise. The wider regional commercial property market, and particularly cathedral cities, continued to witness steady capital growth, with demand for prime product remaining strong throughout 2017. The model estate's commercial portfolio continues to be fully let, reinforcing the resilient demand profile for good quality, correctly priced accommodation.

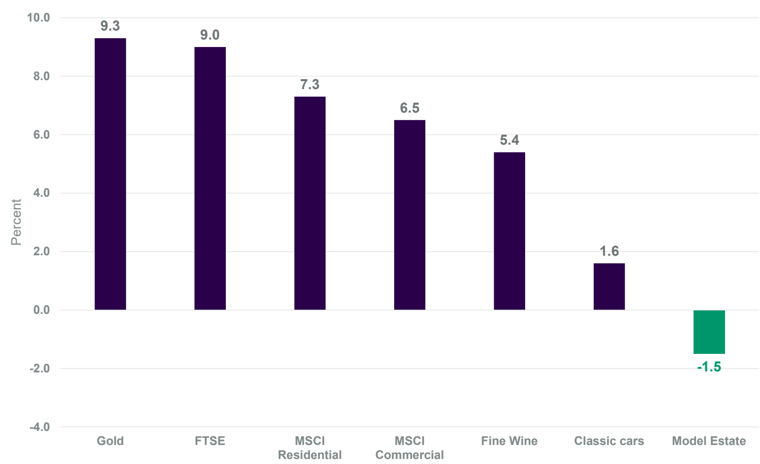
The value of the "other" element of the model estate remained broadly flat, falling by just -0.2% during 2017.

Despite the fall in capital value of the model estate in 2017, it must be noted that agricultural land is principally characterised as a long-term investment and a 1-year timescale does not provide a true reflection of the asset class. The 5-year annualised growth of the estate is 5.6% p.a., which increases to 6.4% and 6.6% when the commercial element and manor house respectively are excluded. This is comparable to the commercial property sector and superior to the residential equivalent.

Model Estate performance



Model Estate versus alternative asset classes



While land has now undoubtedly entered a new phase in the property cycle and has a number of headwinds to contend with, it will continue to remain attractive to a diverse investor pool, not least due to its counter-cyclical nature and its attractive tax regime.

The model estate versus alternative asset classes

Gold prices continue their upward trend, taking pole position in this year's alternative asset class rankings. Increasing by 9.3% during 2017 to reach US$1,264 per troy ounce, prices have now matched the previous peak reached in 2013. However, despite this growth, over the longer-term the price of gold remains below its 2011 peak.

The FTSE All-Share index increased by 9.0% during 2017 and was at its highest value since records began. The index closed at 4,222 points at the end of the year and ranked in second position. The FTSE indices have largely been influenced by the currency markets, which gained some value throughout 2017, despite initially falling in the aftermath of the EU referendum vote in 2016. While equities remained at an all-time high at the end of 2017, the start of 2018 has witnessed some decline of the index, Brexit and non-Brexit related, thus equities will continue to remain a volatile asset class.

The value of residential property in the UK increased by 7.2% during 2017, exceeding growth recorded over the last 5 years, taking third place in this year's ranking. Regional disparities are evident, with London once again hampering overall house price growth, although strong price increases in key "commuter" locations outside London have kept growth levels robust. Affordability is a key driver, and as real earnings outstrip inflation, house price growth could remain subdued over the coming year.

Commercial property in the UK rebounded in 2017, with values recording a 6.4% increase during the year, up from -1.1% in 2016 and up into fourth place. Although capital values across the 3 core sectors expanded in 2017, industrial property soared ahead, with capital growth of 13.9% during the period. This was followed by office and retail property, each recording 3.6% and 1.6% growth respectively.

While still increasing in value by 5.4%, price growth of fine wines noticeably slowed during 2017, falling from first to fifth place in this year's rankings. Currency volatility was a large contributor, with the fall in Sterling against the Euro and US Dollar during 2016 resulting is a larger uplift on pricing. Sterling did recover somewhat in 2017, particularly toward the end of the year, ultimately slowing price growth.

Performance of the classic cars market remains positive, ranking sixth overall, despite price growth during 2017 being the lowest since 2006. The sale of some high value assets during the year kept the market buoyant and the longer-term price growth, which continues to outstrip that of the other asset classes, remains desirable for car collectors and investors alike.

LOCAL AUTHORITIES DIRECTLY PROVIDING HOUSING

Janice Morphet, BSc, MA, PhD, Dip TP FRTPI FAcSS

and Dr. Ben Clifford

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Ben is Senior Lecturer in Spatial Planning and Government at the Bartlett School of Planning, UCL. His research interests centre on the relationship between state modernisation and the planning system in the UK. Recent work has included projects on devolution and spatial planning, planning for national infrastructure, the implications of office-to-residential permitted development, and local authority delivery of housing. He is currently working on a project looking at the relationship between organisational form of planning services and the realisation of the public interest. ben.clifford@ucl.ac.uk

I was first alerted to Janice and Ben's research from an article in The Planner in January and the statistics surprised me: "65% of local authorities in England said they were now engaged in direct delivery of housing, and a further 22% said they were considering this." Janice and Ben kindly agreed to write this piece for the Terrier, setting out the failings of the housing market and the motivation of local authorities to try to address needs.

Context for the study

As the government maintains its push for more housing to be built in England, through the Housing White paper (2017), the creation of Homes England (2018) with an expanded role from its predecessor the Homes and Communities Agency, and the draft revised NPPF (2018), the focus for housing provision is primarily on private sector builders and housing associations. While Homes England has numerous funds to support local authorities in infrastructure provision and site preparation, what has been less noticed in this focus on delivery is that local authorities are now engaging directly in the provision of housing. In a study undertaken across the whole of England by the authors in 2017, funded by the National Planning Forum and the Royal Town Planning Institute, and with the RICS a member of the reference group, the motivations, methods and means being used for this new wave of local authority housing activity were explored.

Large-scale local authority house building came to a practical end following legislative changes in 1980. Since then, many councils have sold off their stock through Large Scale Voluntary Transfer, while others moved stock management to Arm's Length Management Companies. Those councils that retained their housing stock have seen it diminish through successive waves of Right to Buy (RtB), the last introduced by the Cameron government. Nevertheless, approximately 200 local authorities still operate a housing revenue account (HRA) with about 170 still actively engaged in building social housing. Indeed, many have consistently been building housing throughout this period with whatever funds government provides and the borrowing it will allow, although individual current HRA debt caps limit the extent to which councils can build. The restriction on the re-use of RtB receipts also means that many councils are returning all or part of these to Homes England or the Mayor of London for use anywhere in their areas.

However, since the period of local authority austerity was introduced in 2010, the pressures to increase their role in housing provision have grown. While local councillors have been nudged into approving more planning permissions for housing, through the government's New Homes Bonus incentive, other problems have emerged. Firstly, many of these homes with planning consent have not been built – with current estimates considered to be between 400,000-600,000 potential homes in this position. Secondly, when permissions are granted, developers have been coming back to renegotiate them, arguing that the development is not viable, in order to reduce their development contributions or seeking planning consent for other sites not included in the local plans' 5-year land supply that usually ends in a planning appeal.

Where sites are started, then the build-out rates are slow – frequently 30-50 dwellings p.a. The Prime Minister has commissioned Oliver Letwin MP to review this situation and in his preliminary conclusions (March 2018), he has stated that developers are building at levels that maintain the price of the dwellings. This finding is similar to the assumption of many local authorities and suggests that increasing the amount of land identified for housing in the local plan will not increase the level of local market housing supply. Even where private sector developers are building, many local authorities are of the view that this supply does not meet the needs of local households and communities. At the same time, many local authorities reported that housing associations are not engaging in building social and affordable housing for rent, preferring shared ownership. We were also told of housing associations that are disposing of their social rented stock and not taking on homes that local authorities have secured though s106 agreements. Meanwhile, there has been an increase in homelessness due to no-fault evictions, rather than more traditional reasons of family break-up and unemployment.

Local authorities' responses

Faced with these concerns about the quality of housing built in their areas by these various providers, local authorities have turned to direct engagement in the housing market through a range of means. In our research, we found that over 44% of local authorities had established wholly owned housing companies by July 2017 and our later desk top surveys show that this number has subsequently increased. These companies have been set up in a variety of ways and for a variety of specific purposes that relate to localised problems in each council area. Some have been motivated by the ways in which local authority activity in providing housing though their HRA has been held back by the government's imposed borrowing cap. While the government has announced that it will provide extra funds and raise the borrowing cap in areas of high housing demand in 2019/20, no details of this scheme have been announced. Further, local authorities face uncertainty about policy announcements on their high-valued stock and the persistent diminution of their HRA stock through RtB sales, where frequently these homes then are available for rent from private landlords, to the homeless.

In order to overcome the limits on the amount of housing that can be provided in this way and the concerns about its longer-term availability for social rent, many local authorities with an HRA have established a wholly owned housing company. These companies are set up using a range of long-standing powers and councils have had their confidence boosted by the provisions of the 2011 Localism Act (s1-7) that allows local authorities to operate in the same way as private businesses.

In taking this approach, local authorities are placing this activity within their General Funds rather than the HRA. This route is available to all local authorities, even those without an HRA and even where they have previously disposed of their housing stock, although we found some local authorities in this position that assumed they could not engage in direct housing provision. These local authority housing companies are taking a variety of forms, including umbrella companies through to individual local authorities establishing multiple companies to undertake specific tasks such as building for special needs, acquiring property outside the local authority area, market rent, or management and maintenance activities. In North Essex and Dorset, groups of councils have individual companies but also have a joint board of all the authorities, to promote housing and placemaking.

Having a wholly owned housing company allows the council to use its own financial resources, which our research found was the most popular approach, followed by the use of other council-owned resources such as land. Many councils have also taken loans from the Public Works Loans Board or other councils. Other funding has been used in a minority of cases including raising bonds, commercial loans, from joint venture partners or through a specific hedge fund established to support local authorities in building housing.

Councils are building mixed tenure developments including for market rent, sale, shared ownership, affordable and social rents. Some are setting rent levels to earnings ratios or supporting Community Land Trusts. As the financial resources used for development and the retained assets are in the councils' General Fund, the properties provided through these means are not subject to RtB legislation and stay in the councils' asset portfolios, alongside other land and buildings in the council's ownership.

Additionally, there are other frequently used forms of company. Many councils that have existing joint venture companies for town centres, primarily focused on commercial and leisure redevelopment, are increasing the proportions of housing in these schemes. Again, these are for mixed tenure within the schemes agreed. Some councils are providing market rent properties within town centres, often to retain their student populations beyond graduation. Students are now familiar with new build accommodation and are less prepared to enter the existing private rented market properties in many towns. Some councils are converting their office buildings to residential use. Councils are providing advice and consultancy services to each other and in some cases, have established private housing companies which operate outside public procurement processes.

Motivations

If the basic provision of housing is the main driver for local authorities establishing these companies, the second most quoted motivation in our research survey was meeting the needs of homeless people. Here local authorities are frequently purchasing property on the open market to meet these needs, while others are buying hotels or are building hostels. While local authorities buying existing housing does not add to the overall provision, these are assets to add to the councils' stock, they will generate rent and reduce other council costs in supporting families, while reducing the misery associated with homelessness.

The third motivation cited in our survey was the need to provide income to support council services. From 2020, local authorities will no longer receive the government's revenue support grant, which has gradually been reduced. Local authorities are beginning to think of their roles as patient investors, generating a long-term income stream from their housing companies. In establishing a company, using funding loaned from the council at a level of interest consistent with State Aid rules, the council can also generate an annual dividend to support the running of its other services. Further, where council staff are employed using a service level agreement, this can also generate an income stream. We heard of local authorities no longer willing to give land to housing associations or to sell land to developers for housing, but rather wishing to retain a long-term interest in the developments proposed. We also found one council purchasing land for the longer-term to create their own land bank.

In our research, several other motivations for the direct provision of housing were cited by councils. 42% of local authorities are engaged in direct housing provision to meet special needs in their areas which are not being provided in other ways, particularly around housing provision for older people. There were also a number of motivations mentioned that relate to planning issues. These ranged from wanting to take action on stalled housing sites with no planning applications, sites with planning permissions not being developed, and sites being built out at a very slow rate. Another major planning concern was the quality of the developments being built by the private sector. Here there were concerns about standards inside and outside the dwelling, the quality of place making and the potential for apartments to be built and immediately to shift into the buy to let market, with the potential for council support for the tenants.

Faced with these uncertainties about the delivery of housing in their areas, local authorities are increasingly coming to the view that they can only really control these issues by some direct engagement in these developments. Local authorities are starting to undertake Supplementary Planning Documents that will then support Compulsory Purchase Orders to acquire the land. Local authorities are offering to buy sites with planning consents directly from owners who have seen no progress in sales from land agents. Some councils are buying off-plan developments or units directly from developers. Where councils are engaging in development directly, they are commissioning the construction of all the units in the development rather than on a sales-related basis as, like other patient investors, they need the rental income to support their wider activities. However, not every council is acting in this way and we did receive reports of local authorities where council garage courts were being disposed of for housing without even the benefit of planning consent or any consideration that the council could undertake its own housing development [Ed – see article on Ashford Borough Council's policy of reusing infill sites in this edition of the Terrier].

Other interesting results of the survey

In the survey conducted by the authors in summer 2017, 65% of local authorities in England said they were now engaged in direct delivery of housing, and a further 22% said they were considering this.

An analysis of the characteristics of these authorities indicated that those authorities engaging directly in housing delivery were on average much less likely to be Conservative controlled than would be expected from the overall distribution of political control of local authorities. Authorities in the East of England, London, the South East, the West Midlands and Yorkshire and the Humber were more likely to be directly engaged in housing delivery or intending to do so than not, but those in the North West were more likely not be engaged or intending to do so. Authorities with larger populations and higher housing demand were also more likely to be engaged. Nevertheless, it is important to note that there was a great variety in the characteristics of the local authorities engaged in direct delivery of housing. For example, Melton District Council in the East Midlands, is responsible for a population of just 50,900 and is Conservative controlled, yet has its own housing company. Leeds City Council in Yorkshire and the Humber, has a population of 781,700, is Labour controlled, and does not currently have a housing company.

One of the key concerns raised by those councils not engaging in the direct provision of housing was of skills, particularly where councils no longer have their own stock. However, one council told us that instead of employing consultants to undertake the council's planning viability assessments, they had appointed development surveyors in-house and this meant that they could work both for the planning authority and on the council's own developments.

