

THE TERRIER

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

VOLUME 18 - ISSUE 1 - SPRING 2013



ACES

OVER ONE HUNDRED YEARS OF MANAGING PUBLIC PROPERTY FOR THE PUBLIC GOOD



DVS Property Specialists for the Public Sector

DVS has extensive experience of working with and advising regional, local and devolved government.

When it comes to property, we have the right experience and coverage to provide you with the best advice to identify opportunities for releasing value and making financial savings and service improvements.

Being part of the public sector means we understand the needs of our many public sector clients and the challenges they face. DVS has national coverage but prides itself on its local experience and knowledge.

Our services

Asset Valuations

Extensive knowledge and experience of current accounting standards (IFRS) for both Housing Revenue Account and non-housing stock valuations, including componentisation, recognition/de-recognition of components, lease classification, asset categorisation and treatment of Heritage Assets.

Public Sector Collaboration and Strategic Asset Management

Viability appraisals to assess suitability for public sector co-location/collaboration projects. Perform the role of "single independent valuer". Developing personalised property strategies to ensure your portfolio is efficient and effective in delivering your strategic objectives. We are able to provide a full strategic property appraisal, including a detailed benchmarking evaluation, as well as acquisition and disposal reviews.

Financial Viability Assessments

Impartial advice for planning on individual applications for affordable housing content and s106 (s75 Scotland) contributions and for affordable housing and CIL planning policy testing. Expert witness at public enquiries and planning appeals.

Disposals and Development Advice

Including developer selection and development agreement negotiations, land assembly issues, apportionment of proceeds between development partners, overage, claw backs and compliance with s123 "best price" requirements.

Compulsory Purchase, Compensation and Regeneration

Regeneration initiatives and road schemes, from drafting of scheme to transfer of interests.

Environment and Heritage Conservation

Environmental and sustainability surveys, energy certificates and valuations for historic properties and heritage conservation.

Policy Development and Analysis

DVS holds an unrivalled database that links sales data with a wide range of property attributes and characteristics and can provide detailed market reports, monitoring and analysis to inform policy decisions and economic and social regeneration initiatives.

Building Surveying Services

Condition and structural surveys, planned building maintenance surveys, building pathology, defect diagnosis and remediation, insurance valuations, expert witness, clients agent and project management, party wall matters, dilapidations and lease advice.

Plant and Machinery Services

Plant and machinery asset and insurance valuations.

Clients include:

- over 300 Local Authorities
- Parish Councils
- Police, Fire & Rescue Authorities
- DCLG
- Welsh Government
- Scottish Executive

For more information contact Philip Percival

Telephone: 03000 504102

Email: philip.d.percival@voa.gsi.gov.uk

or visit our website: www.voa.gov.uk/dvs



THE TERRIER

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

VOLUME 18 - ISSUE 1 - WINTER 2013

EDITORIAL

Betty Albon

This edition leads with an inspiring presentation at ACES Annual Meeting by Wayne Hemingway, challenging estates managers to think in a different way about design of housing environments and bringing vibrancy back to our failing town centres.

There is a range of subject matter this time, including an update on the research project on office vacancy presented by Paul Greenhalgh at last year's Spring Conference in Barnsley. Paul is looking for further involvement of ACES members. This is complemented by an article about the changes of use of redundant offices. The rural theme continues with access rights for large farm vehicles, and community growing initiatives in country and towns.

There are 2 pieces about business rates retention. Obviously I've been in local government too long, but isn't that what used to happen? We have a healthy number of articles from ACES members, as well as contributions from across the public and private sectors. As an acknowledgement to the regular support at ACES conferences of The Technology Forge and Estatesman, this edition features their software applications to help us in strategic asset management.

Other articles cover rights to light, RICS procurement construction policy to help small businesses, school place planning, major redevelopment case studies.....it just goes on.

Thank you to all contributors.

Cover photo:

The Guildhall, London - ACES Council meeting 12 April 2013

CONTENTS

ACES National

Town centres now - W Hemingway.....	04
High street regeneration - DCLG.....	10
ACES Council meeting - T Foster.....	11
Membership news - T Foster.....	12

Professional

RICS Public Sector Valuation Group - B Albon.....	13
RICS Regulation - C Brain.....	14
Importance of property to leaders - J Grierson.....	17
Performance indicators - T Gale.....	19
Offices and change of use - D Webb.....	24
Office vacancy - research update - P Greenhalgh.....	26
School place planning in London - A Wharton.....	30
Farm access rights - A Paul.....	35
Community growing - J Bashford.....	38
Rights to light - C de Ferrars Green.....	41
Business rates retention - R Messenger.....	43
Business rates retention - A Colston.....	46
RICS construction Policy - J Blackburn.....	48
Redevelopment of Blakenhall - I Mercer.....	53
Strategic alliances - K Joyce.....	57
Future cities - B Ablett.....	61
Mobile asset management T Whittle.....	63
Strategic asset management - G Edmunds.....	65

Branches news

Eastern - D Blackie.....	66
London - M Perry.....	67
Heart - R Allen.....	68
North East - J Read.....	69

Other interest areas

Cycling to work - N Webster.....	71
Suffolk Scribbler.....	72



This is a slightly abridged version of Wayne's inspirational talk given at ACES Annual Meeting in November 2012.

TOWN CENTRES NOW

Wayne Hemingway MBE

Wayne was born in 1961 and his earliest memories are of his mum and nan dressing him up as Elvis, a Beatle or Tarzan and being paraded up and down Morecambe pier or being held aloft in a wrestling ring by his Red Indian father, Billy Two Rivers. These early child-modeling stunts went some way towards influencing the youth who was forever experimenting with styles and cultures and reinventing himself whenever the next big "thing" came along.

With his wife Gerardine, Wayne built Red or Dead into a label that won the prestigious British Fashion Council's Streetstyle Designer of the Year Award for an unprecedented 3 years in 1996, 1997 and 1998. In 1999 they set up HemingwayDesign.

Wayne is on the Design Council Trustee Board and the Design Council CABE Committee. He was awarded an MBE in 2006, is a Professor in The Built Environment Department of Northumbria University, a Doctor of Design at Wolverhampton, Lancaster and Stafford and a Fellow of Blackburn College. wayne@hemingwaydesign.co.uk www.hemingwaydesign.co.uk

Introduction

Our first company was called **Red or Dead**, which we sold for quite a lot of money in the late 90s. **Red or Dead** was a very provocative design company. Since then we have concentrated on a company called **HemingwayDesign**, and today we are still a very provocative design company, but we concentrate more than anything on social design. Our philosophy is that design is about improving things that matter in life, such as property, housing, job creation, and job start-ups. I met my missus because I thought she looked fantastic and we are still together after 30 years, so fashion does matter a lot as well. We always look at fashion not from a frivolous point of view but from quite a serious point of view. Also we probably look at things that some property industry people will not look at.

I suppose many people look at our MBE for design and assume we have been through design colleges and are probably from a middle class back ground. Most of the designers that I know and who have done very well, and employ a lot of people, have started in a very similar way to us. In our case it was also by having an opportunity to make a start in town centres, often on public sector land. Without that opportunity I would not be here talking to you and would not have, over the years, employed more than 1,000 people.

When we sold **Red or Dead** we had 400 people working for us and it all started from an opportunity of having a low rent on Camden Market.



I met my wife Gerardine, in a disco called Angels in Burnley back in 1980. That is the 2 of us, when we were 19, up in the top right hand corner. Gerardine left school with one CSE grade C in art. The CSE, which the current government is trying to bring back, was an alternative to O Levels, in that if you were not clever enough to take O levels you were kind of demeaned down a level to take CSEs. We went to school at a time when both Gerardine and I were trouble makers, not in a way that we would rob anybody, but we would always question what we were told. It is the job of designers to question. We did not know we were going to be designers, but we both had a questioning attitude to life.

When you went through school back then, if you were a bit troublesome and you didn't like doing maths, English and

science, **"they are not very bright, let's send them off to the art or music class"**. –That is what happened to us 2, but luckily we both came from families who believed in making things and in doing things. At that time, in my house all the clothes were made by my mum and my nan, so we both, luckily, had the support of families that were able to teach us how to do things, although they never said to us, **"go forth and start a business, or go forth and be designers."**

But we had shared interests. The only things that we were ever interested in, and the reason why Gerardine left school at 15, was because she wanted to earn money to buy fabric to make clothes, to go to Angels in Burnley, to buy records, to dance, to go and watch bands. I was working on helping build the M58 between Skelmersdale and Liverpool, because all I was interested in was doing what Gerardine did and to go to clubs further afield, and more bands. So we decided to give it a go at the age of 18 and move to London where there were more bands, more second hand clothes to buy, more discos to go to, and just more fun to be had than there was in Blackburn and Burnley.

When we got there I joined a band. But I failed in the band as most people do. It costs money to be in a band. You have to pay for the rehearsal room and buy the equipment. I was the one who was always funding the band until dole day because I was working in a bar and the rest of the group were all signing on. One week it was like a perfect storm, as the rest of the band didn't have their dole money for various reasons, they hadn't turned up to job interviews so I had to take the money out of the rent tin for our flat in North West London. As the landlord was due on the Monday, we had to get the money from somewhere, and we read in Time Out that there was this new market starting in Camden. So off we went on Saturday morning with Gerardine's homemade clothes that she wasn't going to wear any more and my second hand clothes, (to this day I am 100% in second hand), and we took just over £100 on Camden Market and the rent was £6. The next day we came back even earlier in the morning, got the front stall and took £186 for the £6 rent. In total we had taken just short of £300 for £12 rent for stuff that I had bought for second hand clothes. You went to jumble sales and charity shops and bought things for 10p, 20p so the profit margins were massive. Similarly the profit margins on Gerardine making her clothes were massive because it was her labour and buying cheap fabric from Ian Norris's stall on Blackburn Market. And this was a cheap rent in a high traffic location, **bear that in mind**, not shoved somewhere in the middle of nowhere. Two people and an investment of £12 which anybody could afford even back then; it wasn't a lot of money.

It was a chance, and we took that chance and within months the 2 of us were taking £10,000 a weekend. We had 16 stalls, we were taking £10,000 and by the age of 21 we bought a house in London for cash. And we were not the only ones. At exactly the same time Paul Smith was doing something very similar and look what he has gone on to create, Vivien Westwood too. None of them went to college, none of them studied. Vivien Westwood went back to study, she did the same thing in a very cheap shop on the Kings Road at the age

of 17, she moved down from Derbyshire. I could name you people who you have all heard of who started this way.

Where is the new generation of people who are able to do what we did? Who are able to begin trading somewhere on the Kings Road or Camden or Kensington Market? Or, out of London in Affleck's Palace in Manchester, or Quiggins in Liverpool or the Corn Exchange in Leeds? They have all gone bar Affleck's Palace in Manchester, where you can get an easy in/easy out arrangement, although the traffic is not quite as high as some of the other ones. We have let that go, you, as local authority estate managers, have been party to it, and your councils have been party to it. I want to know where the next generation of Wayne and Gerardine Hemingways are coming from. They are not coming via the internet or the website I can tell you that, you cannot learn what we learned by having a web site You can think via a web site but you cannot learn to become a business person unless you are just selling books and you are never going to compete with Amazon anyway. At the moment too many people are telling me that times have changed with new technology and digital this and digital that, but that is rubbish.