In some cases, local authorities are using s106 or the housing company to directly employ apprentices for both professional roles such as planners and development surveyors, and for skilled trades. Another council was supporting the training of ex-offenders through its company. Other councils are buying in development skills from housing associations, the private property sector, architectural practices and other local authorities. Finally, some local authorities are beginning to investigate establishing facilities for off-site construction of housing to meet predicted shortfalls in construction labour.

Overall, we found that there are examples of very different local authorities across the country becoming successfully engaged in housing delivery. Local authorities have tended to become engaged in this for a variety of locally specific reasons, but then found that there were a wider variety of benefits and issues which could be tackled. We concluded that although there are still financial and skills challenges, local authorities have a good base on which to increase their provision, and we are likely to see much more delivery of housing by them in future.

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INFILL RESIDENTIAL DEVELOPMENT

James Green

James is a partner of Pellings and acts as Employer's Agent for clients, including Ashford Borough Council.

James outlines a practical case study of Ashford Borough Council, in making the most of brownfield and infill sites to build houses. The advantages include improving poor parts of housing estates and uses in-house skills, supplemented by working with private sector specialists.

Brownfield opportunities

In January 2017, the Conservative Government's long-awaited White Paper, 'Fixing Our Broken Housing Market', indicated that it would give greater support for infill development. While in February this year Theresa May signalled a new approach to planning permission on green belt land. She said: "I'd rather see an ugly, disused power station demolished and replaced with attractive housing than a wood or open field concreted over – even if the former is in the Green Belt and the latter is not."

Clearly, the mood in government is to tackle brownfield or under-developed urban land first and while infill won't produce housing in numbers to resolve the housing crisis, it can make a useful contribution.

It is local authorities who are the bodies that are most likely to be in control of parcels of land in urban areas that could be developed upon, so how do they go about identifying these sites and deciding on whether they should be developed?

The challenge for many local authorities is that with the public sector cutbacks over the years and the almost total cessation of local authority housing development or ownership since Margaret Thatcher introduced her council house sales policy, the records of land ownership may not have been kept up to date.

Ashford Borough Council and identifying potential

In 2010 Ashford Borough Council in Kent as part of a wider housing supply strategy, decided to find out how much surplus land it had and whether it was a liability or an asset. If it was a liability, how did it mitigate it and if an asset, how could it make it sweat and be used to best advantage?

Ashford's land holding review was a team effort that included its planners and legal team, to identify plots of land and to identify a potential use for development, using a GIS mapping system that pinpointed these assets and showed up the presence of any utilities or contamination.

Because the council had limited resources, it commissioned a private town planning consultancy, DHA, to collate the data and give planning advice. The 8-phase study assessed the development potential of the entire Ashford Borough Council owned land portfolio, comprising a total of over 1,000 hectares of land across 745 sites. Potential was identified for over 930 residential units in addition to mixed use and commercial opportunities.

The council acknowledged that had it used its own resources, there could have been a tendency to be more conservative rather than maximising site values. So, for example, if a local authority is going to dispose of a site, it wants to sell it with the capability of 12 houses rather than, say, 8 houses.

Ashford's review considered several extensive council estate areas, which generally consisted of terraced and semi-detached dwellings with amenity space and garden land. They were often served by lock-up garage areas, community centres and, in some cases, contained flats of 5/6 storeys set in extensive landscaped areas.

Of course, if a comprehensive development approach had been taken to these areas, they could have been redeveloped in a more efficient manner, to create a better density and layout in line with modern practices. However, this approach was not considered viable within this study, partly due to the considerable number of council properties that had been sold off by the council.

For these areas, a site by site approach was taken to assess whether they contained infill plots, amenity areas or lock-up garage buildings that would be available for redevelopment.

While some infill plots and amenity spaces did appear to be available for development, the study demonstrated that the garage areas of these council estates contained the most potential for revenue-generating built development, without impacting on parking provision within the area.

At the outset, because the council's housing team was operating as a small group, changing from planned maintenance to developing land, it was the low hanging fruit that was tackled first. Where there was a good political will, with ward members wanting more housing, or areas of anti-social behaviour where there was a need for homes and street scenery that needed improving, it was those sites that were most obviously developable.

These provided funds that could be released to put into better-managed services or land that could be put to good use for priority housing for, say, the homeless. Local authorities have a duty to look after the homeless, so the council has tried to focus on those individuals in freefall who don't have any accommodation and need to get into short-stay housing. This provision has deteriorated since the financial crisis of 2008 and with private rented housing supply becoming less affordable, infill housing has been able to fulfil this role.

Development model

By embracing housing development skills, this affords a local authority the opportunity to relearn skills that would once have been stock in trade. Ashford Council has adopted the principle of learning on the job and while, in the past, most of its team came from a building surveying background, that is now being boosted with those having different skills, including architecture and building control.

Ashford sources external consultancy resource when it cannot maintain the expertise internally, for example topology and contamination, and employs external expertise when it wants to accelerate or expand production for a limited period. It uses an external employer's agent to administer development contracts, ensuring it benefits from outside impartiality and enables the council, with its limited resources, to move on to other projects.

Local authorities have a number of avenues to go down in financing new developments. These include central government grant looking at enabling schemes, and selling new properties to cross-finance social housing. Ashford Council involves private institutional finance to deliver private rented schemes and has its own development company to deliver similar private rental properties. The advantage of this route is that the council can control the quality of the construction.

Construction procurement on small infill sites can be problematical and ideally, a local authority is able to package sites to make them attractive to contractors, perhaps putting closer sites together. Where sites are placed further apart, it may be less attractive to larger contractors. There will then be the need for a risk assessment, but including smaller contractors in tenders can bring greater competition and using local contractors has the benefit of recycling capital in the local economy.

Infill development provides an opportunity to make a contribution towards housing supply, as Ashford Borough Council has found; it enables local authorities to reacquire the skills that have been lost over the last 4 decades and provides homes that the private sector may be less inclined to bid for or build.

GOLDLAY SQUARE DEVELOPMENT, CHELMSFORD - AN EMPLOYER'S AGENT PERSPECTIVE

Tim Boucher and Adam Thompson

Tim started his career in 1997 as a trainee surveyor for Davis Langdon & Everest. He obtained a BSc (Hons) in quantity surveying in 2001 and became a chartered surveyor in 2004. In August 2015 he joined Oxbury Chartered Surveyors as a Director, to develop their delivery of public and private sector projects. Tim has worked on numerous residential projects over the years, including new build and refurbishment schemes. Projects range from one-off bespoke homes, through to significant masterplans and regeneration projects. Tim leads a team which provides expert project and cost management services throughout East Anglia and London. tim.boucher@oxbury.co.uk

Adam joined Essex County Council in 2007, having previously worked in local government roles at both district and unitary authorities. Adam has worked on a number of corporate and partnership projects including development of the council's Corporate Outcomes Framework and Commissioning Strategies; Essex's Community Budget pilot programme; strategic leadership of Essex's partnership work to reduce domestic abuse; development of the county's Special Educational Needs and Disability strategy; and leading on satisfying the requirements of central government's Comprehensive Area Assessment. Adam's current role is as a Senior Development Operations Manager for the Essex Housing function. Adam.Thompson@essex.gov.uk

Readers may recall that an article appeared in 2017 Autumn Terrier about the approach being undertaken by Essex County Council to facilitate housing provision. Essex has chosen to set up a housing function to coordinate the activities of public sector parties and to provide a full range of services. This follow-up paper focuses on the most advanced of the Essex Housing schemes, Goldlay Square, Chelmsford, which is now nearing practical completion. It provides more information on the role of Oxbury as the scheme's Employers Agent.

Goldlay Square overview

Essex County Council's (ECC) former library headquarters, located in Goldlay Gardens, Chelmsford, is the first site to be developed by Essex Housing, the authority's in-house team that works with public sector partners county-wide to identify surplus land for development and make the most of taxpayer-owned assets.

Essex Housing, the Goldlay Square scheme developer, has had end-to-end responsibility for progressing the development, including forming and leading a professional design team to undertake scheme design and secure planning permission, commissioning the site clearance works, appointing a contractor to build the development and to sell and market the completed units.

Construction of 32 units in 3 apartment blocks of private and affordable housing, together with associated external works, is scheduled for practical completion in July 2018 – and the units are already being marketed. Indicative images of the scheme have been prepared.

About Oxbury

Operating throughout East Anglia from offices in Norwich, Chelmsford and Cambridge, Oxbury is an independent business which has not lost sight of its original values – providing an honest and professional service that allows clients to maximise value while minimising risk. Their local knowledge and expertise add value from initial inception through to project completion.

Oxbury provides a wide range of services, which include cost and project management, and fulfilling the contractual role in administering design and build contracts through their role as Employer's Agent. For the Goldlay Square scheme, Oxbury was from project inception appointed into a cost and project management role and then remained client side through the construction phase as Essex Housing's Employer's Agent for the scheme.

Overview of the Employer's Agent role

Oxbury's role of both cost management and project management duties is encapsulated by Employer's Agent services. Oxbury's initial involvement was to develop the Project Execution Plan (PEP) to capture ECC's requirements. This PEP was then used to inform consultant and contractor appointments moving forward. Accordingly, the PEP and required outcomes were as follows:

- Maximising sales revenues to subsidise affordable housing provisions
- Delivering value for money within a fixed budget

- Minimising financial and programme risks
- Establishing the ECC's reputation as a provider of private sale dwellings.

Initial briefing meetings with Essex Housing enabled Oxbury to establish and confirm the requirements and parameters for the Goldlay Square project. This enabled preparation of the PEP, which included the initial Project Programme and Risk Register; as well as identifying roles and responsibilities of the client, the professional team, the contractor, specialist sub-contractors, and the basis of design competitions and appointment documents.

Early review of the Goldlay Square site constraints identified existing buildings, unknown asbestos quantities, and the extent of existing services infrastructure to be key risks and cost uncertainties to the project. Oxbury also undertook a value engineering exercise to ensure best value and to ensure that the project remained within budget.

Oxbury established procedures with the project team for design, construction and other meetings and arranging, chairing and minuting all meetings as necessary. This included coordination of the development of designs and specifications, and the preparation of contractual and commercial details throughout the pre-planning, pre-tender and pre-contracts stages; cross-checking with full, regular reviews of scheme estimates and appraisals, risks and mitigation strategies and reporting to the client.

Employer's Agent duties included developing and maintaining the cost plan and cashflow forecasts; analysing tender returns and reporting thereon; advising on contract terms and preparing contract documentation in liaison with the council's legal team; the administration of the contract in fulfilling the formal "Employer's Agent" role, including the project's financial control and reporting to the client on a monthly basis.

Contracts and procurement methodology considered for Goldlay Square

Oxbury's duties included advising in respect of the procurement methodology for the project. Initially Oxbury reviewed Essex Housing's requirements, to identify and understand the business and project benefits, risks and constraints (financial or otherwise) of potential procurement options, including in respect of time, cost and quality (performance) for both the construction and the design of a project.

The methodology selected for Goldlay Square was agreed as a single stage tender with JCT Design and Build 2011 Contract. This was chosen, following a review of the client's priorities and consideration of key benefits of this contract:

- Maximum risk transfer to contractor
- Maximum cost certainty
- Well-suited to new build construction projects
- Rapid procurement timeline.

The tender process was conducted in accordance with OJEU requirements and included Standard Selection Questionnaire and Invitation To Tender stages, to which Oxbury contributed to the qualitative evaluation of returns; as well as financial and contract compliance aspects.

The main contact tender for the design and construction of the apartments followed a separate enabling works package that was tendered and managed by Oxbury, to mitigate services infrastructure risks and carry out demolition of the existing library buildings.

Oxbury role during post-contract period

In delivering post contract Employer's Agent services, Oxbury has undertook the following:

- Administering the contract and providing full and proper communication and all reasonable advice to Essex Housing relating to contract administration; issuing instructions as are required under the contract, and coordinating

any scope changes for the client's authorisation. This includes full change control procedures and agreement of costs for variations

- Chairing the monthly site progress meetings and providing monthly project status reports, including cost report updates with estimated final account; completing monthly valuations and issuing certificates for payment in accordance with the contract terms, based on valuations of the building works

- Endeavouring to pre-empt problems and difficulties and where necessary, communicating to the contractor any observations regarding quality of materials and workmanship

- Reviewing programme control as exercised by the contractor throughout the construction period; checking that the established information release dates are achieved.

Next steps – Oxbury's role during site handover and defect liability

At the time of the handover of the Goldlay Square development in July 2018, Oxbury will coordinate and manage the following:

- Agreeing arrangements for and overseeing the handover procedure

- Carrying out snagging inspections of the works in tandem with the client

- Obtaining as-built drawings and manuals including health and safety file

- Co-ordinating any post-completion construction works

- Consolidating arrangements for maintenance procedures

- Monitoring prompt completion of remedial work/defects.

Concluding remarks

The Essex Housing model has made significant progress in its first 2 years of operation. The Goldlay Square development has been the front-running scheme in making better use of surplus public assets like this former library headquarters. As this scheme nears its completion, it is clear that the lessons learnt and the key relationships formed with suppliers such as Oxbury have been instrumental in securing not only the scheme's success, but also the future success of Essex Housing, with live schemes now comprising over 600 residential units.

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LAND SOLVE – THE LAND DELIVERY FRAMEWORK

Tim Hartley

Tim is Barnsley Council's Head of Asset Management and has worked in the public sector for 24 years, having had 3 years with the NPS Group before returning to Barnsley Council in 2013. Tim is an experienced property professional, with skills in valuation, negotiation, sales, acquisitions and strategic asset management. He heads a team of property professionals who deal with every aspect of managing the council's diverse and varied property portfolio which is at the forefront of new initiatives. He has led a successful asset disposal and investment programme.

Tim was involved with the establishment of Land Solve and is currently working on a number of key developments within the borough and a further phase of the property investment fund. Tim also chairs the Sheffield City Region Heads of Property Group. TimHartley@barnsley.gov.uk

For more information visit: landsolve.co.uk; Contact: procurement@landsolve.co.uk

I convinced Tim at the ACES Conference that submitting an article for the Terrier was a good way of informing readers of this innovative partnership method of securing development of council owned underused land and buildings.

Land Solve

THE LAND DELIVERY FRAMEWORK

Introduction

The Land Solve Framework was set up between Barnsley Metropolitan Borough Council (BMBC) and NPS Barnsley to help public sector organisations and charities maximise the value of their surplus land by securing its development potential. Land Solve is an OJEU compliant framework.

Although formulated in Yorkshire, Land Solve is a national framework available to all public sector and charitable organisations. The framework is geared to all public sector organisations including:

- Central & local government
- Education, college and university sector
- NHS, ambulance and other supporting healthcare providers
- Third sector and registered charities
- Fire, police and rescue services
- Registered social landlords.

NPS Barnsley brought the idea of Land Solve to me in 2016, and I immediately recognised its value, not just for Barnsley Council, but for the wider region and beyond. I was inspired by the idea, as were my colleagues in the senior management team, and so BMBC became the contracting authority for Land Solve, with NPS Barnsley managing the framework on our behalf.

The framework has 2 lots - Land Brokers and Land Advisers.

Land Brokers will normally provide the client with support and advice at financial risk during the project development phases (from RIBA Stages 1 up to 4), with payment for services being realised and paid through the proceeds of the land sale.

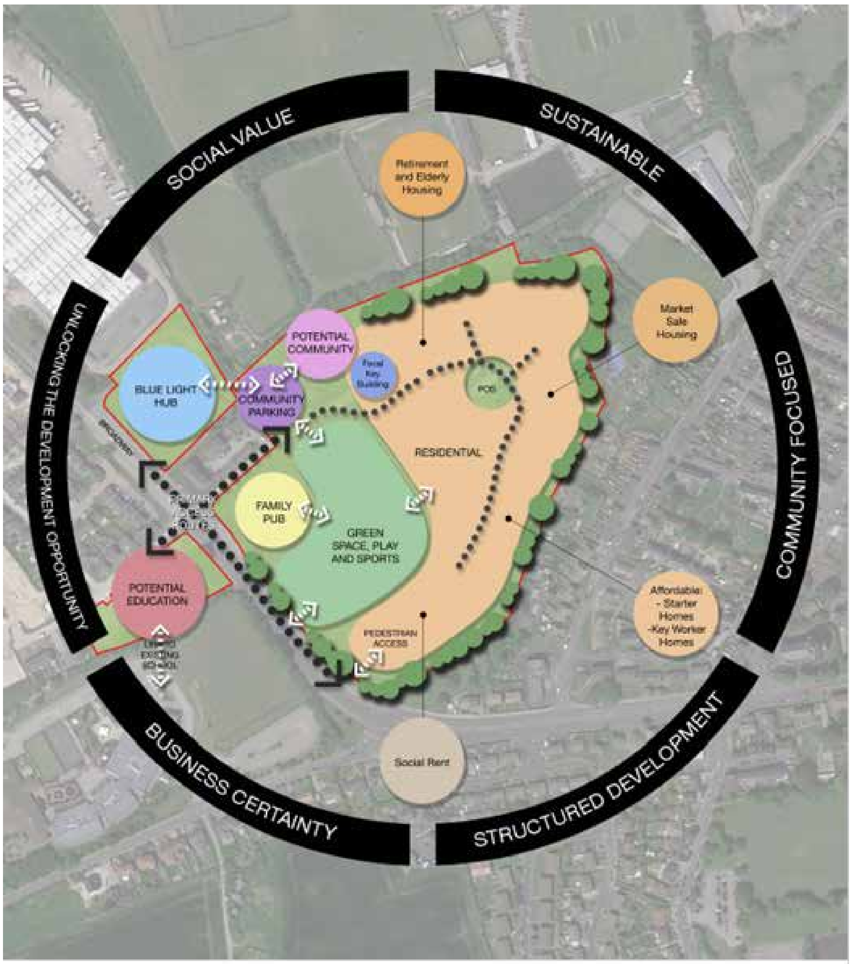
Land Brokers will deliver these services throughout the project lifecycle, normally taking full financial risk on the project. It is anticipated that Lot 1 Project Call-Offs will involve a longer-term partnership between the client and the Land Broker.

Our Land Broker framework members are:

- Cornerstone Property Assets Ltd
- Keyland Developments Ltd
- Morgan Sindall Investments Ltd.

Land Advisers will provide support and advice to the client on the development of surplus assets including: appraisal of development opportunities to determine commercial viability and deliverability; strategic options analysis; planning assessments; due diligence and surveys; and general advice and support throughout the project lifecycle. The Land Advisers are not required to work at financial risk.

Land Advisers will deliver services by way of lump sum fees or time charge commissions and will not take any financial risk. Project Call-Offs will be



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shorter-term engagements to provide specific pieces of advice during the project lifecycle, with a focus on the early stage viability assessments.

Our Land Adviser framework members are:

- Arcadis LLP
- Cornerstone Property Assets Ltd
- Edward Architectural Services
- Turner & Townsend Project Management Ltd.

The government's ambition is to unlock enough publically-owned land for at least 160,000 new homes by 2020. Local authorities are striving to unlock the commercial potential of their land assets to deliver much needed revenue, as well as new homes for their communities. Many may have limited understanding of individual land values and lack the expertise/resource to maximise their potential.

Current estimates claim:

- 40% of developable land and 27% of brownfield sites suitable for housing sits are within public sector land banks
- Local authorities in England hold £225bn of assets, including over £60bn in property not being used for schools or housing
- 250,000 ha of land are held by the central government estate in England – 13,000 ha are suitable for housing and could deliver 60,000 new homes.

How it works

Land Solve is a unique national land delivery framework and is all about enablement.

Many public sector organisations have assets that they are not using, they don't need, or they are not using as effectively as they could. Land Solve enables them to put these assets to better use, giving them access to a team of experts who specialise in:

- overcoming land development blockages
- de-risking sites
- getting the right people talking and working together to secure land development potential.

Where necessary, Land Solve can also provide access to property agents, purchasers of sites and investment markets.

The benefits

- Land Solve helps public sector organisations and charities maximise the value of property and land assets
- It is a national framework which is simple to use and easy to access
- Land Solve enables clients to drive their own economic landscape – proactive asset management and either efficient disposal or effective development leads to job creation, new housing stock and wider economic regeneration
- Land Solve ensures assets do not become a cash-drain and includes a completely risk-free option
- By minimising and mitigating risk, it is possible to get the best outcome of maximising the most of surplus assets
- The delivery partners appointed to the Land Solve framework are commercial experts who can work as an extension of an in-house team, adding resource, value and specialist knowledge

Land Solve team at ACES Conference, Leeds, September 2017.

- Land Solve supports service transformation and generates income to help maintain the delivery of everyday services

- It is simple to use from start to finish, offering a smart, agile and easily accessible solution which turns assets into income at pace

- A supply chain of commercially focused, qualified experts whose experience in successfully dealing with those 'age-old' land development stumbling blocks will get you the best possible outcome, which will include access to property agents, purchasers of sites, and investment markets.

First project underway

Edward Architecture, Land Advisor, has won a mini-competition for the first Land Solve framework Call-Off. This first project is to develop a 28-acre, mixed use masterplan to outline planning permission stage for an area of land which falls between the separate ownerships of BMBC, South West Yorkshire Partnership Foundation Trust, and South Yorkshire Fire and Rescue Services.

The community-driven scheme will include affordable and market sale housing, starter homes, a blue light hub, health centre, education, community, sports and leisure facilities, and will involve close engagement with the land owners and stakeholders to create a special place for Barnsley and the surrounding areas.

Pipeline projects

Other projects in the pipeline include:

- Barnsley Council - Glass Works retail and leisure (value £435,000)

- Monmouth County Council – 21st Century Schools Programme Band B feasibility study (value £33,000)

- Suffolk County Council – Redevelopment of redundant education sites (value £1.2m)

- Whitehills Park Federation Trust, Nottingham – Surplus land to fund school extension (value £125,000)

- Barnsley Council – Suite of Courthouse car park enablement surveys

- Bassetlaw District Council – Feasibility study for surplus plot of land (enquiry)

- Barnsley Council – Principal Towns – Suite of 6 mini commissions (value £85,000)

- Rotherham Council – Large-scale master planning exercise (enquiry)

- Barnsley Council – Depots rationalisation feasibility study (enquiry)

Successes

We have been busy promoting the framework over the past year at events such as the Chartered Institute of Housing Conference, the Property Forum and September's ACES conference and we are now working towards events for 2018.

In September 2017 we were shortlisted for the Innovation Award at the CCISY (Celebrating Construction in South Yorkshire) Awards 2017 and in October 2017 we were pleased to win our nominated category for Innovation of the Year.

If you would like any more information about anything

A CASE STUDY ON OPTISUITE – AN INNOVATIVE ASSET AND FACILITIES MANAGEMENT TOOL

Mike Perry

Mike has extensive experience of strategic and policy-related projects in the built environment, with emphasis on energy issues and future city systems. Since the mid-1990s, Mike has actively contributed to the development of understanding future city systems and their role in resolving physical and social resource challenges in the UK and internationally. He has extensive R&D innovation experience of Smart Energy: Community Energy Systems and Future City Systems. Working in close collaboration with colleagues, he has supported the development of BREOS, a future city systems application, providing real time digital information to inform objective decisions for asset management and FM. mike.perry@bre.co.uk

Mike updates readers on the case study of Leeds City Council, which featured in an article in 2017 Summer Terrier and at presentations with Brian Ablett at 2017 ACES National Conference. OptSuite has largely come about from a member of ACES thinking about the issues raised by other ACES' members, then trying to address them. If you would like to learn more about how OptiSuite can help your organisation then please contact Mike.

Context

There is great imperative to reduce the asset liabilities and operational costs of all facets of the public estate. Between now and 2020, government has put in place initiatives to reform how the state uses property, including:

- Removal of artificial boundaries between departments, local authorities and other public bodies
- Adopting working practices that minimise the need for office space
- Using existing office stock more efficiently, and
- Selling on surplus land to maximise receipts to enable the building of new homes.

Since 2010 departments have reduced the central government estate by more than 2m sq m. Departments continue to work on future disposals, anticipating a further £5bn of receipts by 2020. The form of property asset being divested is not confined to offices, but includes for example surplus land, airfields, barracks, prisons, laboratories, etc.

In offices, the target was to achieve an average of 10 sq m space per full time equivalent occupant by the end of 2015, and an aspiration to further reduce this to 8 sq m by March 2018. Examples of the levels of property reduction include:

- In Bristol the programme will reduce the dozens of buildings previously occupied to only a few by 2020
- In Liverpool the council occupied 47 buildings in 2010 to be reduced to 17 by 2020
- In Leeds the council will reduce its city centre sites from 17 down to 4 by May 2018.

The trend to reducing the scale of estates is set, with expectation of achieving more challenging targets in the future. The graphic illustrates the scale of these targeted reductions on government buildings in central London, to be replicated across the UK's public estate.

Data and information to inform objective decisions

Achieving asset management and FM targets at this order of scale requires continuous and reliable objective data and information streams to inform rational decisions. Also to engage a wider discussion about the pending organisational changes. For example:

- Fostering dialogue with work place occupants, encouraging their engagement and ownership of the change programme
- Providing objective counter-arguments to gatekeepers and blockers, who often have legitimate arguments that should be factored into the change programme.

Once underway, it is vital that progress in delivery of the change programme is monitored and assessed. Having access to data and information streams from the work space enables this objective monitoring to take place.

There are a range of applications for

data and information. A key question often concerns whether or not the full extent of the current estate is required, to maintain effective operation of the organisation - asset management. Reliable, frequent monitoring of built assets provides valuable insights into which parts of the estate are under-utilised, or where merging building functions would help support more effective operations, such as merging multi-team operations into a single space, where previously they were separately distributed across different spaces.

Achieving a reduced scale of floorspace by providing a flexible working space through, eg a reduced workstation: occupant ratio, can in many instances be the first step in a sequence. Sustainably managing the reduced estate can be as challenging as identifying how best to deliver the flexible work space.

The ongoing FM of the flexible work space will likely require continued monitoring of workstations, in many cases accompanied by a desk booking system. The monitoring can also be used to help ensure that building services are delivered to where they are needed, ie where there are occupants in the building.

To be fully effective, the monitoring of occupancy data should be carried out on a time interval appropriate to the use of the space. This will most likely mean recording data in near real time, and recent experience in the field suggests an averaging period of 10-15 minutes. More frequent monitoring may be appropriate and can be readily achieved using current sensor technologies.

Further and significant operational savings can be made by supplying facilities, eg lighting, heating, cooling, etc, mapped against the scaled-back occupancy patterns. This can be achieved by connecting the monitoring system to a building's Building Management System (BMS).

BRE's OptiSuite – An innovative asset and FM tool

BRE's OptiSuite is a sensor-based asset and FM tool – see article in 2017 Summer Terrier. It has up to 5 different methods anonymously registering live presence of occupants in a building, or on an organisation's IT network, including at this time:

- IT Network 'session log tool', mainly desktop PCs. This method is the lowest cost option. However, unless configured to record additional environmental data, it is restricted to recording log-in and log-out events. It requires no hardware, but listens to Windows events, including login, logout, lock, unlock, shutdown and start-up.

  This method of occupancy detection works well on Windows 7. For the Log Tool method of occupancy detection to give meaningful results it must be used by: desktop PCs; laptop users always sitting at the same desk; laptops used on any desk with a fixed IP address

- USB or battery-powered electronic sensors, or "iBeacons", configured either to be mounted on individual devices as, for example, tablet, lap top or PC, to register device or occupant presence; or in large spaces where sensor costs need to be limited, in grid format to detect the presence of Bluetooth devices, eg laptops or mobile phones, applying the principles of triangulation. The data occupancy collected using this method will not be as precise as the data collected from device mounted i-beacons. The intention is to achieve a "sweet spot" where the data collected is good enough commensurate with value for money.

  These sensors transmit their data using low power Bluetooth. To operate iBeacon sensors, the

OptiSuite installation team would install a small piece of software on all laptops included in the pilot trial. The iBeacon software listens to all iBeacons, isolating one that is within c.0.5m and reporting the presence of the device. These sensors are a precise and reliable form of detection, particularly of occupancy. To note, iBeacon technology readily works with Windows 10 laptops, but less effectively with Windows 7, an issue of Bluetooth communications.