Yes they have changed, absolutely, but certain things do not change. For example I am mentoring this young guy from the Prince's Trust, he was a semi down and out and T M Lewin agreed to put up a substantial sum of money to the Prince's Trust if we could find a young designer with potential who was on the edge of serious problems in their life. They said if I would mentor this person, they would put designs in T M Lewin in this coming spring a range of ties and accessories. They agreed to put up £150,000 as a donation to the Prince's Trust, and more, to get this whole thing going. They would run the process and we found this young man who wanted to be a designer and had started up this little web site but he had failed miserably and could not understand why he couldn't sell anything. It was the same old story. They have designed something and have been told that there is a big wide world out there which is the world wide world of the web, and that they could get their goods out there and before long they will be employing somebody and they will be the next Paul Smith.

The problem is that when you design something and it does not sell on the internet, as all designers experience that for everything that you design, you probably fail with 3 items for every one that is a success. This is the same for M&S and the like who do test things and withdraw some. Even Tesco tests things all the time. You will see little test areas in their stores. Generally there are more failures in products than there are successes. But you cannot test that on the internet because you never know why somebody is not buying something. Elsewhere, on a market for example, you learn by seeing the whites of their eyes as you learn. For example women are brilliant at saying; **I think I might come back later and try that on**. Face to face you learn quickly if that woman is genuinely going to come back or she is just being polite and you learn that because you can tell straight away if it is only politeness or they are only politely telling you that your stuff is rubbish.

We have got to get places in our town centres where young

people can get in front of large numbers of people and find out if they can cut the mustard. We have to do it otherwise our town centres are failing in more ways than you think that they are failing. Some of you may remember the Kensington Market. In her second week there Gerardine took an order from Macy's of New York. We had never heard of Macy's of New York but they ordered 1,600 pieces. We were advised to go to the BKCC, the British Knitwear Clothing Export Council, who asked us who our manufacturer was? I told them and said she could make 3 a day, and as a result of all of that, we did the only sensible thing and we rang my mum.

My mum was working in a pub called The Half Way House between Blackburn and Preston. She could sew, so she left her job, and with our money from Camden she bought a load of machines and rented a low cost industrial unit in Rowley Mills in Blackburn, got a little mini grant to help to put some heating in there and we delivered the order. One of Gerardine's sisters left her job at Riley's Snooker Tables in Accrington because she too could sew. My step-dad went sort of part-time, sort of moonlighting from ICI Industries in Blackburn and Gerardine's dad, who was a truck driver, in his spare time did the deliveries down to all the various shops that we had started to sell to. That is how a business is started up and Red or Dead went on to win Designer of the Year 3 years in a row and all sorts of things. So that is typical story and other people can tell this story in a similar way.

The Creative Industries

I am on the Trustee Board of the Design Council and the Commission for Architecture in the Built Environment (CABE). The Design Council has been doing a lot of research lately about the value of creative industries. It is worth £15 billion to the UK economy and is important to Britain's wellbeing. In terms of happiness, we have got something here that is very important and is the second highest employer in the UK. It matters. It is not a case anymore of if they are troublesome send them off to the art and the music class. Design makes more money for the country and every £1 invested in design produces the following outcomes.



The whole world is looking to us as the most creative nation. We showed how good we are at the Olympics in the opening and the closing ceremonies, we showed how good we are at

athletics and sports but more than anything, we showed how creative we can be. But, if our towns and cities are starving young people of the opportunity to build on this, then we are in a bit of a mess.

In terms of education, very importantly the lowest truancy rate at Key Stage 4 is in design, music and art and the highest truancy rate is in maths, English and science. The main reason students play truant is because they do not want to be in a certain class; they want to be in art, music and design and do not want to be in maths, science and English, and not just because it is harder or anything. Design attracts over 60,000 students (8,000 from abroad) to further and higher education.

My granddad always said to me you are here 3 score years and 10, (today, if we are lucky, it is 4 score years), so smile and have a good time. Not that long ago it was quite cool to spend £1,000 on a bottle of champagne night after night but that is now starting to be seen as obscene. There is a new generation coming through who really do see that as obscene and find the search for happiness to be far more important. How do we get young people to be happy in their towns? We have to really think about this and I know it can sound woolly but for me that is the most important thing, that is, studying and understanding what does make some towns into happy towns. There are indices of the world's happier cities and the best places to live and constantly the cities that come out on top are Copenhagen, Vancouver, Melbourne and Perth. When you go to those places, you just know why as soon as you step into the city. It is about opportunity, it is about being able to do so much without hassle and that is what we have to strip out of the issues that we have got at the moment.

How did we get into the built environment?

We have talked about fashion. We sold Red or Dead in 1999 and within a year we were working in the housing industry. Designers can look at any issue. The way that our minds work is all about, wherever you are, seeing problems that need solving. Sometimes it can make you really happy because you think you have got a solution and other times you just get angry because you see something that has taken you too long to find a solution.

Our office is in North West London so I use the Metropolitan line, with its new carriages, to commute. These new tubes are fantastic. They have no doors in between so you can walk all the way along, but there is a whole section in each carriage where there is nowhere to hold on. So you have this big gap where nobody can stand and you are thinking how long is going to take them to work out that they have got to start fixing some of those leather straps or something. As a designer this winds you up and every time you get on you cannot look at it anymore, so you write an e-mail and, of course, get no reply, because they think you are mad as well.

That is how our minds work all the time. For example back in 1999, I was on a train heading west towards Cardiff and just pulling out of Swindon Station I saw this Barrett's sign that said, *new housing 1, 2, 3 bedroom flats, from £200,000.*



I looked at it and I had a problem with it, I was thinking that I didn't like it, it kept reminding me of something else, and does it remind you of anything?



In due course I heard that it had been built for first time buyers. It is quite obvious that this sort of development cannot be gentrified in the future in the way that Victorian Streets or Edwardian Streets can. It can't be loved, apart from the daft planning things like the only bit of grass is the bit of grass that slopes down to the road so if the kids do come out and play football the ball rolls onto the road. There are some really quite fundamental things wrong about the whole development, but above all it is not loveable, it does not make you happy. The only thing that can make you pleased is that you come home when you have finished work and you kick your shoes off and you can watch telly; but there is more to life than that.

What we all aspire to is coming home to a place that feels like you have really arrived. But would any of us be really happy to act as *The Bank of Mum and Dad* for our kids to live in that sort of development? We might have to do it out of desperation, but would any of us feel genuinely that we really made a good investment? But if it was a terraced house somewhere with a little garden, or it was a 1950s mid-century modern housing estate with a balcony, or something or ex-council then we could think that this deal has got something. But this development is worse than anything, way worse than Trellick Tower, which is loved now and will thrive. It is worse than the building that is coming down in the Elephant and Castle; at

least that has stood 50 years; this will not stand 50 years; it will be pulled down well before that.

And so we started to question this in many ways. I started to associate all sorts of things that I was reading about such as British youth unhappy, unloved and out of control and the UNICEF Study of Child Wellbeing. The UK has the highest teenage pregnancy rates; the highest alcohol abuse amongst teenagers, 18% of our prison population is under 18, which is double the next highest in the world - Germany at 9%. These figures are pretty frightening and I just kept associating them with the thought that young people today are given housing that looks like prisons and 5 spring chickens to play on.



But the thing is that all of this is coming through a system that we, town planners, architects, council leaders, planning committees, council play officers, are all involved in. All that is coming out of it is unhappy design, really unhappy design. Show me a kid that is going to be happy for more than 5 minutes playing on the chickens or would a kid prefer to play on this? What do you think, chickens or bits of wood?



I remember the argument about this. The council play area officer said you can't build your play area like this and we said why, and he said it is because; *babies will crawl around in the sand*. So I just said to them well that's no problem; *we can replace it, it is £1.99 a bag at B&Q*. Gerardine typed in *child eats sand and dies* on her iPhone, and found nothing. There is too much of this going on at the moment where people do not question stupidity. It goes all the way throughout the built

environment and we come across it all the time, where you just think well who has come up with that one, it makes no sense.

The first housing that we were going to build was for Wimpey back in the last decade and the first things that we were going to design were the play areas. We wouldn't show Wimpey any architecture at this stage and we nearly got kicked off the job. We said the housing was the last thing we were going to design as it is easy designing housing. We have all lived in houses, if you are a designer of my age, for about 50 years, so we should be able to design a house even though you might not be able to understand how it is going to stand up, so you bring a structural engineer in to put the lintels in for example. But you know how you want your house to be.

But we said we want to design *the place* first. We have never just bought a house, we have always bought into an area and then we have chosen the house. Most people will say the same. And yet some people fall in love with a house and live in an area that they don't want to be in and then they move away in time because you can't really be happy in a place you don't want to live.

It is pretty obvious a lot of house builders do not understand that. They call themselves house builders and they think they are just building houses that people will buy anywhere but that is only because the punter has no choice most of the time.

We did some work on a project in Gateshead in about 2006. We took old council owned buildings on the High Street and we worked with start-up businesses to create a New Kensington Market. The start-ups fitted it all out themselves for a peppercorn rent and it has been a big success. And now the most successful are moving on to another building.



KioskKiosk is another initiative of pop-up kiosks, which were cheap to make, architecturally a bit interesting and people who deserve a goal had to put the date that they could sell their wares into a web site and explain why.

A lot of these businesses now are sustainable businesses; these were the first people to have the idea to take old tube and bus seating and make shoes out of it and now they are selling all around the world and they look fantastic. We are able to put them at no cost, no rent, and no rates. This was Boris on his



first day, selling from one of our kiosks. These kinds of ideas resonate and work.



We have just won a fantastic project, one of the most exciting things ever. It is in Margate where there is a thing called *Dreamland*, fully explained on our website. It is an enormous regeneration scheme working with the Heritage Lottery Fund and Thanet Council. Margate has been in the news recently as it has got the highest shop voids in the country and it is one of the Portas Pilots. But what we are seeing in Margate, and the reason why I know it is going to work, is that the project is being realised by a combination of professional design and allowing the local creative community to do things on their own. There is always a part of every town that has got something that appeals. For example it could be all sorts of reasons such as the architecture; in Hoxton and Shoreditch and Brick Lane in London it was because it was all old warehousing and breweries and the like. In the Lower East Side in New York it was because it had become so druggy and a *no go* area and hence a place where artists could get cheap rent. In the district of Berlin it was the cross over between East and West, and still had the watch towers and it gave it that gritty hardness that young creative people like.

And in Margate you will find shops and decrepit old buildings that have been left there for years empty, for sale, and I know it can sound expensive, but £260,000 for a shop with 4 bedrooms above and a living room is cheap. This enables the colonisation by young people who are starting their upcycling businesses, their art businesses, and vintage shops. It is going



to work and that is what real regeneration is all about. Margate in 10 years' time will be like Brighton was 10 years into its boom times in the late 60s and early 70s. Margate will be there, maybe less than 10 years, but it will be there.

This image has been removed for copyright reasons

The project is not being led by central government, it is not being led by the Council, but it is being led by allowing things to happen and understanding why they are allowing it to happen and getting everything right. If you go down to Margate you will see that when they put posters in a window saying that the shop is empty they use posters that appeal by the very font that they are using, by the graphic and colour that appeals to who they want to appeal to, and they have got the language. You have to ask yourselves who is doing that language, design, and creativity to encourage regeneration? Show me an example anywhere where it is not the creative community that is driving taking a poor area and making it successful. Show me the places where regeneration is really working because of say Tesco or Marks and Spencer, as it is in some places, but not with the kind of heart and soul that I am talking about now. It can be done. This grass roots regeneration can really happen but it doesn't happen by you just sitting there. There is a language which you have got to use to make it happen.