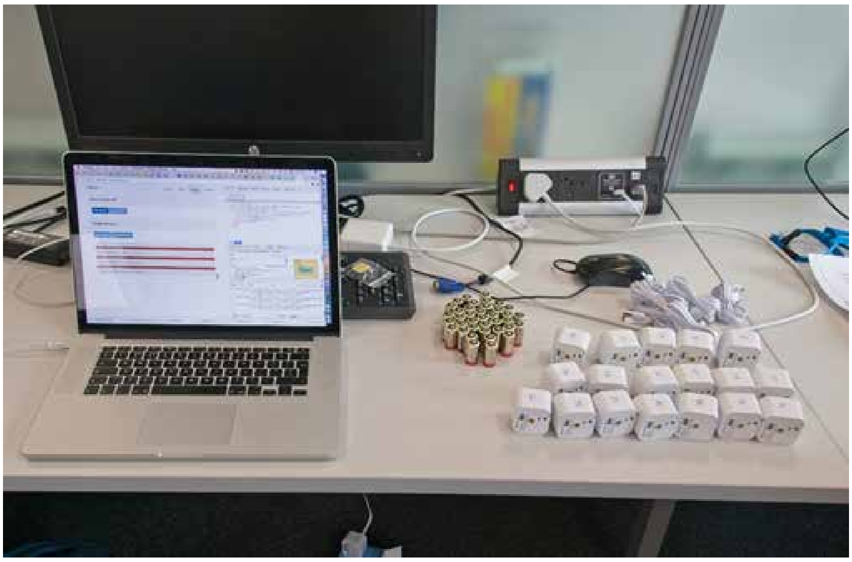
- There is sensitivity in some organisations to installing third party devices on the internal IT network. Passive infrared sensors (PIR) enable OptiSuite to operate entirely in the public domain, with no requirement for installing devices or code on an organisation's internal IT network. Also, PIRs attached to individual desks can be used to detect occupant presence at the workplace where there may be no IT device present or used.

  PIRs transmit data to OptiSuite's own Windows 10 computer that acts as a sensor network gateway. These sensors have no OptiSuite software installed, do not transmit data by standard networking but send data by Z-Wave radio protocol to OptiSuite gateway. The installed computer is fully independent of the corporate IT system. As such, the local IT department need no longer be involved since it doesn't touch on any hardware, software or data security. Data is sent out fully independently.

- OptiSuite has a tool based on cameras and scene-recognition software to count people.

- In large building spaces, use mix of the above tools and methods.

Each OptiSuite Tool registers anonymously the presence or absence of occupants in near real time. This data stream provides critical information for a range of activities, including, for eg, asset management, monitoring building use; FM, informing where building services are needed, matched to occupancy patterns; and assessing specialist requirements, eg highways maintenance teams.



Further, OptiSuite has the technical capability of being connected to a building's BMS to enable facilities, eg lighting, heating, cooling, etc, to be supplied, mapped against the monitored occupancy pattern, so achieving further and potentially significant energy cost and carbon emission reductions, while helping ensure occupant comfort.

OptiSuite pilot trial with Leeds City Council

A pilot trial of OptiSuite has been running in a Leeds City Council (LCC) building since August 2017, and remains live now. The purpose of the pilot trial was to validate the operation of sensors typically used to supply data supporting delivery of the OptiSuite service, and to demonstrate how these sensors collect, transmit and display desk occupancy and other indoor environment information.

All of these parameters have been measured and displayed in the pilot trial demonstration of an OptiSuite dashboard, showing a typical form of output presentation. These test output screens provide data and information to guide LCC to its preferred form of output – visual, tabular, etc. The trial also enabled LCC's initial evaluation of the OptiSuite service. The image shows the preparation for installation and commissioning of the pilot trial.

The pilot trial installation

The OptiSuite sensor installation included PIR sensors on each of 36-desks in a typical LCC workspace. For local detection of occupancy and internal environment data, the OptiSuite installation included a Windows 10 computer. This was a small, solid-state device connected to the public network (Internet) providing a sensor network gateway, and sending sensor data to the OptiSuite datacentre. This device was connected to the Internet outside of LCC's firewall. The pilot trial installation is depicted.

Once installed and commissioned, the OptiSuite system transmitted anonymous information on desk occupancy – presence or absence; and data on indoor temperature, humidity and lighting use.

This data and information was relayed to the OptiSuite data centre, and displayed back to LCC in the form of an OptiSuite dashboard, including desk occupancy, indoor temperature, humidity, and lighting levels. This dashboard summary information was used to help inform assessment of asset management and FM decisions and actions. For example, providing data to drive a real time desk availability system.

Pilot trial results: 18 August - 1 December 2018

At the start of the trial, the test floor was working to a 7:10 desk ratio. In the monitored area the office occupants

were working a number of different work patterns, ranging from 100% desk work to occasional attendance because of off-site work. Annual leave, attending meetings, sick leave absences were in addition to these range of work patterns.

The desk occupancy readings were taken from 09:00-17:00 each working day, and excluded weekends and public holidays. The OptiSuite sensors recorded data 24-hours per day, but any occupancy outside the agreed working hours was excluded from the assessment. [Ed – due to shortage of space, for screen shots and explanations, readers are directed to the presentations in Asset from both Mike and Brian Ablett www.aces.org.uk/publications].

For the purpose of estimating the desk occupancy ratio – the key metric - the overall average occupancy of all workstations was calculated for the defined working period. This came to 26.18%. As a percentage measure, when divided by 10 this can be read directly as an estimate of the overall average number of workstations required per 10 occupants. To make this average practically useful, a standard error was calculated and used to estimate the upper 5% confidence interval, to indicate the workable fixed workstation ratio per 10 occupants. The standard error against the average by desk, ie 36-averages, was estimated at 8.13%, 0.81 as a workstation ratio measure.

Thus, the upper 5% confidence interval was derived from the upper 5% interval = 2.62+1.96x0.81 = 4.21 fixed workstations per 10 occupants. From this informal analysis, for the pilot trial site, the initial analysis indicates that the fixed work station ratio can be reduced in round numbers to 4 workstations per 10 occupants.

Provision would need to be made for when, not if, this fixed workstation capacity is exceeded. This would be managed through the use of an effective desk availability-cum-booking system and additionally providing a suitable number of touchdown workspaces.

From this initial analysis, a coarse cost savings estimate was derived for the pilot trial site, assuming that the working practices on the test floor were replicated across the remaining floors in the building. The same assumption applies if the results are to be extrapolated across the wider estate. Anecdotal reports indicate that this initial assumption may not be borne out following significant alterations to long-established occupancy arrangements, suggesting work spaces should be assessed case-by-case. For the pilot trial site further assumptions were made, including:

- The energy data provided for the test building is correct
- The rental value by area of the test building is £21 per sq ft, or £226 per sq m
- LCC occupied all 4 floors of the test building
- Each floor is 2,459 sq ft, or 228.5 sq m.

Applying a reduction of 6-in-10 across the 4 floors of the test building, simple, but cautiously robust, estimates of cost savings are:

- Asset (rental) cost reduction of c.£124,000 p.a.
- Energy cost saving of c.£4,224 p.a.

From this coarse estimate of cost savings, the far greater cost savings are to be accrued from the reduced asset liabilities, in addition to concomitant savings from managing a reduced estate, such as business rates and on-costs of utilisation. However, the energy cost savings and linked reductions in carbon emissions are substantial in proportion to the initial costs and are thus a significant, beneficial impact.

Principles of OptiSuite operations

The design imperatives that underpinned the development of OptiSuite were predicated on extensive experience of property management, particularly in the public sector. These drivers are just as relevant in the private sector, based on an intuition that work spaces tend to be underutilised. If this intuition can be validated objectively, this opens significant opportunities to:

- Reduce estate asset liabilities
- Better match the operation of the remaining flexible work space to the requirements of the organisa-tion
- Substantially reduce operational costs, particularly energy costs and carbon emissions
- Optimise the day-to-day operation of the work space to meet the needs of the occupants, eg using desk monitoring together with touchdown areas.

A primary objective of the Leeds pilot trial was to validate the operation of OptiSuite in an office context, and to assess the data to test these assertions.

The outcome of the pilot trial provided strong evidence to support all of these flexible work space principles.

OptiSuite demonstrated the value of monitoring occupancy in near real time, ie 15-minute collection periods, together with other relevant environmental metrics. The data patterns provided objective data and information to support rational decisions on how to manage more effectively the asset and the facilities. This continuous, near real time data monitoring is more effective than can be achieved using traditional clipboard data collection, resulting in a much sparser data set necessarily not 'seeing' detailed patterns in the data.

The OptiSuite pilot trial has clearly demonstrated that it is an effective tool to inform decisions and accelerate delivery of the government's programme to reduce significantly public estate costs and liabilities. The same data and information can be used to manage sustainably the flexible work spaces, once the initial asset reductions have been delivered. Additionally, OptiSuite has the technical capability of being connected to a buildings' BMS, to allow facilities to be supplied, mapped to the scaled-back occupancy pattern.

The same arguments can be applied to the operation of OptiSuite in the private sector, where the underlying principles of office work space management will be very similar to those in the public sector. And, in case you were wondering, the results from OptiSuite are so compelling that the BRE is arranging for an installation to assess how it manages its own campus site.

THE FUTURE OF THE WORKPLACE

Kevin Joyce

Kevin is a strategic property manager in the Property Service serving the London Boroughs of Richmond and Wandsworth.

Kevin outlines some fundamental changes to office working practices across the board, from large companies, small businesses and down to individual workspaces.either keeping or using in alternative ways both operational and non-operational assets.

What does the future hold for the workplace in our cities and towns?

Whereas the concept of a job for life was perhaps starting to look outdated even as little as 15 or 20 years ago, expectations around careers, working patterns and environments still centred mainly on secure paid employment, with individuals expecting to remain in the employ of corporate employers for some years, generally at fixed places of work.

Today, the world of work is a very different place and appears likely to evolve further in striking ways over the next 10 years or so. Hot desking in open plan offices is now generally seen as being the norm rather than the exception, directly employed staff typically move on to other jobs in 4 to 5 years. Formal hierarchical organisational structures and attendance at fixed location sites for a set number of hours each week are increasingly being replaced by more fluid working relationships, characterised by greater individual autonomy and accountability for their levels of performance. This is enabling employers to incorporate remote and home-working arrangements into working practices.

Two major influences on workplace environments is the emergence of a 'Millennial' workforce with its own work and lifestyle expectations, and digital technology developments. It is estimated that by 2020, Millennials will account for nearly half the workforce. In times of relatively full employment and skills shortages, there are strong pressures on corporate employers to offer attractive working conditions and incentives, such as flexible hours, break lounges, games rooms, and fitness facilities in order to retain this new generation of skilled workers.

Case studies

Google headquarters

Plans by Google to build a new London headquarters next to Kings Cross Station, in a building described as a "landscraper" as it will be longer in its length than the Shard is in its height, provides a good illustration of just how extensive attractive working conditions and incentives might become in the workplace of the future. The 92,000 sq

Photograph reproduced with the kind permission of Google UK.

Photograph reproduced with kind permission of Make Architects.

m and 11-storey high scheme, designed by Heatherwick Studios and Bjarke Ingels Group, is to include features such as market halls, a shops plinth and an auditorium for staff presentations at ground level, upper levels all linked by a diagonal staircase to connect staff across multiple floors, a "wellness and fitness centre" including a half-size Olympic swimming pool, gyms, massage rooms and multi-use indoor sports pitch, a 200 metres long "trim trail" for jogging and walking at the top of the building, overnight sleeping pods, 4 cafes, and 686 bicycle spaces, but only 4 car parking spaces.

Flexible space occupation can help businesses of almost any size to adapt quickly and relatively seamlessly to changes in supply and demand for goods and services in the markets in which they operate, but also to technological developments in business. The emergence of artificial intelligence (AI) and robotics, already introduced successfully in areas of manufacturing, could see more of a separation taking place between repetitive work tasks which AI can carry out and which might not necessarily be location-sensitive, and commercial functions requiring creative or innovative thinking and interactive people-based environments to deliver business success.

<u>20 Ropemaker Street</u>

Cultural changes to working environments could become just as pronounced in the SME sector, now employing an estimated 60% of all UK private sector workers. A tech-friendly, hipster culture is particularly evident, not just in small business centres offering co-working spaces for use by 'digital nomads' stepping up from the home office or local coffee shop, but also in larger hybrid business centres which offer both co-working spaces, as well as exclusive spaces for occupation by divisions, subsidiaries, corporate businesses, or their outsourced service providers.

More than 630,000 new UK companies were registered at Companies House in 2017, and research by the British Council for Offices indicates that over one million people will work in co-working environments by the end of this year. This changing workplace profile is being are supported by the London Mayor Sadiq Khan, with the Mayor's office announcing in January 2018 that the £100m Early Stage London tech fund backed by the Mayor had made its 100th investment in the capital's start-ups market. Other seed and venture capital funds such as Albion Capital, and equity crowdfunding platforms such as Crowdcube and Seedrs, are also backing the start-ups market.

The Mayor's infrastructure vision for the capital, set out in a new Draft London Plan released in December 2017, will require developers to consider including "flexible workspace for micro, small and medium-sized enterprises in new B1 development schemes exceeding 2,500 sq m in size". Although the Draft London Plan is subject to consultation, there are already indications that some developers are voluntarily looking at the benefits of including flexible workspaces in new multi-use developments.

At 20 Ropemaker Street in the City of London, Old Park Lane Management and CORE development manager have been granted planning consent for a 27-storey development to provide circa 38,500 sq m of Grade A BREEAM 'Excellent' offices, as well as ground floor shops and dedicated SME/affordable workspace. Designed by Make Architects, the development will feature a cluster of 5 towers of varying heights, stepping down from the full height to 10 storeys, and creating a bookend balanced skyline around CityPoint at 1 Ropemaker Street. By incorporating varied floorplates and a stepped form, the building will have the flexibility to attract and accommodate different sized businesses. Each of the towers will have a roof garden and most of the office floorplates will have balconies, to benefit from extensive local and strategic views across London.

From an SME and community perspective, attractions of the development will include a sheltered double height colonnade, opening into a multi-use communal lobby space which designers envisage as forming a market square inside the building, combining a café, co-working area and event space, and functioning as a semi-public space which supports knowledge-sharing and community and creative interactions, with the visual amenities of green walls and established planting bringing 'the outside in' and

Photograph reproduced with kind permission of Wimbletech CIC.

reinforcing the identity of the lobby as a communal space. The scheme is programmed to complete in 2022.

Frank Filskow of Make Architects commented that "20 Ropemaker Street is an ambitious scheme and goes far beyond a standard formulaic response. Our design looks to the future, to a world that embraces the sharing economy and places a growing emphasis on wellbeing, especially at the workplace." The emphasis on creating sustainable environments which promote the wellbeing of the users of the new spaces should be particularly evident in the provision of access to the roof gardens and office floor balconies on the upper levels, and the variety and vibrancy of activities in the double height lobby at ground level.

Workary workspaces

The community dimension to changing working environments is notably evident in co-working workplace centres created in public sector buildings, offering flexible and fixed desk spaces for use by business start-ups and local entrepreneurs. For example, in partnership with the London Borough of Bexley Libraries, the community interest company, Wimbletech CIC, has created 'The Workary' workspaces in public libraries in a number of London boroughs and the south east, with features of the centres being high-speed internet access, the availability of spaces not just for workshops and meetings but also for mentoring, and the fostering of a business culture that encourages peer-to-peer and experts-in-residence support, which can open up new opportunities for collaboration between small businesses.

Wimbletech's founder, David Fletcher, acknowledges the challenges and issues which can be faced by business start-ups. An entrepreneur whose quest for flexible, local, affordable workspace for his own tech start-up led him to create the project that specialises in both meeting the needs of aspiring start-ups and, at the same time, supporting public libraries through the creation of sustainable income.

"Starting a new business can be a daunting and lonely undertaking, even when an entrepreneur is confident of the quality of the service or goods they can offer. Co-working centres can not only provide practical support to help these entrepreneurs grow their businesses, but also supportive social environments to address the human side of starting and growing a business".

"Libraries are vital to the local communities within which they are based and we are proud to work alongside local library teams to help protect this valuable service. So far, the Wimbletech CIC project has generated over £250,000 of new, sustainable library Income, £1.5m local spending, 350 new local jobs and delivered 200+ free community event."

"The Workary' sites offer flexi desks from £65 per month and fixed desks from only £95 per month for entrepreneurs, freelancers and small businesses. They provide 24 hours access, kitchen, relaxation area, and (most importantly) an unlimited supply of tea and coffee."

Conclusions

Collaborative working can help enable enterprises to adapt and react to new opportunities in a rapidly changing but increasingly uncertain business world, through combining the skills and expertise of the participants to deliver successful outcomes, thereby being better placed to compete with more mainstream goods and services providers.

LEARNING THE LESSONS OF CARILLION

Helen Randall

Helen is a partner at Trowers & Hamlins LLP. HRandall@trowers.com

Carillion went into liquidation with £1.7bn in debt and casting uncertainty over 450 public sector contracts. Helen suggests local government might look again at the way it selects providers, while customers should focus on their due diligence before filling the gap left by the collapsed company.

Having negotiated contracts with Carillion and other major contractors for public services since the mid-1990s, I have been reflecting on what lessons good and bad we can learn and how the public sector's procurement processes could be improved.

Carillion had expanded beyond construction to services: facilities management, grounds maintenance, even the legal services and IT.

Of the major contractors in the public sector marketplace, Carillion had developed one of the most sophisticated approaches to bidding, so it was perfectly placed to win opportunities for PFI/PPP and Building Schools for the Future contracts which combine construction, services and finance.

Quality and price

Most PFI contracts were evaluated on a 60% quality, 40% price basis. It is now alleged Carillion's bids may have been dangerously low because falling profits made it desperate for new revenue. However, if a public authority has applied an evaluation ratio where price represents anything more than 30%, then inevitably price will always trump quality. Moreover, public authorities may only reject the "abnormally low" bids, and even then, only after they have taken the trouble to clarify them.

Often even after evaluating with a scoring mechanism weighted in favour of quality, if all bids have met the authority's minimum quality threshold, the contract gets awarded by default to the bidder with the lowest price.

As we have learnt from Carillion, in the long-term the public sector incurs cost if its private sector contractors fail because a contract is not sustainable. So it makes sound financial sense and is value for money to ensure that appropriate emphasis is placed on quality (70% plus) when setting evaluation criteria and sufficient time is set aside to probe the financials behind the bid rather than rushing to close negotiation and award the contract.

Prophets of doom

There is also an issue about competition. Where tendering a big contract in separate lots, it is possible to specify that a tenderer cannot be awarded more than a certain number of lots, in order to ensure market spread and increase resilience. However, where opportunities are tendered by separate authorities, you cannot rule out the contractor on the basis of its market dominance. In fact, the standard selection questionnaire actively disadvantages providers who are start-ups or new entrants.

If we genuinely believe more market diversity is important to strengthen competition and ensure resilience, then we have to be more adventurous in the way we select providers and change the questionnaire and shortlisting criteria.

Most PFI and PPP contracts had to be let on standard terms and if the authority wanted to vary the terms, its lawyers had to plead the case with government. As PFI progressed, the contracts became more sophisticated, but in my view, the standard terms should have incorporated better early warning mechanisms and more transparency for the public sector.

The Carillion scenario reinforces the importance of a robust contract and retrospectively vindicates some legal negotiators such as myself, previously characterised as "prophets of doom".

Currently, Carillion's public sector customers will be negotiating with the parties now in control of the contract, whether the liquidators, Carillion's sub-contractors (who may be employing the bulk of the workforce) or the new contractor who has taken over the contract. Some authorities are considering bringing Carillion contracts back in-house.

Now is the time to look before you leap. In particular, you will need to conduct due diligence to minimise the costs and liabilities which may be passed back to the authority. Your due diligence should cover staff, pension payments, transferring contracts, assets and intellectual property rights. Only when the full extent of the transferring liabilities are understood should you negotiate the ter

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As MEES is now upon us, Robert reminds us of the basic rules and what estate managers need to be doing, with possible implications if action is not taken.

MINIMUM ENERGY EFFICIENCY STANDARDS

Robert Burke Bsc(Hons) FRICS FCABE

Robert leads the Building Consultancy team at Lambert Smith Hampton. He has focused on commercial, retail and industrial property and has had wide residential and hotel, student accommodation, leisure, schools and health care experience. He acts as an Expert Witness in dilapidations and building defects. His work ranges across pre-acquisition building surveys and co-ordinates due diligence teams, based on his understanding of the procurement and development process, and the conversion and refurbishment of buildings as well as costs of repairs and assessments of opportunities and alternative uses.

Working for both landlords and tenants, Robert prepares schedules of dilapidations and negotiates financial settlements for a broad range of clients in different property sectors. rburke@lsh.co.uk

An introduction to MEES

The Minimum Energy Efficiency Standards (MEES) came into force on 1 April 2018 under the Energy Act 2011. This most certainly is not an April fool's joke although those not taking this seriously could soon look foolish.

This is also not a sudden government initiative, sprung on us quickly and quietly over a bank holiday weekend; this has been long in the planning and publication and is rooted in the Paris Accord and the 2008 Climate Change Act. There is a multitude of publications about this subject, as well as quite a lot of, "band wagon jumping". By this I mean that we at least seem to be inundated with digital flyers from any company remotely connected with property and construction, claiming to have devised innovative solutions that can solve a MEES problem (even if you may not have one) and make or save you lots of money. We have seen such information from fit-out and even roofing contractors. Most are merely clever ways of driving traffic back to their website. I thought I wanted to find out more about MEES but actually, why not just purchase some roofing felt while I am here?

Beware of any website claiming to be or offering expert advice. The truth is much more prosaic; the legislation is new, opinions and interpretation vary but what is the reality? What does it mean for landlords and occupiers?

Well firstly, let's not simply pretend that it is going to go away and that this is a temporary hiatus. Property and construction are slow to embrace change, but it is helpful here to think of this as evaluation and landscape changing rather than a road block. This is a UK legislation and it is unlikely to be affected by Brexit.

MEES in the UK

The aims of MEES are to improve the energy efficiency of our most inefficient buildings, those with an Energy Performance Certificate (EPC) rating of F and G. It is also working towards meeting the UK government's legal commitment under the Climate Change Act 2008 to reduce carbon emissions to close to zero by 2050, or by 80% of the 1990 levels. Buildings are main net contributors to carbon emissions although there are other gasses that are harmful to the environment in different ways; we are all fond of quoting the fact that cows are responsible for most of the world's methane gas!

The MEES regulations apply to properties in England and Wales with some exemptions. Different but complimentary regulations apply in Scotland, developed under s63 of the Climate Change (Scotland) Act, known as "Action on Carbon and Energy Performance" (ACEP). Northern Ireland does not yet have an equivalent of the Energy Act but there is a draft Climate Change Bill currently under review.

While the commencement date is 1 April 2018 for all new lettings, these regulations will be phased in and will apply to ongoing leases from 1 April 2023 for non-domestic properties. The minimum standard required under the current regulations is an EPC E rating. Buildings with F and G ratings will require to be brought up to standard before they are let or from the "long stop" date, subject to some conditions and relief. It will still be lawful to trade properties that are not MEES-compliant, but it is anticipated that values will fall for those with F and G ratings, and in some cases E ratings as well, due to changes in standards and data collection.

Penalties: So what?

The penalties for infringement of the legislation can be really quite punishing (see table).

These are likely to be cumulative as well. It is important to note that monies will be collected by the local trading standards officers with revenue going to the local authority. In addition, offenders will

Infringement	Penalty	
Providing false or misleading information to the PRS Exemptions Register; Failing to comply with a compliance notice from a local authority	£5,000 Publication of non-compliance	
Renting out a non-compliant property	**Less than 3 months non-compliance** 10% of rateable value, but with a minimum penalty of £5,000 and a maximum penalty of £50,000 Publication of non-compliance	**3 months or more of non-compliance** 20% of rateable value, but with a minimum penalty of £10,000 and a maximum penalty of £150,000 Publication of non-compliance

be publicly named on a register. With pressures on local authorities to be more cash generative and self-sufficient by 2020, one can easily see that this could be a "nice little earner". Local authorities that get their acts together and with slightly beefed-up trading standards teams could be gathering in almost parking fine amounts without the baggage associated with various morality issues, as it is all good news for the environment!

It will be interesting, however, to see how the Catch 22 works through, the barriers being that cash-strapped authorities will need initially to invest in staff and systems and will also, surely, need to demonstrate that their own houses are in order before they start fining pension fund-type landlords who have properties on their patch. Or maybe not, maybe the money gathered goes to improving their own stock – a virtuous circle! That said, if it improves, overall, the energy performance of buildings generally then this cannot be a bad thing.

As landlords and tenants in their own right, the MEES regulations will affect the education sector, in fact we have seen instances where local authorities have leased schools (and other buildings) to academies and service providers, only to find that this action now brings MEES into sharp relevance, whereas the legislation does not apply to owner occupiers.

Exemptions

The regulations apply directly to all landlords letting non-domestic properties on leases of between 6 months and 99 years where there is a valid EPC (they have a life span of 10 years); with a rating of F or G. Importantly, the regulations do not prevent the sale of buildings and do not affect the assignment of an existing lease, but they do prevent renewals and sublettings when the tenant becomes a landlord. The point here is that this will need careful consideration by occupiers subletting, and even owner occupiers who may want to dispose of surplus property, or even use existing stock as security for a loan.

As a general rule, buildings that do not need an EPC will be outside the regulations, even if they do actually have a current EPC, including:

- Some industrial sites and agricultural businesses of low energy (this may also include retail shells, although they will need an EPC on letting)
- Places of worship
- Buildings with a planned life of less than 2 years
- Stand-alone buildings of less than 50 sq m.

MEES does not apply to:

- Buildings with no EPC, an EPC rating of A-E, or where the current EPC is over 10 years old and expired (even if previously rated F or G)
- Tenancies of less than 6 months or more than 99 years
- A property let on an agreement for lease or licence
- Owner occupiers.

It is possible to get an actual exemption, but these have to be registered on the PRS exemptions register (presumably there will be some sort of a charge for this in future). Registering an exemption will not be easy; they are only valid for 5 years and cannot be transferred to a new landlord.

Generally, the categories for an acceptable exemption are one of:

- 7-year test – improvements would not pay for themselves in energy savings within 7 years
- Market value – where improvements will reduce the market value of a property by more than 5%
- Third party consent – where consent or access is refused by planning authorities, a tenant or superior landlord
- Historic fabric – where say wall insulation would ruin the historic appearance
- Done it all – if an independent assessor or surveyor determines that all feasible improvements have already been completed (or none can be made) but the property remains below an E.

Clearly there is some work to do here in terms of proving any of the above situations; a simple letter or a couple of 'phone calls will not cover it. There is some guidance in the regulation guidance note on some of these, but details on other categories is really quite loose and open to interpretation or even caselaw.

Listed Buildings can, in some instances, be exempt, but the basic rule seems to be that if your listed building does not, for some reason, yet have an EPC, then do not procure one without advice, otherwise you may find that you have a registered (although drafts are possible) EPC with an F or G rating.

D and E ratings

While spaces and demises with EPC ratings of A-E are outside the regulations, some E and D-rated buildings will also be captured when buildings are next re-certified, or if the lease position changes due to changes in legislation and how the rating data is collected. It is also generally thought that the government will seek to bring E and D-rated properties into MEES in the future. By way of illustration the MHCLG (2 October 2017) listed 740,019 non-domestic EPCs registered and around 50% of these were offices with a D or E rating. At Lambert Smith Hampton, we estimate that 33% of D and E ratings may be non-compliant if they were to be recalculated today. With the UK property market estimated to be worth £883bn, clearly any fall of rate could be significant.

Domestic properties

The regulations for domestic properties are similar to commercial properties but with some notable differences: assured tenancies, regulated and agricultural domestic properties apply. MEES does not apply in the social housing sector, nor bedsits, and units that are not self-contained, such as rooms in a house in multiple occupation, which are outside the regulations unless the building as a whole already has an EPC; in which case the building and any individual units have to comply with the minimum standards.

EPCs are not required for furnished holiday lettings where the basic premise is that the holiday maker does not pay for energy and is therefore outside the scope of the regulations.

The 7-year rule does not apply, instead works to domestic properties are exempt if funding is not available to cover the full cost of purchasing and installing the improvement through:

- A Green Deal plan
- An energy company obligation
- Free funding provided by central government, a local authority or a third party.

In other words, domestic owners do not have to pay, but domestic landlords are obliged to seek out and explore grants and funding. Cost effectiveness is assessed over the lifespan of the improvement, rather than just 7 years, as for commercial properties.

Management and valuation

For those managing property, the best advice is quickly to agree a plan; while this sounds obvious, failure to plan can really cause delays to selling or letting, or may even lead to the wrong management decisions being made. Our advice to clients has been to schedule out properties with EPCS and work out a strategy to plug the gaps. Undertake an audit of the portfolio and understand the risks. Understand short and longer-term decisions and strategies and cost plan for works. The government advice is to compare the cost of improvement with the cost of savings plotting; the improvement against gas saving, capital cost and interest rate to establish 7-year payback on a yes/no barometer.

It is vital that owners of property know and fully understand the risks to their properties. It is clearly important to talk to tenants in this connection and bring them along on the journey.

The presence of MEES in the market place presents a difficult challenge for valuers. It positions situations where there is likely to be a value affect, even if there is no explicit evidence of a change in market conditions. Properties in, say, sub-prime areas with expensive upgrades required are most likely to be affected, but surely the impact on value will reflect the hypothetical cost of the works? Alternatively, when looking at a rent review, is it really possible to argue that a space with a poorly rated EPC, becomes less valuable to a tenant when in fact the landlord has to undertake the improvement work and when completed, is likely to result in lower energy cost for the tenant?