We have got to start. There are something like 320,000 empty homes in this country; and about 600,000 flats above shops that are either used as temporary storage or are empty. There are shops that will never come back into use. We could solve the housing crisis and bring people into our city centres and

give them value, by the simple procedure that any empty shop if it remained empty for x number of months can go back to residential. You know it is absolutely doable, it wouldn't ruin our town centres because if retail came back, which it won't that quickly, the owner would naturally change back because land value would make that person decide *I am in a busy spot here, I might convert my front room again back to a nail bar or a hairdressers*. That will all happen absolutely naturally but at the moment just leaving it sat there empty, thinking it will come back, will not help. The property will probably be owned by a pension fund which has still got it at the book value and it is just like a ticking time bomb and an ugly one at that.



Anyway it is worth you going to look at the old town in Margate. It really is starting to look absolutely amazing even though some are saying what a mess Margate is, but oh my God it is not. We just know we are riding an absolute winner here because the people who can start regeneration are there and involved. They are there with little shops, with just hand written signs, but they are there. We have seen it internationally that these shops create regeneration. The kind of user that has just moved in, that cannot spell properly but knows exactly that that chair is the right chair to buy right now and that will attract people from all around Kent to this particular shop. There is a particular young girl there who has got the eye and will attract people from far and wide to visit that town and if she was not there, and there were not another half a dozen like her, we probably wouldn't have taken the job on, because it would have been an impossible task.

The first amount of money that we have got to spend is £10 million which sounds a lot but if she wasn't there selling those chairs we would not be there. It's as simple as that. We would have said, **No thank you. We will leave that to some architectural company who will just take the money and run.**

This is a briefing note prepared by the High Streets regeneration Team. It outlines current progress in a whole series of initiatives.

HIGH STREET REGENERATION IN ENGLAND

DCLG High Streets Team

Some headlines

- High streets are changing. The government is supporting local communities to help high streets adapt to changing consumer demands and technologies through supporting local leadership to develop local vision and innovation from places and communities.
- High streets are important for communities and economic growth. This isn't about high street versus out of town – high streets need to change to compete. And it's no longer all about retail – they need to offer something different, a new experience that will attract the local consumer, and offer and encourage alternative uses for buildings that were once shops.
- The government has already taken action to help rejuvenate the nation's high streets, backing communities across the country with a multi-million pound package of support, providing over £80m in loans for start-up companies and doubling small business rate relief to help small entrepreneurs.
- Planning restrictions have been lifted to help landlords make better use of their empty properties, either by allowing them to lease for shorter periods, helping start-up businesses to set up in the high street, or by making it easier to convert into residential facilities to increase resident population and local footfall.
- We know that more needs to be done and that's why we launched the Future High Street Forum. The Forum will build on the work of the 27 Portas Pilots and 330 Town Team Partners and will bring together

leaders across retail, property, business, academics, third sector, civil society and government to better understand the competition town centres across the country face and to drive forward new ideas and policies to help revive the high street.

What the government has done for the high street

1. A multi-million pound strategy is backing local partnerships such as the 27 Portas Pilots and over 330 Town Teams to breathe new life into their town centres. This includes mentoring from retail experts and workshops to address town centre challenges.

2. The Future High Street Forum brings together brings together leaders across retail, property, business, academics, third sector, civil society and government to drive forward new ideas and policies to help communities revive their high street.

3. The government is providing over £80m of start-up loans for young entrepreneurs, which could create over 30,000 new businesses. Ministers are also changing planning restrictions so that landlords can alter how an empty shop is used for up to 2 years. These steps will make it easier for start-up businesses to set up in the high street.

4. The government is making it easier to convert empty offices into residential use, which can boost town centres by increasing the resident population and local footfall.

5. We have doubled small business rate relief for 3.5 years to help small shops, and made it easier for small firms to claim small business rate relief through the Localism Act. Over 0.5 million of businesses in England are expected to benefit, with about 0.33 million of

businesses paying no rates.

6. Pop-Up Britain has set up a Pop-up Shop in the DCLG office building to showcase how a small under used space can support start-ups, encourage footfall and re-energise an area. Local areas are being encouraged to follow suit and helped with an online practical toolkit and pop up lease from pop-up Britain accessible at: <http://popupbritain.com/guidance-for-town-teams>.

7. The government consulted recently on amendments to the Code of Recommended Practice for Local Authorities on Data Transparency. We are assessing the responses received. One of the proposed amendments is to introduce new transparency standards on parking charges and fines, in line with the Portas High Street Review. We are also working with the Local Government Association to consider new ways of parking provision and encouraging good practice.

8. Further measures available to help revitalise the high street include:

- a £1m Future High Street X-Fund, which will be awarded to areas with the most creative and effective schemes to rejuvenate their town centres. Winners are to be announced in March;
- a National Markets Fortnight from 15 – 29 May, to celebrate the role markets can play and offer budding entrepreneurs the chance to test their business ideas; and
- a £500,000 fund for Business Improvement Districts, to help town centres access loans for their set-up costs.

The High Streets Team hopes to produce a further update in the Summer Terrier.



ACES COUNCIL MEETING NOTES, 25 JANUARY 2013

Tim Foster, ACES Secretary

ACES Council met on 25 January 2013; 28 members were present. The meeting was chaired by ACES President, Tom Fleming.

Matters discussed

Financial position

The Treasurer presented a comprehensive report to set the scene for the later discussions. It contained detailed information covering the last 5 years' income and expenditure, to illustrate how the various activities which ACES undertakes are financially interdependent on each other.

Frequency and timings of future meetings and conferences

There was a wide ranging discussion on both the nature and number of national conferences to be held in the future. The overwhelming view was that during the present difficult financial climate we should concentrate our efforts on one bumper Presidential conference a year, to be held in the autumn and that this decision is reviewed in three years time. We should also look at possibly moving the annual meeting to earlier in the year and also changing both the financial and subscription years to tie in with any new arrangements.

There was also some debate on the merits of holding one-day national CPD events but it was decided in the short term to ask the branches to provide their members with "nuts and bolts" CPD for staff and to invite adjoining branch members. The possibility of regional CPD would be looked at further in the future.

Increased membership and attendance at conferences

It was agreed that the aim should be to

have at least one ACES member from every public sector organisation with a property officer in post. It was further agreed that ACES should employ the services of a marketing firm to help draw up a strategy, having properly identified what it was ACES was trying to achieve. Andrew Wild and Jeremy Pilgrim were charged with approaching several firms mentioned and members were asked to let them know if they knew of any others who might also be worth contacting. The brief would also include revamping the ACES promotion leaflet which it was agreed should be published in pdf format and not necessarily in hard copy.

Council also considered how The Terrier could be used to help promote the Association. It was decided to wait for the marketing report before deciding on an ongoing strategy.

The way forward

The paper "The Way Forward" prepared by Ian Hay, Lee Dawson and Jim Ross in 2012 was circulated with the papers. The following issues were considered to be within the paper's scope:

- How the ACES 'Secretariat' could better support the organisation and delivery of future spring and presidential conferences.
- In this context, the group looked at the existing roles of Secretary, Treasurer and Publications Officer and reviewed the existing support structure. It considered whether there was a need to strengthen delivery through the creation of an Assistant Hon. Secretary, Hon. Treas-

urer or a specific new Conference Coordinator role.

- In the context of the above how the Association could best prepare for 'succession' planning.

It was agreed there was a need for an enhanced central conference support role. The post holder would be a single point of contact for the conference organiser and provide support and guidance and act as a liaison between the conference organiser and the secretariat. Both the president and conference coordinator would have a role to ensure that there is variety in conference programmes so as to maintain the highest professional relevance and ensure that new and emerging issues are included.

It was agreed that volunteers for the post should be sought from all members of the Association.

Succession planning was considered to be a significant issue for ACES and needed to be managed. There are a number of secure core business systems and databases held by the Hon Secretary and Treasurer which have restricted access. This was considered unacceptable and ACES needed to ensure that all systems and databases could be accessed in the event of the unavailability of the post holder.

It was agreed that the security arrangements should be reviewed as a matter of urgency and 2 Officers of the Association (Secretary and Treasurer) should have direct and full access to all protected systems and databases, with

the Editor having read only access. It was also agreed that Colin Bradford should have access, as he knows the systems well and from time to time assists the Secretary with updating.

It was agreed that there should be only one master database which is kept updated. Separate copies should not be held. It was also agreed that all systems and databases should be fully documented with a view to the Secretary and Colin Bradford producing a Database Manual. The Manual would be an excellent reference and training tool and would act in the same way as the useful 'help' button on a computer.

On the question of financial management, it was agreed that the Treasurer has a strategic role to provide the necessary information and guidance to enable Council to discharge its role and set a budget and that this arrangement should continue.

It was agreed that ACES adopts:

- A management accounting approach with budget monitoring, to show variance on a monthly and annual basis.
- Accruals based accounts.
- ACES procures a computerised accountancy package which can accommodate multi users to enable the Secretary to make entries and enter accruals, to assist the Treasurer.
- Invoices should continue to be sent out by the Secretary wherever possible. Providing the Secretary can identify and classify all invoice payments and give regular accruals updates on invoices outstanding then the accounts should accurately reflect the financial position for monitoring and budget setting purposes.

Promotional material

Tom reported that about half of the material had been used at the Lancaster conference. Most of the rest would be used at his conference this year. It was agreed that the North West branch

could use some pens and coasters at their forthcoming CPD event in May.

Performance management

Trevor Bishop, the new liaison officer, reported that David Pike, Director of IPD, would be attending a North West branch CPD event in May. There was some debate about the future role of property performance indicators, both IPD and the current NaPPMI indicators.

RICS

Tom Fleming reported on a useful meeting with Sean Tompkins, Chief Executive of the RICS, particularly to discuss the role of the RICS and the public sector surveyor. There was general agreement that the profession was facing a skills gap and a lack of profile for the public sector surveyor. The RICS would prepare a paper for the ACES team to consider.

It was agreed that the ACES representatives to carry this initiative forward should be Tom Fleming, Andrew Wild, Richard Wynne and Heather McManus.

Distressed town centres

It was agreed that Jeremy Pilgrim and Heather would work together on this group, which would be trying to identify what property barriers make the prospect of revitalising town centres more difficult to achieve.

Future meetings and conferences

The President reported that preparations for his conference were well in hand for 19/20 September 2013 in Clydebank, Glasgow.

The next two annual meetings would be in Cardiff on 1 November 2013 and London on 14 November 2014.

MEMBERSHIP

Tim Foster, ACES Secretary

I list below the changes in membership between 1 January and 31 March 2013.

New members approved

There were 10 new applications approved during this period

Tim	Child	Somerset County Council
Clive	Daniels	Valuation Office Agency
Jessica	Hamilton	Brighton & Hove City Council
Heather	Hosking	London Borough of Bromley
Sarah	Jowett	Powys County Council
Steve	Milner	Valuation Office Agency
Detlev	Munster	London Borough of Enfield
Anne	Parker	Cabinet Office
Malcolm	Sutherland	Cabinet Office
Geoff	Taylor	Warwickshire County Council

Transfer from full to past membership

Six members transferred to past membership during the period

Betty	Albon
Nick	Allan
Nigel	Baldwin
Dave	Challis
Lee	Dawson
Brian	Ormerod

Resignations

There were 4 resignations during this period

Peter	Clark
Elaine	Derrick
William	Gibson
Mark	Pam

The membership as at 31 March 2013 now comprises

Full	235
Additional	66
Honorary	33
Past	77
Total	411

RICS PUBLIC SECTOR VALUATION GROUP - NOTES OF MEETING ON 15 MARCH 2013

Betty Albon ACES Valuation Coordinator

Change of policy regarding working groups

There has been a change in policy in relation to RICS working groups. Working groups are to become project based and task specific and their names would be changed to reflect their new status (to be Public Sector Valuation Project Group).