It is also unlikely that leases covered by the Landlord and Tenant Act 1954 will escape MEES impact on value, although we think that the main value impacts will tend to follow statutory lease renewals; leases might only be affected at review if hard evidence proves that there is a, or should be, a rental discount.

Improvements

Much work has been undertaken by EPC providers with intelligent software to model the cost and effectiveness of certain improvements. Upgrading boilers, double glazing and roof insulation are the sort of "standard" recommendations that are often provided in the recommendation reports. An improvement plan, however, will take this onto the next level, dismissing uneconomic options like a ground source heat pump or a wind turbine, and also looking at controls and replacement of plant items. As a purely theoretical exercise, replacing a chiller will almost certainly increase the EPC rating of the property; although clearly you need to be careful about using this as a panacea. A developer client has been quoted as saying that installing the latest LED lighting helped improve an asset rating from an A25 to an A12, resulting, importantly, in an energy saving to the tenant of 40p per sq ft, well worth taking for all sorts of reasons.


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LEASEHOLD REFORM – HOW DOES IT WORK?

Riccardo Carrelli

Riccardo graduated from Nottingham Trent University in 2004 with a BSc in real estate management. During his degree, he was placed in the commercial property team for the Royal Borough of Kensington & Chelsea. Since graduation, Riccardo has worked within the residential sector, firstly working in 2005 for Cluttons LLP, where he acted principally for the Wellcome Trust in connection with the South Kensington Estate. Since joining Knight Frank, Riccardo has been developing his knowledge and experience in Leasehold Reform work and in November 2011 was made a Partner. He has gained experience in giving expert evidence at the FirstTier Tribunal. Riccardo also undertakes valuations for rent reviews and premiums payable for alteration and is an accredited RICS Valuer.

Riccardo was nominated as 'Professional of the Year' at the Enfranchisment and Right to Manage Awards, 2012. riccardo.carrelli@knightfrank.com

This is a feature aimed at those who deal with (to a lesser or greater extent) residential portfolios where leaseholders exercise their statutory rights to lease extensions or to buy their freehold. It covers the key basics of a claim and how a landlord is compensated for their loss, while also touching upon a recent Tribunal decision currently affecting the industry. Riccardo hopes that it provides a talking point for officers who deal day-to-day with residential property.

Editor's note – to avoid saying his/her each time, 'leaseholder' or 'tenant' is referred to as 'they'.

The rights available

The leasehold reform legislation provides for 3 principal rights to a leaseholder:

1. If they own a lease on their flat, they have the individual right to extend the lease by 90 years at a nil ground rent
2. If they own a lease on their flat and are in a position to co-operate with leaseholders in the building, the collective rights to buy the freehold of their building
3. If they own a lease of their house, the right to buy the freehold.

Each of these rights are explained further below.

<u>Extending the lease of a flat</u>

This is governed by the Leasehold Reform, Housing and Urban Development Act 1993, as amended by the Commonhold and Leasehold Reform Act 2002.

Qualification - In order to qualify, the tenant must have a lease which, when it was granted, was for a term of over 21 years. It does not matter how long now remains. They must have owned the lease for a minimum period of 2 years. The 'residence qualification' – i.e the requirement to live in the flat as the main home for a minimum period of 3 years, which existed under previous legislation – has been abolished.

Procedure - In summary, the leaseholder serves a Notice on the freeholder, stating a realistic figure which they are prepared to pay for a lease extension. The freeholder replies with a Counter-Notice, which will put forward the price at which they are prepared to grant a new lease. In practice, the leaseholder's initial notice figure is lower than the leaseholder will be willing to pay and the freeholder's counter-notice figure will be higher. There is then a period for negotiations. If it is not possible to reach agreement, either party can refer the matter to a Tribunal for them to determine the figure, and in any event, the tenant must do so not more than 6 months from the counter-notice date, or the claim is deemed withdrawn.

<u>Collective enfranchisement - Buying the freehold of the building</u>

Qualifying tenants in a block of flats have the collective right to purchase the freehold of their building, again governed by the Leasehold Reform, Housing and Urban Development Act 1993, as amended.

Qualification - The building must be a qualifying block (self-contained unit) consisting of at least 3 flats held by qualifying tenants. A qualifying tenant is an individual or a company who holds a long lease (defined as being one granted for a term in excess of 21 years). There is no minimum period of ownership and the leaseholder does not need to occupy the flat, which can be let. In order to proceed, at least one half of the total number of qualifying tenants in the building must agree

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to participate in a claim. Where there are commercial units in the building, the gross internal floor area must not exceed 25% of the total gross area of the building, ie of both the commercial and residential parts combined.

Procedure - The procedure is broadly the same as for extending an individual lease, except the notice is served by the nominee purchaser instead of the individual leaseholder.

The Premium Payable - Under the terms of the 1993 Act, the price payable for a statutory 90-year lease extension at a peppercorn ground rent/collective enfranchisement is made up of the following 4 items:

1. Compensation to the freeholder for the loss of ground rent

2. Compensation to the freeholder for the deferment or extinguishment of the reversionary interest

3. 50% of the marriage value. This is best defined as the increase in value of the property arising from combining the landlord's and tenants' existing interests. In essence, this is splitting the difference between the current leasehold value plus the deferred freehold value and the extended lease value. 50% is the statutory apportionment, but that 50% is divided between the freeholder and any intermediate leaseholder

4. 'Other loss'. This is normally for any loss of development value or, for example, to reconvert the property to a house, and therefore adding value. Development potential is a typical consideration for collective enfranchisements, when it is apparent that the building can be extended upwards, downwards or to the side.

Buying the freehold of a house

This is governed by the Leasehold Reform Act, 1967, as amended.

Qualification - In order to qualify, the building must be a 'house'. The leaseholder must have owned the lease for a minimum period of 2 years. As with the qualification rules for flats, the leaseholder no longer has to have lived in the house as their main home, so the lease can be in the name of a company and the house can be let. The Act generally excludes houses where a 'material part' lies over or under part of an adjoining property, which is not demised in the lease.

Procedure - The process is started by serving a notice on the freeholder. The freeholder serves a Notice in Reply, usually 2 months later. The notice is different to one under the 1993 Act as it does not require the leaseholder to insert a figure at which they are prepared to pay to buy the freehold. The notice will, however, identify the basis of valuation and there are 3 different bases.

Unlike the procedure for lease extensions or collective enfranchisements, there is no statutory timetable for completion of the negotiations. In practice, because the valuation date is the date the claim is made, landlords tend to make an application to the Tribunal for determination of the price soon after the 2-month period following service of the notice in reply. This provides some certainty that the claim will be completed within a fixed time.

Valuation basis: Background - There are 3 separate valuation bases applicable to houses under the 1967 Act, all contained within section 9 of the Act:

1) s9(1) – This price is made up of the following: i) ground rent, ii) s15 Rent ie the letting value of the site (excluding the value of the buildings) for a period of 50 years, and iii) the reversion. This is the most favourable basis of valuation for the leaseholder

2) s9(1A) – This is broadly similar to a lease extension valuation but values the full reversion

3) s9(1C) - This is similar to a s9(1A) but also covers 'other loss', such as a mews house behind a large town house, where the ownership will be severed.

Rateable Value - In order to assess the correct valuation basis, the rateable value limits at the appropriate dates must be determined. The last date when rateable values applied to residential property was 31 March 1990.

Hot Topic: relativity

Where a lease has 80 years or less remaining, we are required to value the existing lease in a hypothetical 'no-Act world', where the owner of the subject property has no rights either to extend the lease or buy a share of the freehold, but owners of all other properties in the market do.

Valuation surveyors have usually calculated the existing lease in the no-Act world as being worth a percentage (relativity) of the freehold value. Such percentages have been taken from graphs of relativity, which themselves are mainly drawn on the compiled settlements of similar leasehold reform cases. Valuers and Tribunals had commonly referred to the 'Graph of Graphs'. In summary, the higher the relativity, the smaller the gap between the existing lease value and the extended lease value, thereby reducing the amount of marriage value payable.

The issue has recently been reviewed extensively in The Trustees of the Sloane Stanley Estate v Mundy [2016] UKUT 0223. The decision is frustrating, in that it was principally concerned with a new proposed method of calculating the existing lease value called the Parthenia model. The Tribunal dismissed that approach, and then attempted to give some guidelines about how the existing lease value should be assessed.

The Tribunal suggested that the best method was to find the existing lease value in the market, and then to deduct the value of rights given under the Act, and principally the value of the right to extend the lease/buy the freehold. The Act directs that the valuation should exclude the value of the right to extend the lease/buy the freehold.

The deduction for Act rights is much more random. There were 3 lease lengths involved in the cases before the tribunal - 41, 37 and 23 years. The tribunal determined that the deduction should be 10% for 41 years, 10% for 37 years (slightly surprising that a lease with 4 years less remaining should have the same value) and 20% for the lease with 23 years remaining, on the basis that the deduction must be more than 10%.

Immediately after the Upper Tribunal decision, Savills issued a new "in the market" graph and also a "without rights" graph which purported to implement the Mundy decision. Neither of those graphs have gained much traction to date. Mundy did also say that, as a check, a graph known as the Gerald Eve 1996 graph might be used.

An application for leave to appeal against the decision was heard earlier in January. The decision was given on 24 January, when leave to appeal was dismissed. The market has not yet fully digested the impact of the appeal. To date, landlords (including the Cadogan Estate) have been content to settle on the basis of the Gerald Eve 1996 graph. That attitude may change, following the dismissal of the appeal.

A subsequent Upper Tribunal decision for a property in Needham Road, Notting Hill, concluded for a relativity of Gerald Eve 1996 -1%. This approach seems to have gained some support.

Further updated graphs have been produced by Savills and Gerald Eve, but these have not yet been tested or exposed to the Tribunals. Knight Frank is also working on a graph, which is likely to be published in the next 3 months and is based on a far larger range of evidence. The position may be clearer in the next 6-12 months and, if it is, the relativity for existing lease values may then change.

Branches News

DUNCAN BLACKIE, EASTERN BRANCH Meeting on 9 February 2018

Eastern Branch held its meeting at The Guildhall, Cambridge, hosted by Phil Doggett of Cambridge City Council. Around 50 delegates attended, including national Branch Liaison Officer, Keith Jewsbury. Keith made a number of points/observations, including his new role, which is intended to improve communication between branches, the national organisation and other branches, and to provide support for branch officers.

An aces banner will be provided to branch secretaries to display at meetings, thereby improving the profile of ACES. Other measures, such as the prominent display of the ACES logo at local events, should be encouraged.

Neil McManus, ACES President, spoke about the advantages of better communication between branches and national committee and especially the value of branches gaining a better understanding of the types of issues that are discussed at national meetings. He went on to update the meeting on conference preparations (20 September 2018 at Downing College, Cambridge University, followed by an interactive branch meeting on 21 September).

There followed 5 CPD presentations.

David Henry, MTL Planning

David recounted some of his experiences in relation to polar expeditions and applied the lessons learned to personal and team development [Ed – see article and the 9 lessons learned in this edition of Terrier].

Christopher Thompson, Mills & Reeve

Christopher focussed on 4 areas where changes in law/regulation are likely to have an impact on property practitioners:

- Minimum Energy Efficiency Standards – coming into force on 1 April
- The new Electronic Communications Code
- The Homes fit for Human Habitation bill
- Proposals to ban ground rents on leases of houses.

Sara Cameron, representing RICS Governing Council

Sara works at Norfolk CC and has around 20 years' experience in the property market. She explained that Governing Council has 17 members, 12 of whom joined in November 2017, including Sara and a number of other women. Eastern region has 4 representatives on the Council.

Sara outlined a number of themes and posed questions to the meeting. These included:

- Pledge 150 – as part of its' 150-year celebrations, RICS is raising money for Land Aid, specifically to deal with homelessness among younger people. Eastern region has been set a target of £165,000
- The need to re-evaluate what is meant by the obligation in the Royal Charter for RICS to 'work for public advantage'. It was agreed that it would be good for Sara to use the ACES Forum as a vehicle for consultation on this topic
- New ways of communicating through social media and how these are being applied to property issues.

Geoff Tucker, Norse Group

Members are already familiar with Norse Group through NPS. Geoff therefore concentrated on the partnership model that Norse has rolled out across the country, which includes 20+ public-public partnerships, which significantly contribute to the £300m turnover of the Group. Geoff highlighted the financial, political and tactical advantages of entering into such a partnership, compared to, say, a highly contractual public-private outsourcing arrangement (especially in the wake of the Carillion collapse) [Ed – see article by Helen Randall in this edition of Terrier].

In conclusion, we were advised that although profit margins are under increasing pressure, Norse is intending to grow its business. This is likely to involve additional service offerings and new bundles of services (combining blue and white collar) together with greater and deeper market penetration.

Essex Housing [Ed –ACES Award for Excellence Runners up 2017]

Adam Thompson, Development Operations Manager, led the presentation and was supported by his colleague Peter Cook, with additional input from Adam Garner (architect) of Saunders Boston, and Tim Boucher (employers agent) of Oxbury.

Adam explained that the Community Budgets Pilot (2012/13) was the genesis of Essex Housing (EH). This work led to the realisation that the public sector required more control and a greater stake in development, especially of public land, if it is to meet challenges to deliver new good quality homes and make specialist provision for the elderly and other people where the public sector has special duties/responsibilities for care provision.

EH was therefore formed in 2016 as an in-house service hosted within Essex CC, but for the use of public sector partners across Essex, to deliver a range of schemes comprising both private and specialist homes. EH currently has 14 sites where outline business case approval has been obtained and together these will deliver around 650 units and have a Gross Development Value of around £150m.

Peter, Adam and Tim gave detailed explanations of their approach to developing the former library store site at Goldlay Gardens in Chelmsford. This development is close to practical completion (July 2018), with the show home available from April 2018 to commence off-plan sales. The site posed some awkward challenges, at the end of a road of terraced houses, with a single point of access and sensitive boundaries with surrounding residential properties. The resulting design comprised 3 blocks, with the largest being at the rear of the site and smaller blocks to either side. This design has improved the streetscape and introduced green space. It has 9 units of specialist accommodation, together with 23 private sale homes [Ed – see this edition of Terrier for the case study focussing on the project manager/employer's agent end of the Goldlay Gardens experience].

The meeting closed at 13:30. The next branch meeting will be held at Public Health England's headquarters in Harlow on 20 April [Ed – ACES Award for Excellence Winners 2016]. Other ACES members are welcome (but please let Duncan know in good time).