IVSC Exposure Draft on Valuations of Specialised Public Service Assets

RICS has prepared a response to the International Valuations Standards Council (IVSC) Exposure Draft. IVSC is an independent body which works with IFRS. The paper is a high level one and ACES members need to continue to refer to the Red Book for guidance.

Red Book revisions

Major changes are in progress for the Red Book, which is out for public consultation until 4 May, with a view to publication by November 2013, and an effective date of 6 January 2014. In future, the 'standards' will be set by IVSC, so that RICS is no longer both the standard setter and the regulator. RICS guidance will follow these standards and they are renamed Practice Statements, which will be mandatory. Appendices will be integrated here. UK Valuation Practice Applications will be advisory. The IVSC standards will be included in the Red Book for reference.

PSVG is not revising the UK Appendices and guidance notes as these had only been done recently, although it would be looking at:

- UKVS 1.12 (Local authority asset valuations)

- UK App 5 (Valuation of local authority assets)
- UK App 13 (Valuation of registered social housing providers' stock for secured lending purposes)
- UK GN5 (Local authority disposal of land for less than best consideration).

The Group also felt that a subsequent revision of the Red Book should encompass rating and CPO valuations and public sector RTB valuations of housing stock.

Land Transfer Protocol in Wales

The National Assets Working Group is refreshing the "Land Transfer Protocol – A best practice guide for the disposal & transfer of land & property assets between public sector bodies in Wales." It is to be extended to include co-location and standard documentation. Mention was made of the good progress for all public sector bodies to include all their assets on ePIMS Lite, with progress now being made to include all third sector organisations [Ed – see Steve Dinnick's article in Winter Terrier 12/13].

IFRS 13 Fair Value – current position re public sector adoption

This is a difficult issue for the various public sector agencies and means a change from valuing Fair Value (Existing Use Value) to IFRS 13 which defines Fair Value for financial reporting purposes as being an exit value, i.e. market value. In reality, for many valuers preparing asset valuations for the public sector, there will not be a significant difference between existing use value (EUV) and

market value (MV), but in some cases, there could be big distinctions. For example, council offices in a depressed area could have a much higher EUV than MV; operational assets in a prosperous area could have alternative uses at a much higher MV.

Adoption of IFRS 13 for the public sector is now likely to be 2014/15. The Treasury is currently working with CIPFA to come up with a new and agreed policy for Fair Value. It was agreed that the definition may need some revision. Meanwhile, valuations undertaken for inclusion in the financial statements of local authorities remain subject to the provisions of the CIPFA Code of Practice (or the HM Treasury Financial Reporting Manual for central government bodies).

Revision of Guidance Note on Valuation of Land for Affordable Housing

The current GN is out of date because of the fundamental changes in the planning regime. It is currently being revised by Charles Solomon on behalf of the Planning and Development Professional Group.

Review of Guidance Note on Surveyors Fees on CPO compensation

The GN deals with the basis of reimbursement for both statutory authorised and unauthorised fees. The actual amounts are often in dispute, although it is not the role of RICS to take sides in any disagreements between the acquiring authority and the landowner. This is an issue that the compulsory purchase panel is looking at and not all professionals are in agreement on the best approach – fixed fee, hourly rate or proportion of value.

Indexation of costs for DRC valuations

CIPFA is aware that some finance-led organisations are proposing a flat uplift for DRC. PSVG felt that there was an issue in relation to applying BCIS and

indexation for asset valuations.

Note

Betty will not reapply to sit on the Public Sector Valuation Project Group, and will be vacating the position as

ACES Valuation Coordinator at the Annual Meeting in November 2013. Any budding ACES replacements please contact Betty; for RICS, please contact Alexander Aronsohn, Associate Director, Professional Groups & Forums. aaronsohn@rics.org



THE ROLE OF RICS REGULATION

Chris Brain and Susan Robinson

Susan Robinson MRICS is a Construction and Property Advisor with CIPFA Property. Her remit is to promote best practice in property asset management within the public sector. This includes the development and delivery of CIPFA's Asset Management Network and Construction and Property Advisory Service, production of best practice briefings in relation to current topics and provision of specific consultancy projects. Susan formerly worked at Durham County Council. susan.robinson@cipfa.org.uk

Chris Brain FRICS is a Senior Property Advisor within the CIPFA group. Chris delivers the CIPFA's Asset Management Network and Construction and Property Advisory Service, advises on asset management issues and undertakes a range of related consultancy. He has worked with a range of authorities, providing consultancy and training including strategic approaches to asset management and delivering efficiencies. Chris.Brain@cipfa.org.uk

CIPFA Property: www.cipfaproperty.net

In the Autumn 2012 Terrier, Chris and Susan explored the importance of the commissioning process in securing robust asset valuations for local authority balance sheets. In this follow up they examine what you might expect, should you be approached by RICS Regulation for an assessment, with experiences drawn from some of those that have been visited so far and those that attended the CIPFA events on commissioning asset valuations earlier in the year.

The regulatory function of the RICS is a critical part of the Institution's role and function and is an important element supporting the royal charter. The RICS regulates in 4 areas:

- Ethics
- Disciplinary procedures

- Compliance
- Indemnity Insurance

For this article we are concerned mostly with compliance in terms of local authority asset valuations undertaken within the Red Book.

RICS Regulation is responsible for ensuring that RICS members and firms meet the requirements of the RICS Code of Conduct. In the UK & Ireland it is the RICS' UK & Ireland Regulatory Board (the Board) that oversees the regulatory function. A key element of the regulatory framework is of course the Valuer Registration Scheme (VRS).

Not every regulated organisation or firm will be the subject of a regulatory visit, as the resources to do so would not be economically sustainable and so the

Board adopts a risk-based approach. Until quite recently the vast majority of regulatory inspections were of the commercial private sector and it was rare for a local authority valuer to be the subject of a visit. However, this has changed of late and there has, since the introduction of the VRS, been a notable increase in the number of visits to local authorities. We gather that more are planned.

The Regulatory review process

The primary aim of the regulatory review is twofold:

- Firstly, to ensure that firms and registered valuers are complying with RICS valuations standards
- Secondly, to provide advice and

assistance to firms and registered valuers that they can make use of in their day to day activities, improving their quality assurance processes and assisting with compliance

The review process generally follows these 3 stages:



Review Stage 1

The review process will generally commence with a desk based review comprising 2 questionnaires. The first questionnaire is for the 'firm' to complete. This looks at the processes and controls that the 'firm' employs in relation to its Red Book valuation activity.

There then may also be a second questionnaire which is to be completed by registered valuers selected by the 'firm'. This is tailored towards the valuation activity that they undertake, individual valuations they have done and the controls that they use.

Review Stage 2

As the whole review process is risk-based, the completion of the questionnaire or questionnaires could be the end of the process for you. If it is not, and you are scheduled for a site based review then this might suggest that there are some elements of your processes or controls that give cause for concern. Equally it may only suggest that the nature of the valuations being undertaken represents a high risk.

Review Stage 3

The final stage is a written report on the desk-based review and (if there was one) the site-based review. This report will highlight any weaknesses or practices which deviate from RICS valuation standards and provide advice and guidance on how compliance may be improved upon.

What is RICS Regulation looking for?

Whilst each review will be slightly different, patterns have emerged from past reviews which provide an insight into the areas of weakness that are likely to exist and which RICS Regulation will be on the lookout for. These include:

- Confirmation of the valuer's qualification and demonstration of expertise/competence within the appropriate skill, knowledge and geographic area of activity
- Confirmation of conflict of interest checks
- Terms of engagement
- Inspection notes
- Recording of comparables and their referencing and analysis
- Quality of valuation reports
- File management and processes
- Quality assurance systems and protocols
- Linking comparables to valuation figure
- Valuation calculation and methodology

Where are the common weaknesses in local authorities?

From our experience of local authorities we have worked with in this area, including the valuation events we have facilitated over the past few years, it is clear that there are a number of these weaknesses evident, and from which they might incur the displeasure of RICS Regulation.

It is quite common for example, for internal instructions to the valuer and the corresponding terms of engagement to be especially weak, particularly where the valuations are undertaken internally. In many authorities, there is often no agreed terms of engagement. This is somewhat surprising as the Red Book (VS 1.4 and VS 2.1) clearly set out what the requirements are.

Poorly drafted valuation reports are seen in around a third of regulatory visits. Again this is unforgivable given that the Red Book (VS 6) sets out the minimum requirements in this respect. From our experience it is quite common with internal valuations for there not to be a 'valuation report' at all, with the file simply noting the valuation figure.

Around a quarter of regulatory visits highlight poor quality assurance controls. We suspect that this is likely to be higher in local authorities than in the private sector, where in the latter case there can be significant financial implications arising from valuers not working to common standards of approach. In the first part of our article [Terrier Autumn 2012] we highlighted the need for valuations to be 'moderated' as part of a QA approach. It is clear from our valuation commissioning training events we conducted last January that this is a real area of weakness and the majority of local authorities are not employing robust QA procedures.

What to expect during a site based review

Whilst the very nature of any site based review is regulatory, you will find that the surveyors visiting you are quite friendly and keen to provide advice and support on how you might be able to improve the way you do things. If you have existing protocols and templates they will often be quite happy to take a look at these and offer advice on how they could be improved or consolidated.

From recent visits to local authorities there are a number of things that you can expect to be asked about. This is likely to include:

- How the team is structured and

organised and who does what

- Where valuation instructions come from and how the terms of engagement are formed
- How the individual valuations are allocated to valuers based on skills, competence, etc.
- How consistency of valuations is maintained, both between different valuers and over time
- Demonstration of a thread between site visit, selection and analysis of comparables and the resulting valuation figure
- Arrangements for countersigning and moderating valuations

- Valuer rotation arrangements
- The process for periodic external calibration or verification of valuations
- Awareness and understanding of the various RICS codes and standards

What to do if you are scheduled for a regulatory review

If you should be scheduled for a review then it may be too late to do anything at all that is meaningful. Once scheduled for a visit, there is often very little delay and the site-based review may take place quite quickly. If your procedures and controls are weak then there is very little you can do about it in the time you

will have. In any case, as RICS Regulation will be looking back at past activity, there may be little you can change.

If you are concerned about your processes and controls for compliance with the RICS standards then you ought to be looking at these now rather than postponing it until you are unable to do anything about it. In fact you could argue that everyone should undertake a review of the processes and controls on a regular basis – not in fear of a visit from RICS, but to satisfy yourself that you are complying with the Institution's standards and that the valuation reports you and your team are producing are of good quality and provide your finance colleagues with assurance that the balance sheet is a fair reflection of the value of your fixed assets.

Ian Bromley-Derry
Estate and Planning Services
01603 706159

Mark Albanie
Strategic Asset Management
01603 222257

John Thornberry
Architectural Director
01603 706647

Charles Tyndall
Building Surveying
01603 706030



innovation through partnerships

nps group

Partnerships and Joint Ventures • Integrated Design Services • Surveying and Maintenance Management and Consultancy • Agency and Estates Management

NPS Group Lancaster House 16 Central Avenue St. Andrews Business Park Norwich NR7 0HR
Tel: 01603 706000 Fax: 01603 706001

www.nps.co.uk



A TRANSFORMATION? – WHY LOCAL AUTHORITY LEADERS NEED TO TAKE MORE INTEREST IN PROPERTY

James Grierson

James is Senior Director and Head of Public Sector at DTZ. He was formerly Head of Consultancy at Donaldsons and has been involved in advising public sector clients over many years on a range of strategic, planning, professional and management consultancy projects. James received the ACES Fellowship Award in 2011. james.grierson@dtz.com

This article was originally printed in the RICS's Commercial Property Register, February-March 2013. It provides sound advice about delivering asset management and property services for our senior members and officers to consider.

Local authority leaders have a lot on their plates. Since the 2010 General Election, capital budgets have been slashed, revenue budgets are being cut by a quarter (between 2011/12 and 2014/15) and staffing levels are shrinking by 150,000 a year. Meanwhile, lethargic growth rates and stagnant asset values have stymied regeneration and the social care time bomb keeps chief executives awake at night.

Property is part of the problem. It costs too much to run, is worth too little when you sell it, you cannot afford to build it and everyone has their own idea about what you should do with it. However, despite perhaps appearing relatively insignificant to newly appointed leaders or chief executives, property can become part of the answer and is one of the levers available to advance a council's core agenda. I would advise any incoming chief executive to take an interest because it is likely to be time spent wisely.

Prioritise the basics

Professional property workloads are shrinking, especially in relation to

capital projects in schools. In itself, this mismatch between capacity and workload should prompt an independent review of the service. Ensuring that there is sufficient management information on workload and pipeline is essential because this provides a good indicator of an under-managed service.

A key consideration is whether all council property activities are gathered in one place. It is very hard to be efficient if property issues are managed across multiple structures or if accountabilities are not properly defined. Is there a property strategy? This should cover different classes of property and be brought to life by an asset management plan that feels meaningful as a guide to action rather than something written in a darkened room for compliance reasons. Are the senior property officers credible? They may be technical experts rather than strategic resource managers, but it is important that they are taken seriously and that their deputies have a good reputation. If there are problems, it may be that the link between property and the wider authority can be re-energised.

The supply chain should make sensible use of specialist advisers, local agents and contractors in a structure in which economies of scale and scalability are also available. Similarly, most of the council's spending on facilities management, maintenance and minor

works should be aggregated. The review should also establish whether the level of skills and the quality of business processes offers scope for meaningful improvement, which is likely.

Further considerations

Have shared services concepts been explored? Property services lend themselves to this approach and shared services models have the potential to offer critical mass and cost-effectiveness, but they require high-performance clienting.

Is the procurement department acting as a technical support to the property professionals or is it beginning to throw its weight around? Consult your head of property on the sort of procurement support they need.

Do not conclude from this that the only thing to do with your property function is to manage it more rigorously. It also needs encouragement and support, something which has been sadly lacking for too long. One can tell a lot by digging into the organisation's approach to option appraisals and business cases. Are genuine alternative options evaluated or a series of Aunt Sally options designed to flatter a pet project? Is there a suitable understanding of 'optimism bias'? Are project governance arrangements and gateways genuinely rigorous?



PERFORMANCE MONITORING

Tony Gale

After a career in local authority property management and working with the Regional Improvement & Efficiency Partnerships, in 2006 Tony set up Beaufort West Associates Ltd to provide consultancy and benchmarking support in property performance management. Tony is the Chair of the National Property Performance Management Initiative (NaPPMI), having been associated with it since its formation. tony.gale@beaufortwest.co.uk

Tony gives a brief insight into the importance of property performance management data. The NaPPMI Annual Report Autumn 2012 follows his introduction.

What do you do when heading into unknown territory?

You decide where you want to go, you check your kit, and you get a map.

1. You decide where you want to go - Not all unknown territories are the same. Not all destinations are available. You need to have a realistic goal.
2. You check your kit - What do you need, and what should you leave behind? Is all the essential stuff working properly? Do you need to get anything else?
3. You get a map - one that shows the roads, the tracks, the obstacles to conquer or avoid. One that helps you to think about how long it will take to get to your destination (70 mph driving on motorways, 7 miles a day climbing mountains); and helps you to identify measures of success that you can use along the way (miles travelled per day, fuel consumed per mile etc).

You know where I'm going with this. Local authorities are all heading into unknown territory, all the time. They rely on their professional advisers to

help them decide where they want to go (or at least to identify realistic goals); to check the kit (for asset management, that's the state of the estate); and to get appropriate maps (performance measures).

Obvious, isn't it. But do you know what? Some authorities still don't know exactly what property they've got, let alone how well it is aligned to new priorities. Even more worryingly, cuts in back office services are destroying their ability to track performance. So they don't know where they are, don't know if they're on the right track, and don't know how long it will take them to get to where they want to go - or even if they will get there.

Can you honestly imagine any organisation working effectively like that?

Realistically, we're not going to persuade many authorities to make major new investments in collecting and managing data. But we can help them to decide what they need to collect, and how they can use it effectively.

For a start, there's the duty of Best Value, as restated by the current government. This is a statutory obligation, requiring every authority to, "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." (DCLG)

The NaPPMI indicators can provide a lot of useful evidence about economy and

efficiency in asset management. And NaPPMI works with NBVBS Ltd (National Best Value Benchmarking Scheme) to provide benchmark comparisons with a number of local authorities across the country.

If you can use this data to prove you're performing well, providing good service and value for money, everyone will be happy - clients, staff, partner organisations, councillors. But what if reporting this data shows that you're NOT performing well? You will now have the wherewithal to start a productive dialogue with your stakeholders, which could be used to throw up useful ideas and improve working relationships. You could implement a development plan with clear targets for improvement. That could be tough, but it will be so much better than an uninformed decision to cut budgets willy-nilly, or to outsource services with no clear picture of what improvements are possible or necessary.

And if you don't have the data?

That is an open invitation to budget cuts and/or uninformed outsourcing decisions.

For details of NaPPMI and NBVBS Ltd go to www.nbvbs.co.uk



NaPPMI Benchmarking Group Annual Report : Autumn 2012

Over the last five years, the percentage of local authority estates in “Good” or “Satisfactory” condition has stayed fairly static in the range 75% to 78%, but there has been an increasing backlog of Required Maintenance over the last four years, rising from £104/m² in 2007/08 to £132/m² in 2010/11.

Average energy consumption continues to fall (from 219kWh/m² in 2006/07 to 186kWh/m² in 2010/11), but initial improvements in space management in the office estate appear to have stalled (13.7m²/FTE in 2006/07; 11.1m²/FTE in 2008/09; 12.6m²/FTE in 2010/11).

These are some of the headlines in the 2012 Annual Report of the NaPPMI Benchmarking Group. With five years of data now available, we are supplementing the annual data summary provided to subscribers with a narrative report, looking at some of the findings and considering the way forward.

The National Property Performance Management Initiative (NaPPMI) was set up to provide a forum in which local authority property management professionals could work with government bodies to develop a more consistent and robust approach to measuring and managing the performance of local authority estates in England and Wales. The original membership, with representatives from ACES, CLAW, Core Cities, COPROP, FPS, IPF and NBVBS published the first tranche of NaPPMI indicators in 2005, with central government endorsements from the then DfES and ODPM.

The NaPPMI Board worked with NBVBS and CIPFA to develop a benchmarking module which first collected data for the year 2006/07. Approximately 100 local authorities subscribed last year, although not all of them submitted data.

As local government priorities continue to change, NaPPMI has reviewed the indicators and is now championing the use of a “Core Set” (see page 4, below), but we recognise that continuity is important and that benchmarking and comparison takes two main forms:-

- ❖ Comparing your latest results with benchmarking partners
- ❖ Tracking changes over time (e.g. year-on-year)

In previous years, the NBVBS report to its subscribers has included items related to:-

- ❖ Condition and Required Maintenance
- ❖ Environmental Performance (Energy and CO₂)
- ❖ Utilisation of the Office Estate

This report brings those items up to date and introduces further analysis and comment related to recent developments.



The Deepings School (courtesy of Mouchel Lincoln)

CONDITION & REQUIRED MAINTENANCE

Do you have the data you need to maintain your property estate effectively? How much of the estate is in “good” or “satisfactory” condition? How much does your authority need to spend on maintenance to avoid accelerating deterioration? Do you spend enough of your budget on planned maintenance, to avoid failures and minimise the disruption caused by emergency works?

Over the past five years, the average percentage of property (m² of Gross Internal Area) in “Good” (Category A) or “Satisfactory” (Category B) condition has ranged between a low of 75% (2008/09 and again in 2010/11) and a high of 78% in 2009/10.

Given changes in the cohort of authorities providing data, variations in the make-up of individual estates, and the potential impact of different arrangements for Condition Surveys, this is a perhaps surprisingly consistent picture.

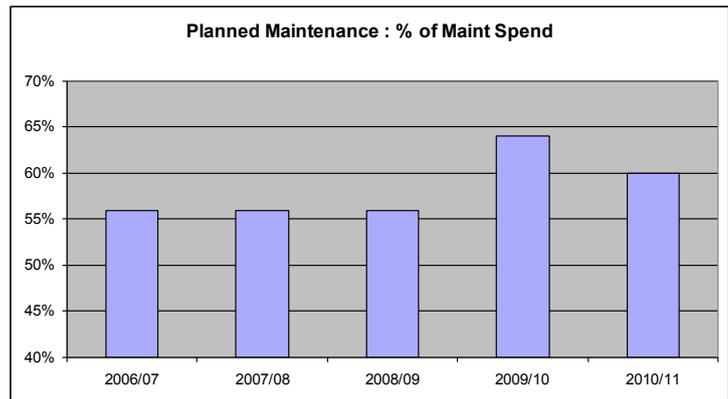
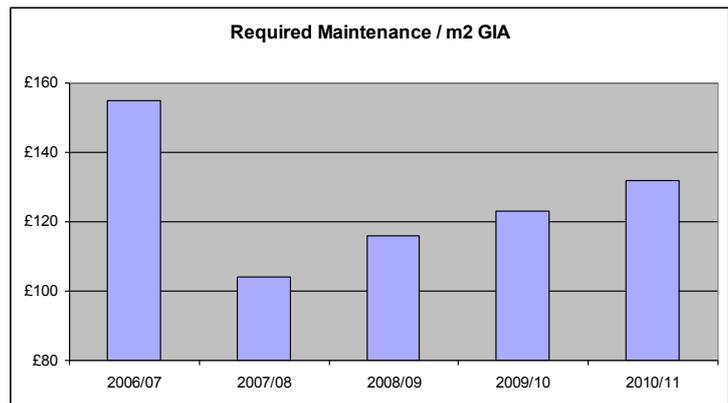
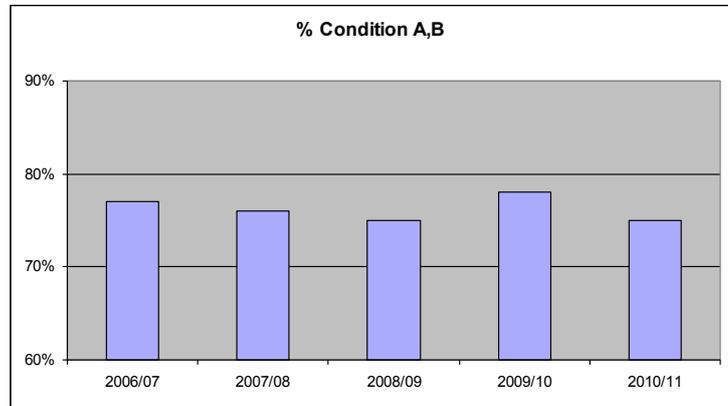
By way of contrast, the average value of Required Maintenance (£ per m² GIA, Priorities 1-3 inclusive) has continued to rise year on year, after an initial sharp fall from the 2006/07 figure.