PETER BURT, HEART OF ENGLAND BRANCH

Joint ACES Heart of England Branch/Government Property Unit/Valuation Office Agency Learning and Networking Day

The Branch hosted its second Joint Learning and Networking Day at the Carrs Lane Conference Centre in Birmingham on 7 February, with the theme "Challenges and opportunities for the modern estate surveyor in the public sector". This followed on from the successful inaugural event in 2017. The full house of over 60, including the guest of honour ACES President Neil McManus, was welcomed by Geoff Taylor, Heart of England Branch Chair.

Neil said a few words, summarised here: "On behalf of ACES and Suffolk County Council it is a great pleasure to be invited to attend this annual event organised by Richard Allen. It is tremendous to see so many people representing different parts of the public sector; and the agenda for today looks extremely interesting, covering a wide range of topical and relevant subjects. I think the recent events surrounding Carillion reinforce not only the challenges and opportunities for the modern estate surveyor in the public-sector, but also the importance. I would like to thank Richard for his ongoing work in promoting networking events across the Heart of England. As a past-President of ACES, he continues to promote the organisation both locally and nationally".

"It is a great honour and privilege to have been asked to represent ACES as President. ACES represents estate surveyors involved in public-sector work. ACES is fundamentally a 'peer to peer' members' association where the main reason for getting together is to help each other to do their jobs through mutual support. Today's event perfectly illustrates the value of ACES. I often think we learn much more when

working in partnership – a problem shared is often a problem halved. A key initiative for my Presidential year is to undertake a comprehensive review of ACES membership and to develop a plan of action to better promote the benefits of ACES membership to all local authorities, and promote the benefit of ACES branches – they are the life-blood of the organisation".

The first session of the day by Richard Allen, Heart of England Branch CPD Coordinator, was a brief run through the aims of the event and the future role of corporate real estate management in the public sector. This was followed by an informative update by Colin Packman, Regional Manager, East Midlands and South Yorkshire, Programmes Directorate, Shadow Government Property Agency, on the Government's Estate Strategy for 2018-2023, which includes a single functional plan and public body relocation strategy proposing 18-22 strategic hubs, and asset efficiency, property skills and capacity programmes.

Stephen Hollowood, Senior Director, GVA then provided a review of disposal strategies for surplus public sector property, with a number of interesting case studies. He covered policy and key drivers for estate rationalisation, how to identify surplus land, de-risking of sites, capturing future uplift in value, conditional sales and disposal routes. He also commented on the current state of the residential market.

The final session before lunch saw David Jobling, Associate at Arcadis, host a workshop on emerging collaborative 'One Public Estate' themes, opportunities, risks and how to address them. The audience split into 4 groups to identify risks, opportunities and barriers and then fed back the results. A lot of positive outcomes were identified, but there was also some quite negative feedback. It was concluded that the OPE programme needed to identify the successful projects and to provide information, ideas and feedback to emerging OPE projects. Why reinvent the wheel? The presentation did identify project classes for OPE hubs which are health and safety, blue light, public access, public sector administration, shared archives and stores, depot consolidation and site development and asset disposal.

Lunch provided great networking and the opportunity to promote the benefits of ACES membership [Ed – see Daniella Barrow's article in this edition of Terrier]. Potential new memberships were identified.

The post-lunch "graveyard" spot saw a hugely entertaining presentation from Wayne Cox, VOA National Specialist Unit, Head Leisure and Licensed Property Valuations, on the valuation of public sector assets for rating (how often can you say that about rating?). Wayne transported the audience into the hypothetical world of the rating surveyor and ran through a number of important changes following recent case law, which had resulted in £1 assessments for types of buildings that would not today be provided by a hypothetical landlord.

The final session of the day was a very thought-provoking workshop led by Andrew Waller, Remit Consulting, on the impact of emerging technologies on the work of the modern estate surveyor. Some scary stuff on the impact of artificial intelligence (AI), and a workshop trying to identify how many surveying roles will be replaced by AI (in the near future?), with the audience breaking up into 5 groups to look at property management, brokerage, valuation, facilities management and building surveying.

November Ordinary meeting and Branch AGM, 2nd November 2017

At the AGM Geoff Taylor took over as Chair. Geoff had moved from Warwickshire County Council to the Roman Catholic Birmingham Diocese. Judith Bayes of Rutland County Council (RCC) moved down from Chair to Vice Chair and Peter Burt and Richard Allen continued in their existing roles of Secretary and Treasurer respectively.

In the morning CPD session, James Frieland of RCC provided an interesting update on the 3 business centres being developed in the county. This included a history and update of the redevelopment of the old Ministry of Justice prison to business accommodation (the branch held a meeting there in July 2014) which is now being occupied and is a far cry from the original use.

The King Centre, where the meeting was held, is due to open in October 2018, following the council's acquisition of the site in 2010. The main building was leased to Rutland County College, but it is now vacant and being refurbished to provide serviced office space with high speed Wi Fi and joint facilities, including a café. It is an attractive site with gardens and woodlands set within old walls.

The St Georges site was originally occupied by the Royal Artillery, which started to vacate in 2014 with the final 2 regiments leaving now. The redevelopment is to be a joint venture between RCC and the Ministry of Defence and high level master planning is being processed, with early ideas for a new residential garden village, business enterprise zone aimed at large employers, leisure and recreation, and minerals extraction, followed by further development.

Judith Bayes, then gave a gallop through Barleythorpe Hall, which had suffered a major fire early in the 20th Century. It had been built in 1870 by Hugh Lowther, Earl of Lonsdale (of belts and Automobile Association fame), but he ran out of money and had to sell in 1926. It eventually came into public ownership and was used as a home for the elderly, but became unfit for purpose. The council tried to sell the property in the early part of this century and had a strong interest from a sheltered housing group, but the market crashed and the sale fell through. Development of the site suffered a number of setbacks including the villagers of Barleythorpe still considering the area to be rural, despite Oakham encroaching; badgers and Japanese knotweed present on the site; the walled gardens having access problems; and the forever strip of unregistered land. Finally, the planners then increased the demands for s106/Community Infrastructure Levy payments and for affordable housing.

In 2016 Hazelton Homes acquired the Hall and there was a site visit to meet the developer and to be shown the progress that had been made in refurbishing it, to provide a number of high-quality residential units, with one extending to 8,200 sq ft and to be put on the market for around £1.8m, plus 6 units of new build in the grounds.

In the main meeting after the AGM there was a workshop in which some members brought one example of good practice and one problem. There were discussions on the need for all commercial properties to meet minimum energy performance standards (MEES) and the amount of disclosure that needs to be provided [Ed – see article on MEES in this edition of the Terrier]. Valuations and their discrepancy against eventual sales receipts raising greater sums was also raised.

The next meeting will be held in Nottingham on 5 July. It will be hosted by the Government Property Unit and held at Apex Court offices.

Other interest areas

COOL LEADERSHIP LESSONS

David Henry BA (Hons) DipTP MRTPI FRICS FRGS AIEMA

David qualified as a chartered town planner in 1982 and as a chartered surveyor in 1988. He was previously employed in local government and spent 2 years working for a private sector economic development consultancy before joining Savills in 1987. In 2017, he set up his own independent consultancy, MTL Planning.

David has over 30 years' experience working as a property adviser. He provides planning and development advice to a diverse range of clients. Consequently, his work involves him in projects throughout the UK, although much of his work is centred around development projects in East Anglia. He has a particular expertise in the co-ordination of large, sensitive and complex projects. He presents evidence to public inquiries and acts as an Expert Witness. He is the immediate past Chair of the RICS Planning Policy Panel, providing him with direct access to government. dhenry@mtlplanning.com

Skiing to the ends of the earth might seem an extreme form of team building exercise, but that was the focus of a motivational CPD talk given to ACES Eastern Branch members by adventurer David, on 9 February 2018 in Cambridge.

The importance of a team

An expedition, like a business, comprises a team. Both usually consist of all sorts of people, each with their own capabilities and experiences. In each case, putting together and managing such a disparate group requires great care. There is one difference though. A small, vulnerable, tent in one of the most inhospitable environments on the planet is not a good place to discover that you have chosen a team mate unwisely. So how is it done, and can we glean any useful lessons that could be applied in the more normal circumstances of the workplace?

Polar history

Before answering such questions, it is first necessary to delve into a little polar history. The story of Sir Ernest Shackleton's Imperial Trans-Antarctica Expedition of 1914-1917 is a remarkable tale of courage, determination and leadership. In brief, the intention had been to cross the Antarctic continent from coast to coast, via the South Pole. In the event, the main expedition never even reached its intended landfall. En route, their ship, the 'Endurance', was captured by the ice of the Weddell Sea, where eventually it was crushed and sank. Shackleton's team survived, but the men knew that there was no chance of contacting the outside world, nor rescue. So, their challenge was to pull together

and make their way home through their own endeavours.

Polar history is peppered with stories of such shipwrecks. Some crews were lost

Sir Ernest Shackleton

James Mann Wordie

through bad judgement or sheer bad luck. Others struggled through to safety. Shackleton and his crew of 27 were determined to be in the latter group. After 5 months marooned in makeshift camps on drifting ice flows, they took to their lifeboats and steered a course to dry land on the inhospitable and uninhabited Elephant Island.

Still seeing no hope of rescue, and no alternative course of action if the team was to survive its ordeal, Shackleton and 5 handpicked companions then made an epic 800-mile (1,287 km) journey in a 23-foot long ship's lifeboat, across some of the most dangerous seas in the world. Their aim was to reach a manned whaling station on the island of South Georgia. After many adventures they succeeded, reaching their target and raising the alarm. Shackleton was then eventually able to mount a rescue mission to pick up the 22 men still marooned on Elephant Island and bring them home. Despite all their perils and adventures, due to some fantastic luck, hard work, and excellent team work, not a single life had been lost.

Endurance South Pole 100 Expedition

One of the crew members rescued from Elephant Island was James Mann Wordie, a geologist, and a graduate of the University of Glasgow, and St. John's College, Cambridge. In 2014, one of Wordie's granddaughters, Alice Holmes, came up with the idea of a new expedition to commemorate the heroic events of a century ago. Thus, the Endurance South Pole 100 Expedition was born. It had several goals, including raising funds to digitise and make available to researchers the remarkable diaries kept by James Wordie, while carrying out his scientific work on the Endurance and during his extraordinary journey back to safety.

Putting together, and undertaking, such an expedition even today is no easy task.

During his talk, David not only told the stories of Shackelton, Wordie and his own part in the expedition to the South Pole at the end of 2015, and subsequently to the North Pole in 2017, but also reflected on some of the leadership lessons that could be gleaned from both the historic and his contemporary experiences of working in such extreme environments.

9 leadership lessons

There has been some significant academic research into the manner of Shackleton's leadership, such as that by Professor Nancy F. Koehn of Harvard Business School. Several books cover the subject, and a couple of examples are given at the end of this article.

David drew out some salient lessons from this body of work, many of which were illustrated by stories from his own direct experience.

1. Know what you stand for: In any organisation, core values are important. They provide a focus and a 'moral compass' when making key decisions, and understanding why you are there

2. Be bold in vision, but plan carefully: Generally, it is often all too easy to let opportunity pass by and not have a go. Shackleton had a dream. He held on firmly to that vision, but was never reckless and overreached. As with David's more recent exploits, it is important to first 'do the homework', however, to ensure that you have sufficient resources and capabilities to fulfil each stage of your plan before going on to the next. Step by step, these lead towards successfully achieving your ultimate goal

3. Choose your team carefully: The leader may be the one with the initial vision, but a team of clones is not a wise idea. Shackleton carefully sought out the talents and skills he lacked and brought them into the team, making it much stronger in consequence. Respecting their unique capabilities, he spelt out their responsibilities, encouraged self-reliance, and mutual respect, then let everyone get on with their own job

4. When things go wrong, adapt quickly: Shackleton didn't waste time or energy regretting the past or what he couldn't change. His dream of crossing the frozen continent was lost with his ship. So, he very quickly set himself to a new task – getting his team home – and devoted all his energies to that instead. Such agile thinking was a prerequisite of his success. He realised there is no point in pursuing a lost cause, so he led decisively by moving on when necessary

5. When things go right, reward success: Small victories can lead to big triumphs. Often, it is easy to criticise, particularly under pressure. But simply saying 'well done' is an often overlooked key motivator

6. Always be ready to learn: Expeditions, like work place strategies, seldom go to plan. It is always helpful to learn from past mistakes, pick up new skills, and see things from different perspectives. That pushes your boundaries and deepens your experience

7. Keep a positive mental attitude: Team morale is everyone's responsibility. It may be hard, but maintaining an optimistic attitude is often what gets everyone through the tough times

8. Help others to help you: Expeditions are team efforts. Leaders are not supermen or women. They can't do everything. So, know when to stop, and work hard to squeeze every ounce of shared capability from the team

9. Never, ever, give up: As Shackleton was keen to remind his team, whenever they faced another daunting challenge: "There is always another move". This isn't a denial of circumstances; it is the core of the courage that keeps you going.

So, what's next for our intrepid surveyor? Ah, that would be telling. It's bound to be cool though.

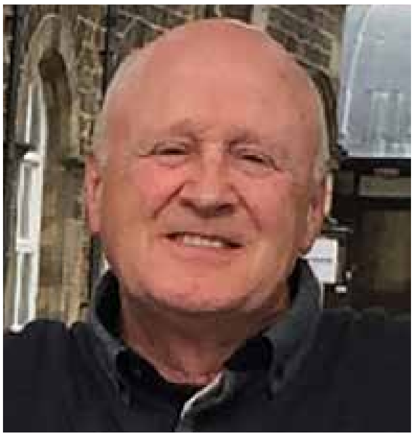
David is available as a motivational speaker. Contact him at crich1ton@gmail.com

Further reading

'Endurance: The true story of Shackleton's incredible voyage to the Antarctic', by Alfred Lansing, Pub. W&N, (ISBN: 9780465058785).

'Forged in Crisis: The Power of Courageous Leadership in Turbulent Times', by Nancy Koehn, Pub. Scribner, (ISBN: 9781501174445).

'Shackleton's Way: Leadership Lessons from the Great Antarctic Explorer ', by Margot Morrell and Stephanie Capparell, Pub. Nicholas Brealey,(ISBN : 9781857883183).



LOST SHEEP

Dave Pogson

For 50 years until retirement Dave practised as a surveyor in Lancashire and Cumbria, becoming a Fellow of the RICS and working for the Department of the Environment, Lancashire County Council, South Lakeland District Council and the NPS Group. During that time, he wrote articles on surveying topics and work experiences which allowed him to introduce some controversy, humour and the odd bit of fiction https://davidlewispogson.wordpress.com

Dave has written another (almost) true story about Selwyn, our hero featured in the last Terrier.