Leaving aside the effect of inflation (*NB no adjustments have been made for inflation*), this suggests that unless some local authorities review their maintenance spending or make radical changes to their estates, it is likely that the proportion of “Good” or “Satisfactory” property will fall in future years.

One factor affecting this is the ability of authorities to spend their limited maintenance budgets on “planned” rather than “reactive” work. The latest figures suggest that the higher average percentage of Planned Maintenance spend seen in the previous year (64%, 2009/10) fell back slightly to 60% in 2010/11.

One of the new NaPPMI Core Indicators introduced for 2010/11 measures the ratio of maintenance spend against maintenance need (i.e. Spend in £ as a % of Required Maintenance, Priorities 1-3 inclusive). It will be instructive to see how the 2010/11 average of 13.3% changes in future years.

The other new NaPPMI Core Indicator under this heading is Required Maintenance as a Percentage of Rebuilding Cost. With several authorities initially unable to provide data on rebuilding cost, the 2010/11 dataset only covers a small number of councils. The average for that group of authorities is 8.1%.

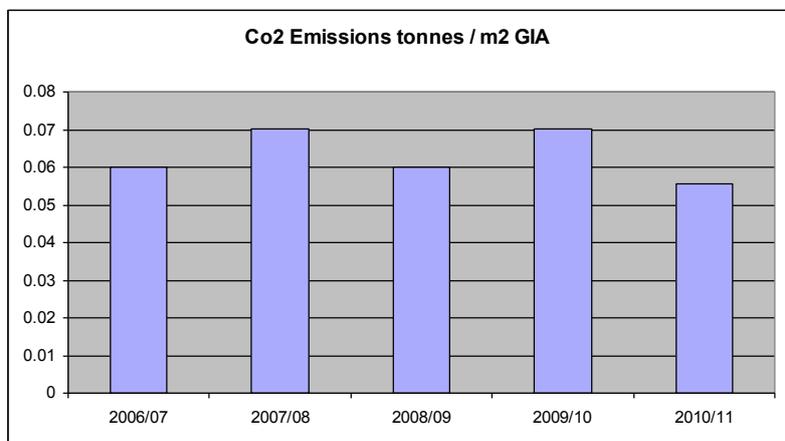
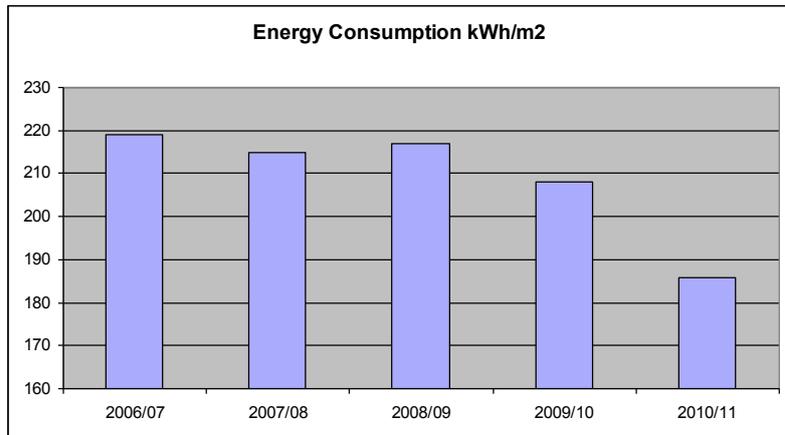


ENVIRONMENTAL PERFORMANCE

Managing energy consumption is an important part of environmental performance, and has a significant impact on property running costs. Do you have the data to manage consumption effectively? How well is your authority performing? CO2 emissions are a major issue in environmental management. How do you perform against local targets and / or national benchmarks?

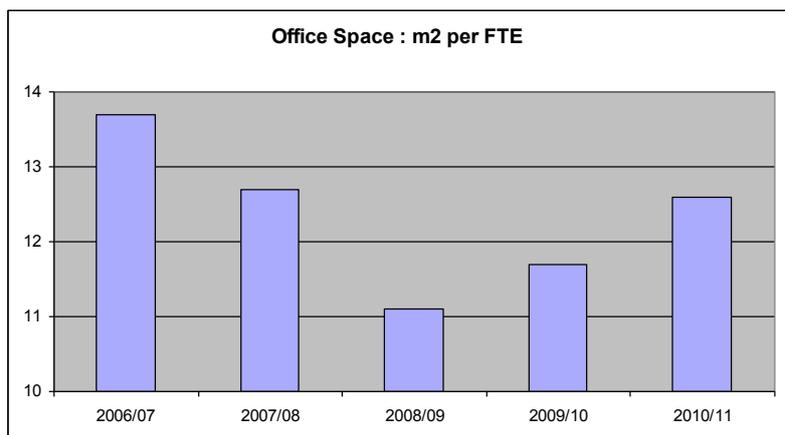
Average Energy Consumption (kWh per m² GIA) continued its falling trend in 2010/11. Considering both the cost and environmental implications, it is encouraging to see that the average figure of 219kWh/m² for 2006/07 fell to 188kWh/m² in 2010/11, with a five year average of 209kWh/m².

Curiously, the figures for CO2 emissions do not show the same improvement, with an up-and-down trajectory over the period and an average ranging between 0.55 tonnes /m² and 0.70 tonnes / m². It is however worth noting that there has been a significant improvement in the quality and robustness of this data over the period in question – one of the hidden benefits of using a good benchmarking / performance management regime.



UTILISATION OF THE OFFICE ESTATE

Many authorities have reviewed their office estate in recent years, usually with an emphasis on better utilisation and lower cost, often accompanied by the introduction of new ways of working. This continues to be a high-profile and often contentious issue for many authorities; it's important to know how you measure up.



The initial improvement in this indicator over the first three years was no surprise – but the improving trend appears to have stalled. The average of 13.7m² of Net Internal Area per Full Time Employee in 2006/07 fell to 11.1m² in 2008/09, but had risen to 12.6m² in 2010/11. The five year average is 12.4m². It will be interesting to see how, in future, this picture is affected by continuing changes in the local authority workforce.

Local Authorities face conflicting challenges in respect of property performance management: (1) needing, more than ever, to prove how effectively they are managing their estates, whilst (2) cutting back on the resources available to collect and analyse information. The most effective way we can help to square this particular circle is to define a tight set of key metrics and encourage everyone to use them – supplemented by local measures as appropriate.

What should be the focus for these key metrics? The Department of Communities & Local Government has issued new guidance on how authorities should evaluate any Community Right to Challenge for the provision of services, including references to achieving Best Value and in particular economy, efficiency and effectiveness (see <http://www.communities.gov.uk/documents/localgovernment/pdf/2168126.pdf> and <http://www.communities.gov.uk/documents/localgovernment/pdf/1976926.pdf>).

With a statutory obligation to provide “Best Value”, authorities will need clear evidence of property performance in these terms.

With good performance data, you can demonstrate the value you provide. With poor performance data, you can plan how to achieve improvement. With no performance data, any formal challenge is almost bound to succeed, with unpredictable results for the authority.

“A local authority will have to comply with its best value duty when procuring services, which requires it to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.” - DCLG

The NaPPMI “Core Set” will provide much evidence relating to “economy” and “efficiency” in the management of the estate, concentrating on:-

1. Condition & Required Maintenance – Spend as a % of Required Maintenance; Required Maintenance as a % of Rebuild Cost
2. Environmental Performance – Energy Consumption; CO2 Emissions
3. Utilisation of the Office Estate – m2 per FTE, per Workstation; Cost per Workstation
4. Gross Property Spend per m2 (whole estate)
5. Tenanted Non-Residential Property – Return on Investment

Using these indicators will help you to manage your property estate more effectively – demonstrating successes and identifying areas for improvement. Using external benchmarks will indicate how you are performing against a range of other authorities.

For 2012/13, NBVBS will continue to offer NaPPMI benchmarking much as before, and is also looking at the possibility of providing a “high level” summary looking across all aspects of property services, with a broader focus on the Best Value issues discussed above.

We are also considering new ways of working with authorities to share information and good practice more effectively

- ❖ An online forum to share questions and comments
- ❖ Occasional “User Group” sessions to address burning issues
- ❖ Introducing benchmark targets / good practice guidance for key indicators

We would be pleased to have feedback on these proposals, or any other aspect of the service.

Further details of NaPPMI Benchmarking are available from Tony Gale (Chair, NaPPMI) tony.gale@beaufortwest.co.uk
Details of the NBVBS Benchmarking Service from Alan Tyler abtyler@nildram.co.uk



*Great Shelford Library
(courtesy of Cambridgeshire CC)*



CHANGE OF USE – WHAT’S THE PROBLEM?

Daniel Webb BSC (Hons) MRICS MAPM

Cullum Alexander Beng MCIQB MAPM



Daniel Webb is the lead director of Watts’ London-based Project Consultancy Group, which includes the firm’s project management and public sector teams. He is also a member of Watts’ management team. As a specialist in project management and integrated project coordination, Daniel has extensive experience in refurbishment and redevelopment projects for investor and occupier clients in the local authority, health-care, education, higher education, office, retail, residential and industrial sectors. He also has a particular experience in complex projects executed in live often safety-critical environments. daniel.webb@watts.co.uk

Cullum Alexander is a director at Watts Group PLC, specialising in project management and strategic advice. He has been involved in a number of different sector and service areas, including education, leisure, arts, industrial, infrastructure and master planning. Cullum has brought his considerable experience to complex stakeholder-driven projects, such as primary school and residential (affordable housing) delivery. cullum.alexander@watts.co.uk

The government’s plans to convert redundant office space into new homes have opened up the debate on change of use. This article takes a closer look at the pros and cons of the new rules.

Councils around the country were given until 22 February to apply for an exemption to the government’s new permitted development (PD) rights to “enable change of use from commercial to residential purposes” (DCLG). All but 3 councils in London applied for exemption, which indicates the level of concern over the proposals. Recent press reports suggest that the City of London, the London Borough of Westminster and Canary Wharf are likely to be exempted from the new arrangements, but it remains to be seen how many local authorities in the rest of the country will be able to avoid the new permitted development rights should they wish to opt out.

The new rules will allow offices to be converted to residential use and agricultural buildings to be converted to other uses without planning permission.

A range of other buildings will also be able to convert temporarily for up to 2 years, with the aim of bringing new life to vacant high street buildings. An exception will be made for those local authorities where such conversions could have an adverse effect on the local economy. However, Eric Pickles, Secretary of State for Communities and Local Government, said when he announced the proposed new measures last year that such exemptions would only be given in “exceptional circumstances”.

It should be noted, however, that local authorities already have the ability under existing planning law (Article 4 direction) to remove permitted development rights and apply other local conditions such as conservation areas (www.planningportal.gov.uk/permission/responsibilities/

www.planningportal.gov.uk/permission/responsibilities/planningpermission/permitted). As yet it is unclear whether the proposed PD rights will take away this localised power.

Despite the evidence that local authorities are concerned about the government’s proposals, the thinking behind the initiative makes sense. Britain is suffering a major housing shortage; 250,000 new homes should be built each year according to government figures and yet there were fewer than 100,000 completions in 2011/12 (The Guardian). Why not make it easier for developers to provide new housing and at the same time unlock the economic potential in the empty or underused office space that is blighting many of our towns and cities? Local authorities should be supporting such initiatives to help house the nation, or so the government’s argument goes. However, the situation may prove a little less clear cut when the rules come into force later this year, particularly for affordable housing that has to meet strict guidelines to achieve

funding. This may not be possible in a conversion – and that is assuming such conversions have to include a proportion of affordable homes. At present, that is by no means clear.

So what are the issues raised by the proposed PD rights for local authorities and developers? First, office conversion projects carried out under the new PD rights will only be able to skip planning permission for the change of use, but not for work to alter the external fabric – changing facades, windows, add balconies, any impacts to overlooking other properties or change the visual aspect of the premises in any way that would normally require planning consent.

The DCLG states: “The permitted development rights will only cover change of use: any associated physical development that currently requires a planning application will continue to need one.” So, for the majority of projects, there will still be approvals to be sought and the protection afforded to listed buildings will remain.

Also, building regulations must still be adhered to, so no corners can be cut by developers keen to keep costs to a minimum. Any projects brought forward by the new regime will have to comply with the build quality, environmental and health and safety standards of any other building conversion. Aspects such as renewable energy, secured by design, lifetime homes and disabled access will all still have to be taken into account.

There is, however, the positive knock-on effect on the local economy of upgrading redundant and outdated buildings. New residential property will bring with it the need for shops and other local services which can only benefit local business and provide opportunities for start-ups. Empty space above shops may also be brought back into use, which is something that many in the property industry have been campaigning on for decades.

Local authorities will have to consider what converting office space to residential use may do to the mix of use in their towns and cities and the impact

this could have on local infrastructure. Developers will almost certainly be asked to make a contribution where additional access, sewers or street lighting are concerned, and to provide additional amenity space in areas where there is none at present, which councils could use to their advantage.

Around the country there is not only a housing shortage but a critical need for school buildings. The government’s PD proposals raise some interesting questions for education. Free schools in particular are looking at the suitability of non-educational buildings for teaching purposes and the new rules on change of use could prove beneficial in the circumstances. For a period of 2 years, the new rights will mean that a free school could move into any redundant building (subject to the points made above). Schools must prove their premises fit the educational model. They must make provision for play, toilets and food preparation as well as adequate learning facilities (as demonstrated by BB99 and the like) – the new PD may allow these rules to be overturned.

As Rebekah Paczek, founder of public affairs agency Snapdragon Consulting, said in her blog earlier this year: “Presumably opening for a year without planning permission will then force local authorities to give planning permission at the end of that year or be faced with some public protests of angry parents which would not be good PR.” Food for thought for any council faced with applications to set up free schools in their area.

What all this proves is that relaxing the rules on change of use is not a quick and easy fix. What will be the impact on provision of affordable housing if developers are allowed to sidestep the restrictions on other types of housing development? Will Section 106 and Community Infrastructure Levy payments also be avoided? If so, there could be a rush to convert suitable buildings. If not, disused office and retail space may not look so appealing. As ever, the devil will be in the detail.



3iStudio 

<i>ESTATESuite FM Software</i>	<i>FM Services</i>
<ul style="list-style-type: none">• Facilities Management• Portfolio Management• Operational Management• Strategic Planning• Risk Management• Maintenance• ISO Management• Project Management• Environmental Management• Tree Register	<ul style="list-style-type: none">• Measured Surveys• Site Surveys• CAD Drawing Bureau• Project Management• FM Data Services• Asset Audits• GPS Surveys

www.3iStudio.com



*The most cost effective solution
for all
Local Authorities and
Government Organisations*



3i Studio Ltd., 369 Wellingborough Rd, Northampton, NN1 4EU
T +44(0)845 675 5051 F +44(0)845 675 5052 E sales@3iStudio.com



OFFICE VACANCY – DATA, EVIDENCE AND OPPORTUNITY

Dr Paul Greenhalgh and Kevin Muldoon-Smith and Professor Ernie Jowsey



Paul is a Reader in Property Economics and founding member of the URBaNE research group at Northumbria University. He has published extensively in the field of urban land economics with a particular focus on evaluating the impact of property-led urban regeneration. He is a member of the RICS Planning and Development, Valuation and Commercial Property Professional Groups. He is also a member of the Regional Studies Association, Fellow of the Higher Education Academy, and ACES. paul.greenhalgh@northumbria.ac.uk

Kevin is a regeneration professional, previously working for a variety of public sector organisations, specialising at different times in physical, economic and social regeneration. He has managed various commercial property portfolios and in particular dealt with the various challenges and opportunities associated with vacant commercial property. He is currently a Post Graduate Researcher at Northumbria University, recruited to investigate the incidence, impact and options available to address office vacancy in town and city centres in the UK. kevin.muldoon-smith@northumbria.ac.uk

The project is being overseen by Professor Ernie Jowsey. ernie.jowsey@northumbria.ac.uk

Since Paul's presentation, 'Investigating the Impact of Vacant Office Buildings on Town and City Centres in the UK', was published in Asset, Barnsley 2012, an array of relevant policy and media discussions have further highlighted the complexity of this topic. The PhD studentship awarded by Northumbria University in response is timely.

Introduction

This article is an opportunity to interrogate January's announcement of permitted development rights for office to residential conversion alongside some initial project findings. It argues that the announcement can be positive in certain circumstances, although this is contested and currently difficult to evidence, while available vacant property data resources are variable in quality and often difficult to access. Paul and colleagues welcome continued

input from ACES members.

Evidence Based Futures: Flexible Change?

Crucially, office-based employment is becoming ever more important for the UK economy:

'In 1998 the number of employees working in office-based sectors in Britain was 5.1m. By 2008 this figure had risen to 6.5m. Many of these jobs are located in our cities, particularly the more knowledge intensive office-based jobs that will be vital to future economic growth. In 2010, 72% of Britain's employment in knowledge-based industries was in cities' (Centre For Cities, 2012:2).

Consequently, should government set its new agenda without first defining which vacant office property is still a valuable part of office supply, which

ones are appropriate for conversion and which ones have no viable future? Arguably these questions cannot be answered without a strategic understanding of vacant office property, office supply and wider economic development. Coinciding with research aims, it is questionable whether anyone fully understands:

- where the vacant office property is
- how much vacant office property exists
- what types of office building are most likely to be vacant
- what types of office property have viable futures in either their present or alternative use

Without this information, how can practitioners and policy makers know if there is a correlation between those

properties, that are long term vacant, and those that are most suitable for conversion? Does the permitted development announcement make sense in such circumstances? Does fear of unknown repercussions explain why there have been so many exemption requests from local authorities? How does this perceived incentive co-ordinate with empty property rate exemptions for new build office property but not existing/second hand property?

Consequences of long term vacant office property have been well rehearsed, such buildings display a combination of economic, functional and physical obsolescence, refurbishment opportunities are difficult to fund in the prevailing weak market conditions. Such buildings generate negative externalities: they overhang the local property market and suppress values and investment; they cause visual blight in their immediate surroundings; they represent high embodied energy from their production and a waste of resource, both in terms of capital investment, holding costs and land use. Illustrating this in 2012, Centre for Cities, in their report "Making the Grade" argued that there has been a mismatch in recent years between the demand for office space and supply of it, suggesting that:

'the supply of office space is not supporting the expansion of some of our most successful cities. As businesses look to upgrade to Grade A office space, they leave an increasing amount of Grade B space unoccupied' (CFC 2012:29).

If developers can see the potential returns associated with refurbishing existing space or the council can change its use, then the cyclical nature of the property market will continue to follow the business cycle (CFC 2012:29). However, if this space cannot be refurbished or alternative uses found then the city will face an ever increasing number of obsolete offices which, if not dealt with, will retard the quality and value of the built environment, making it less attractive to businesses, workers and residents' (CFC 2012:29). Can government and its agencies intervene to encourage the property market to

follow the business cycle?

Lessons can be learned from New York and Los Angeles (Beauregard 2005, Bullen and Love 2009) where successful attempts to tackle vacant office property have been detailed utilising a mixture of redevelopment incentives. They explain that once relevant economic conditions improved, demand for office increased and some office to housing conversions were returned to office use. These findings point toward the need for flexible redevelopment proposals and initial design proposals for new buildings which allow flexibility in response to changing market conditions.

All of these issues cry out for a reliable and flexible vacant office based information system which evidences the viable supply of appropriate office space in the UK, ensuring that cities with the potential to support jobs and business growth are not restricted by a lack of suitable office space and those cities with redundant office space can respond to the challenges that ensue, understanding which properties have a viable future in either their present or alternative use. Creation of a redundant office building typology (OBT) and redundant office building solution model (OBSM) will attempt to inform the responses to these questions. The following section details some of the initial challenges associated with accessing and making sense of vacant office property data resources.

Vacant Office Property: Understanding Data and Accessibility

Burdett (1998) referring to the 1990s property recession argues that the hangover of the 1960s and 1970s building boom should be viewed constructively:

'redundant offices represent an opportunity to re-invent the way business and residential accommodation is provided in the centres of Britain's cities. Today's uncertainties should not prevent us from taking researched risks to provide what the emerging markets of the next century need' (Burdett 1998:39).

The first phase of this research utilises existing data resources to understand the nature, scale and extent of vacant office property in town and city centres. It is interesting to reflect on progress in this regard. Does the inverse relationship, defined by Currie and Scott (1991) between complex property markets and the data available to analyse them, still exist? Data access, conformity, comparability and transferability all pose problems; many existing data sources were created for separate purposes and at different times, which makes strategic understanding of vacant office property difficult to develop, and in time, disseminate to enable researched risks.

Information regarding vacant office property does exist, but rarely goes beyond regional and local government boundary level, making hereditament based analysis impossible. The Homes and Communities Agency manages the National Land Use Database (NLUD) which collates information from local authorities regarding previously developed land and premises. However this information is only collected on a site basis making it difficult to focus on actual buildings and their associated characteristics.

The Valuation Office Agency (VOA) publishes useful building attribute information; in May 2012 it published an experimental statistic, covering 2000-2012, regarding floor space and rateable value for a range of bulk classes liable for business rates for each local authority. This statistic highlights the difficulty in comparability between different data sets. It cannot be compared with the Department for Communities and Local Government (DCLG) Commercial and Industrial Floor space statistic, which was compiled until 2009, or data which is available via the Neighbourhood Statistics application at the Office for National Statistics for 1998-2008, which details information on a variety of non-domestic property, including total floor space, rateable value and rateable value per sq m, at the Medium Super Output Area (MSOA), Local Authority District (LAD) and Government Office Region (GOR). The 2012 statistic includes backdated assessments, historical data does not. The methodologies for

processing the floor space data are different and new classifications have been designed with regard to user needs and operational practices in recording data.

Crucially, these data sets do not deal with specific commercial property vacancy. The valuation of property by the VOA doesn't account for vacancy as it is deemed to have no bearing on rateable value. Historically DCLG published a vacancy rate for each LA between 1998 and 2005; this was produced as an overall estimate of the value of empty property as a proportion of the total value of property. Katyoka and Wyatt (2008) argue that this statistic's primary aim was not to measure vacancy, rather tax; it therefore has presumptions that detract from its accuracy. In 2004, Myers and Wyatt argued that government systems often exacerbate the problem of measuring vacancy, with data never collated to evidence the complete picture. Arguably, little has changed over the last decade.

In an attempt to remedy this problem Myers and Wyatt (2004) created an experimental statistic for vacant property. Utilising the VOA rating list supported by the Rating Support Application (RSA) and local authority property taxation information, they arrived at a composite statistic, defining vacancy within local authority areas. The RSA contains various building descriptors such as physical description, age, floor space and post code for each premises surveyed. Business rate returns, collected by local authorities for central government use detail commercial property vacancy at hereditament level, when both of these resources are combined a picture of vacancy at individual hereditament can be defined.