Bernard had lowered his voice so that no-one at the other tables could hear him.

'It was when I started to contemplate suicide that I realised things had gone too far. It's the loneliness that gets to you. You can put up with the long hours, the hard work, the bad weather, worrying about money. Sheep farming, no matter how much you love it, is no picnic at the best of times but, when you've only got the dog to talk to, it starts to eat away at you. Fortunately, I had enough sense to pull back from the edge.'

'So what saved you?'

'Diversification. It sounds silly I know, but it's the truth.'

Selwyn placed his half-empty pint back on its beermat and looked across the table at Bernard. They were sitting in the bay window of the Shearer's Arms with the remains of their meal pushed to one side. The pub was slowly emptying from the lunchtime trade. From their seats they could see along the village main street, busy with tourists enjoying the fine summer weather.

'And this is all since we last met?'

'Yes. Our meetings were part of the good times, but they were quite a while ago now.'

Selwyn thought back to their first meeting. It had been many years ago when Bernard's parents had still been alive. He had called at the farm by appointment to discuss the purchase of a parcel of land at the top end of the village. As Property Manager to Herdwick District Council it had been his responsibility to negotiate the terms of acquisition with Bernard's parents. The land was needed to create flood storage capacity in the valley to mitigate against the flooding that occurred in the winters. Then the small beck running through the village would swell beyond its ability to cope and flood water would wash through the council housing estate at the lower end of the village. Bernard's field was to have its natural basin-shape scoured out to enhance its capacity, with a bund to raise its edges to contain the floodwater and a dam and overspill at its downstream end to create a lagoon. A penstock would enable the catchment to be released slowly back into the stream when the rain stopped, thus preventing the surges that caused the flooding lower down the valley.

His elderly parents had authorised Bernard to handle the negotiations and Bernard had appointed a local land agent to represent his family's interests. Nevertheless, Selwyn had cause to visit the farm with the council's engineer, to discuss the detailed terms and practical issues with Bernard as well as his agent. Sometimes they had met in that same village pub. Negotiations had gone smoothly and, although Bernard was some 20 years younger than Selwyn, they had struck up a friendship which had continued long after the acquisition had been completed. It was one of those friendships that relied upon Selwyn making the effort to cross the district to entice Bernard out for a drink as Bernard was always so tied to the farm.

'I had no idea. You should have called me over for a chat.'

'It wasn't something that I could talk about. Our meetings, listening to your tales of the goings-on in the council, were a genuine highlight so I didn't want them to descend into counselling sessions for me. So I put a brave face on it and ignored the problem. That's what men do isn't it?'

'I suppose so.'

'You remember after the foot and mouth outbreak. The flock destroyed, the farm quarantined, the wait for compensation with nothing else to do. That was my lowest point. That's when I began to think about ending it. My parents died within a short time of each other. There was little money coming in, no future except on my own. I had a choice - change direction or end it all. But what else did I know about except farming? I was born on that farm, my parents and grandparents had farmed it before me. It was a way of life. And, before I ended up on my own, I used to enjoy it. It's in the blood. But in middle age, with no kids to leave it to, you begin to wonder if it's worth it. Then foot and mouth leaves you with nothing else to think about.'

'I remember that time. I was prevented from visiting by the quarantine. That's when I got out of the routine of coming. I'm sorry for that. And then, when it had cleared up, I had my own family situation to deal with. Now that I'm retired I have

more time and won't let it happen again. And diversification?'

'With all that time on my hands I began using the computer. I'd bought one after attending that NFU course in that mobile classroom that used to tour around. I could get on the Internet. I stumbled onto diversification. You know - encouraging farmers to develop other arms to their businesses so they didn't just rely upon farming to survive. Plenty tried bed and breakfast, or opening farm shops selling organic lamb. My nearest neighbour started a visitor centre about Herdwicks. Now everybody's at it - making ice cream, growing mushrooms, selling goats cheese, herding llamas ... you name it. Grants and other forms of help were available and I had the money from the land sale to the council and the foot and mouth compensation to invest.'

'And despite those more obvious choices, you went into this.'

'You now know. That's why you're here on your first visit in god knows how long. I was gob-smacked when your details popped up in the application folder.'

'It's a great name for it ... "The Lost Sheep Dating Agency'

'I'd sat down and thought. What do I know most about apart from shepherding? And then it came to me - loneliness. There must be thousands of lonely farmers out there all looking for love. I was one of them. The country's full of them, all too busy to spend time looking for the right partner, too old for clubs, too far away from cities to bother... and where can you meet them around here? And there's always lonely women looking for reliable blokes with their own businesses and all wanting to escape to the countryside.

So I diversified. Someone from the NFU put me in touch with a guy who could write me an algorithm and with his expert help I built a web-site, advertised it in the farming publications and charged for introductions. At first it was local but then it spread. I started organising events for groups of mature singles from the farming community to meet. I became good at it. It snowballed... I expanded it to include other categories of people with interests in rural matters - surveyors, lawyers, agricultural contractors, foresters, etc. It's a wide field - no pun intended.'

'That's where I came in. Early retirement was fine at first as it meant that I had more time to care for my wife until she died. Later I threw myself into all the DIY projects that I'd been neglecting and then I travelled a bit, but soon realised that it was no fun doing everything on my own. My kids had their own lives and didn't need me hanging around, apart from occasional babysitting. I saw the dating site on-line, figured that I met the criteria and thought I'd give it a try.'

'I've cut back quite a bit on the farming now. Would you believe that I'm looking into converting some farm buildings to offer themed farm weddings? Cumbria provides a great setting for that. My accountant seems very happy about it.'

'Another pint?'

'No thanks. I'd better get back. The wife likes me to take a break but it's not fair leaving her on her own for too long ... after all I know what it's like. So, you have the list of matches on-line. Give them a try. A widower like you with a decent pension shouldn't have too much of a problem finding someone suitable. Let me know how you get on.'

ESTATES GAZETTES OF YESTERYEAR

Betty Albon, ACES Editor

In 2017 Spring Terrier I featured some interesting extracts from Estate Gazettes of yesteryear. I inherited from my mentor volumes of bound 1960s through to 1980s Estates Gazettes. With the long winter we've just experienced, I've had time to read another couple of years' editions, so here are some short pieces worth sharing. What is obvious is that "plus ça change, plus c'est la même chose".

EG 2 October 1965

One can readily understand the enormous difficulties which confront parliamentary draftsmen in framing unambiguous legislation from the government's imprecise ideas; even so one wonders sometimes whether it is really necessary to construct sentences in Acts of Parliament which appear, on the face of it, to be utterly meaningless. Practically every Act has its quota of draftsman's gibberish: s30(2) states, inter alia: "…the capital gains tax…chargeable in respect of the gain shall be the amount of the tax which would not have been chargeable but for that gain" (Finance Act 1965).

EG 9 October 1965

Given complete freedom of choice, what proportion of the population would choose to be housed by public authorities? This is a vital question prompted by Mr Crossman's [Housing Minister] remarks at this year's Labour Party Conference, that 50% of the 500,000 new houses a year would be council houses.

EG 16 October 1965

The idea of having a house in town and one in the country is catching on…. In some areas the demand is said to be 4 or 5 times greater than before the war….. Is this a temporary trend or will the boom continue?... Some eminent people have predicted a still greater demand in the years to come. Sir GC, the economist, has prophesied that a flat in town and a country cottage will be available in the future to everyone who "deserves it" – whatever that may mean….. The humblest brick and slate end-of-terrace cottage [Ed – in the Home Counties] without a bathroom and lavatory sells at between £1-2,000.

EG 16 October 1965

The task of trying to trace out concrete ideas and practical programmes from the gossamer policy statements of the political parties requires from those members of the electorate who care to try, the deductive powers of Monsieur Poirot…The classic Conservative policy of home ownership is well to the fore. The owner-occupier being the darling of the Tory party, the party still obviously pin their faith on the converse hope that they will be the darlings of the owner-occupier…. But where are the houses to come from? According to the pamphlet, they are to come partly from encouraging new building techniques and by the creation of more new towns. Unfortunately, it is not revealed where these techniques will come from. There are no proposals to set up research laboratories or production units for factory-made houses.

THE SUFFOLK SCRIBBLER

Having missed a couple of editions of the Terrier, the question arises as to what is the best way to maintain continuity? The usual method is to carry on with a lot of small items and pretend that the gap didn't happen at all.

I have thought of a few small things that I could build up into pieces typical of the Suffolk Scribbler, but my feeling would be that most of these would be heavily tainted still with hospital smells and reminders of ill health. In order to avoid this, I have identified a subject large enough to be one big piece, and have decided that boxing, or more particularly, Frank Bruno, is big enough to be an ideal subject.

A Bruno encounter

I realise that telling this little tale might reveal my identity, for those readers smart enough to pick up the clues.

By coincidence, I spotted that Frank Bruno was coming to town, along with his roadshow and I had already booked a couple of tickets. I thought it would be a good evening.

<u>Scene 1 – Before</u>

I arrived in the underground car park and my trusty companion parked in a bay at the far end, to give me room to get out of the car and seamlessly into the wheelchair. The lift was at the other end of the car park, and in no time, I was in the foyer of The Apex, Bury St Edmunds. The crowds were pouring in, but I had time to look at the merchandise on offer. Although sorely tempted to buy the biggest pair of shiny red boxing pants I've ever seen in my life, and a big red boxing glove, both signed by my hero, Frank Bruno, I stuck to just buying Bruno's latest signed book, "Let me be Frank".

By this time, as there were only a few minutes to go before the big show, I took my seat (well, I already had it, of course) in the wheelchair space at the back of the auditorium, next to my trusty companion. There's one good thing about having shaky legs – the council owners give you 2 seats for the price of one! And the seats are conveniently close to the exit – an important factor as it later turned out to prove.

Scene 2 – During

The stage scene was there to admire – a cut-through of a boxing ring, with red and blue corners, with all the razzmatazz of a boxing match, fronted with a comfy settee, and lots of posters scattered about. First on the set was a softly-spoken Liverpudlian comedian (is that a possibility?), whose job it was to 'warm up' the audience with jokes and tales. There was nothing smutty to upset a mixed - although mainly smart-suited stylish young men - audience.

I have to hand it to him, he did a wonderful job of engaging the audience, so that when all the recorded chanting of "Brun-oo, Brun-oo" and song, 'Eye of the Tiger' came on, with flashing lights, the whole audience was joining in. And so my encounter with Bruno started - a massively tall figure in a shiny plum-coloured suit, with a deep deep voice.

What a nice man. Prompted by the comedian, and supplemented by audience questions, Bruno told his life story. He attended boarding school, you know, when he was young. You might find this strange for a London boy from a poor background. It was only some time into the evening that you realised – when Bruno did his distinctive laugh - that Bruno's 'boarding school' was his name for Borstal! But he said it was the best thing that could have happened to him, and set him on the road to a career of channelling his energies constructively into boxing.

We learnt of his rapid rise to the higher ranks of boxing, and his challenges for the World Boxing Association Heavyweight title. He was used to knocking out his opponents easily (he won 40 of his 45 bouts and 38 by knockout, giving him a 95% knockout rate), but actually earning the title in 1995 against Oliver McCall was more difficult, especially when he did so, it was with a detached retina, picked up in the first round!

There were many serious moments, especially when Bruno was openly recounting the 3 occasions that he was sectioned, and how difficult it was to come to terms – at the age of 34 – that his career was over, and what else could he do that would totally immerse him as boxing training had done. He seemed to have been surrounded by people eager to take advantage of him too, and he lost trust with everyone. But that seems largely to be behind him now, and he is throwing himself into his charity, to raise awareness of mental illnesses, particularly among male sportsmen like himself, who need to come to terms with their changes of fate.

Scene 3 – After

Bruno finished to massive applause and chanting. I had enjoyed the evening and had at last got close to somebody I have admired for years. But we needed to get away, so my companion rapidly wheeled me out the rear door, across the foyer (not giving me time to buy those vast shiny shorts), down the lift, and into an empty car park.

We had only wheeled a few metres across the concrete when appearing from a middle entrance was a very tall figure in a shiny plum suit, making straight for a 4 x 4 car with a registration plate FB….

What happened next:

Companion (very loudly): "Hey, Bruno, Brun-oo."

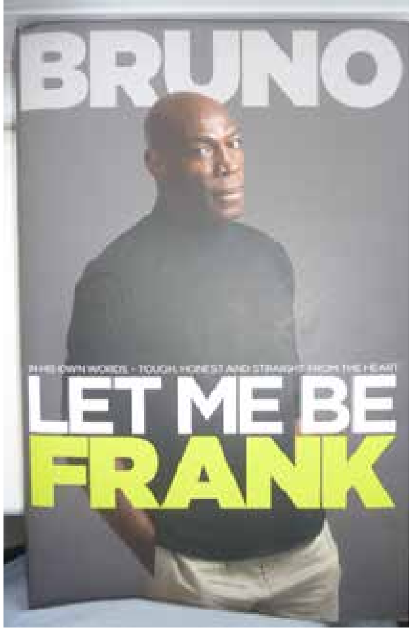
He stopped in his tracks, turned, and saw us. A change of direction.

Companion: "Hey Bruno, meet my mate Bert."

Bruno: "Pleased to meet you, Bert" taking hold of my hand and giving it (for him) a gentle but firm shake. My immediate thought was how big (and actually, a bit rough) his hand was.

Scribbler, recovering my poise: "Pleased to meet you, Bruno."

Bruno, to companion: "Pleased to meet you too."



Bruno, to Scribbler: "You take care."

And he changed direction back towards his car – and off in a flash.

Well, I won't forget that in a hurry!

Some Bruno quotes

"If all the British heavyweights were laid end to end, we wouldn't be surprised" (Dorothy Parker).

"My mum said I used to fight my way out of the cot. But I can't remember. That was before my time."

"I didn't want to go round mugging old ladies or robbing banks. So I took up boxing."

And perhaps his most famous: "Know what I mean, Harry".

Boxing unification

Anthony Joshua has just beaten Joseph Parker, held in that sans pareil stadium in Cardiff (the Editor made me say that). One of the objectives of the fight was to unify all the classes of heavyweight champions. Unfortunately, Frank Bruno wasn't able to do that. I was mulling this over while I was thinking about my Bruno story. Of course, unlike in the 'old days', you now have to pay to watch a big boxing match on the tv.

So, Joshua became the title holder for the IBF (International Boxing Federation), the WBA (World Boxing Association), and the WBO (World Boxing Organisation).

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