In 2006 the DCLG published a technical report regarding development of commercial and industrial property vacancy statistics detailing how vacancy statistics could be improved by working with local authorities to collate extra information. This method was piloted in Leeds, leading to initial hereditament based vacancy statistics, however it has never been extended beyond the experimental or initial geographic area

due to lack of resource and difficulty in analysis.

This study has assessed the viability of using this method, unfortunately the RSA is not available to the public and the VOA is not currently in a position to release the attribute based information, although it does exist. More positively, during pilot investigations, the study has gained up to date vacancy records for around 100 local authorities utilising vacant property non-domestic rate returns (NNDR), in most cases for either 2011 or 2012, representing about a third of England and Wales. Other local authorities' information was either out of date, not in an appropriate format or not released due to lack of resource, confidentially or 'likelihood of crime'! Although NNDR returns give an accurate description of vacancy they do not contain building descriptors. Commercial information resources such as Estates Gazette and Co-Star are being utilised to create building attribute profiles. Difficulty accessing data via the VOA and local authorities highlights another ACES concern: the current Local Government Transparency consultation. In general this points toward the difficulty in promoting holistic intervention in urban areas, with data not readily available to support analysis to inform effective policy formulation and implementation.

Progress: Evidence based decisions?

Some efforts have been made, at both international and domestic levels, to understand and tackle the issue of vacant office property. The European software project, TOBUS (Tool for Selecting Office Based Upgrading Solutions), illustrates how this could happen with specific regard to functional obsolescence when assessing office conversion. The method can be used for an overall assessment and diagnosis of the existing condition of office buildings, the evaluation of various refurbishment and retrofit scenarios and cost of induced works, in the preliminary stages of a project (Allehaux and Tessier 2002, Balarus 2002).

Kincaid (2000, 2002) in response to the

1990s property recession, demonstrates via an analysis of demand and supply variables how buildings can be adapted in response to changing patterns of demand and how new office buildings should be developed to support a variety of uses and functions. He argues that a degree of redundancy, use ambiguity and flexibility within a permissive and dynamic regulatory system, could lead to more adaptable and sustainable futures for facilities, buildings and infrastructure. He further argues that it is no longer reasonable to assume that new building stock will remain in its original use class. Adaptive re-use may soon become the norm rather than the exception.

In 2011, Decentralisation and Planning Minister Greg Clark (2011) advocated permitted change:

'Patterns of office use have changed as employers prefer large open plan spaces to individual offices and as more and more people work from home. That has meant that there are many offices that have been vacant for years'.

But is it feasible to change office layouts? Abstract Group chief executive, Mark Glatman (2012), responsible for Ruskin Square's Renaissance development in Croydon, has questioned the financial viability of upgrading old offices, warning that, much of Croydon's old stock is only fit for demolition and should not be reused. Robert Peto (2013) illustrates the continuing problem of vacant office property, arguing that the vacant office problem will continue to enter the market, largely un-financeable, as leases continue to shorten and rental values gain further downward pressure. Ominously the Greater London Authority (2013) has warned that new rules, that would allow offices to be converted to homes without the need for planning permission, could potentially result in the loss of up to 340,000 jobs in central London.

Clearly the future of redundant office stock is contested; not all office buildings can be viably converted into housing or any other use. What will happen to those buildings with no viable future and how do we make best use of permitted development rights

for those properties that do have a viable future? Unfortunately there is no detailed evidence base to support these arguments or answer these questions. Development of a vacant office building typology (OBT) and vacant office building solution model (OBSM) offers the prospect of robust evidence based solutions. In time this may be combined with Building Information Modelling (BIM) to understand the best futures for vacant office properties.

This project is only in its infancy but we are always on the lookout for partners to work with and more data is always welcome. Ultimately the OBT and OBSM will only be as robust as the data that goes into them. We welcome ACES members' continued support in developing this resource. Just as importantly we wish to maximise collaboration with ACES and would like to understand what ACES members would like to see included in the study (Kevin will be pursuing this - contact details above). The next few months will see some real change and progress in the subject area and research programme. By the end of the autumn we should know government response to LAs' request for exemptions. With the Government indicating that exemptions will only be granted in exceptional economic circumstances, how do LA's intend to demonstrate that their circumstances are exceptional? Perhaps this research project may be able to provide some evidence to inform decision making.

Bibliography

- Allehaux D.; Tessier P. (2002) Evaluation of the functional obsolescence of building services in European office buildings, Energy and Buildings, Volume 34, Number 2, February 2002, pp. 127-133(7), Elsevier.
- Balaras, C. (2002). "TOBUS - A European method and software for office building refurbishment," Energy and Buildings 34: 111-112.
- Beauregard, R.A. (2005), "The textures of property markets: downtown housing and office conversions in New York City", Urban Studies, Vol. 42 No. 13, pp. 2431-45.
- Bullen, P & Love, P (2009) Residential regeneration and adaptive reuse: learning from the experiences of Los Angeles, Structural Survey, Vol 27, No 5, Emerald Group Publishing Group.
- Burdett, T (1998) Property Management Market Review "Redundant offices", Property Management, Vol. 16 Issue 1.
- Centre for Cities (2012) Making the Grade The impact of office development on employment & city economies, Joe Sarling, Paul Swinney & Ken Coupar, British Council for Offices.
- Clark, G (2011) Increasing the number of Available homes Consultation, Department for Communities and Local Government 8 April 2011 <https://www.gov.uk/government/news/growth-plan-to-transform-empty-offices-into-new-homes>.
- DCLG (2006) Technical Report: Development of commercial and industrial property vacancy statistics
- Glatman, M (2012) Develop Croydon Conference. Tuesday 27 November.
- Katyoka, M & Wyatt, P (2008) An investigation of the nature of vacant commercial and industrial property, Planning Practice and Research, 23 (1), pp. 125-145.
- Kincaid, D. (2000) "Adaptability potentials for buildings and infrastructure in sustainable cities", Facilities, Vol. 18 Issue 3/4, pp.155 – 161.
- Kincaid, D. (2002) Adapting Buildings for changing uses: guidelines for change of use and refurbishment, London, Spon Press.
- Lett, J (2013) London Assembly Planning Committee: 11 March 2013. Greater London Authority.
- Myers, D. and Wyatt, P. (2004) Rethinking urban capacity: identifying and appraising vacant buildings, Building Research & Information, 32(4), 285-292.
- Peto, R (2013) Dealing with Debt, RICS, Commercial Property Journal. February/ March 2013.



SCHOOL PLACE PLANNING

Alan Wharton FRICS

Alan began his career with Southwark Council. He joined Westminster Council in 1988. Since 2009 he has worked on the Education and Children's Services portfolio, and was subsequently appointed Tri-Borough Head of Asset Strategy for the Education and Children's Services. This role combines the pupil place planning function with strategic planning for delivery through a mix of funding sources and procurement routes, including free schools. The 3 councils are combining a wide range of services as well as Children's Services which will be supported by a new property management operation, and other support services. This article is written in a personal capacity.

This article is based on a presentation at London ACES in January 2013. It gives a perspective on the issue of meeting the demand for school places. The experience of Westminster City Council, The Royal Borough of Kensington & Chelsea, and the London Borough of Hammersmith & Fulham, which operate within the Tri-Borough partnership, may be different from other London boroughs, but still offer some useful insights and pointers to good practice.

The London and national position

The stark position in London was set out by London Councils in September 2012:

- The shortfall of primary and secondary school places across the capital is set to rise faster than expected, to around 90,000 by 2016;
- Long-term demand for school places will continue to grow across the capital, with the cost of meeting this expected to reach £2.3bn within the next four years;
- Meanwhile, councils have been working hard to provide a total of 241 new classrooms across London to meet the demand for pupils beginning reception class in September 2012;
- In 2012, an extra 6,000 children applied for a reception place in London compared to September

last year, bringing the total number of applicants to 100,000;

- Councils also faced almost 10,000 late applications for places, the vast majority of which were met, but by July 2012, there still remained 800 children across London who did not have a place for September.

The National Audit Offices' report into Capital funding for new school places, 15 March 2013, identified some key findings on school place planning, including the following:

- Despite a net increase of almost 81,500 primary places from 2010 to May 2012, 256,000 new school places are still needed from May 2012 by 2014/15. Forecasts of future need are inevitably uncertain but the demand for school places is projected to increase beyond 2014/15, 240,000 of the places required by 2014/15 are primary places, of which 37% are in London. Other areas with high levels of demand are Leeds, Manchester, Bristol, Cambridgeshire, Derby and Hampshire.
- In 2010, the Department had estimated that 324,000 additional places would be needed by 2014/15. In 2012, the Department expected demand to continue to rise, and 400,000 further places could be required by 2018/19.

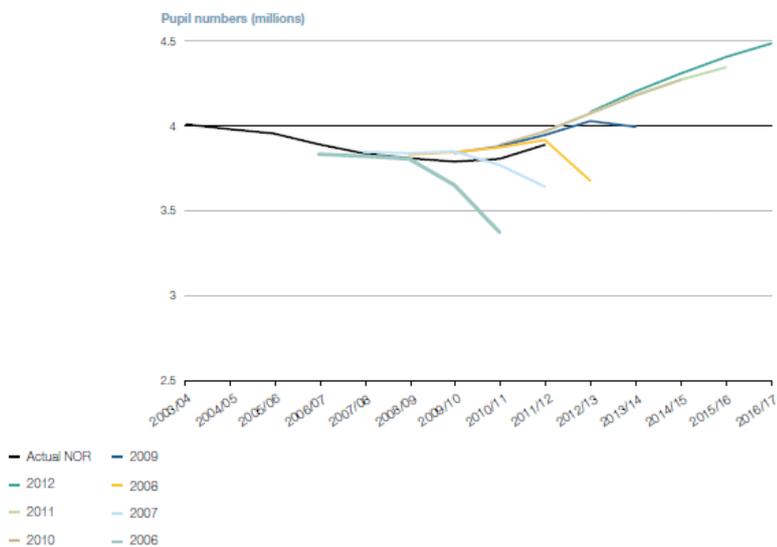
Calculating the demand

The drivers of demand are not difficult to identify, but they apply differently in each area and are subject to a large number of variables, including natural growth, immigration, new housing and regeneration, and socio-economic factors such as deprivation. Factors such as Housing Benefit caps, and the numbers of children being educated in independent schools or travelling to others areas, pull in the other direction. A complex picture emerges, with some elements being fairly predictable and constant, with others being likely to change, sometimes quite suddenly. For example, the Greater London Assembly calculates that an average of 80.6% of secondary age children in outer London attend a maintained (publicly funded) school in their borough of residence, with a slightly lower figure of 76.1% in Inner London. The latter figure covers a range from 94.6% in Tower Hamlets to 56.7% in The Royal Borough of Kensington & Chelsea. That ratio is not surprising, but does not mean that either has an easier task in planning for school places relative to other boroughs. In Kensington & Chelsea, the rising levels of primary age pupils will feed through to the secondary sector, when the ability of parents to educate their children independently may not be so assured. Within the borough boundary, some areas remain under considerable pressure, while others have a surplus of places. Across the boundaries, areas of pressure sit side by side with areas where there are surplus places. A new free school can potentially have a significant impact on local demand, meaning an existing nearby school

Aggregated local authority forecasts of primary pupil numbers

Figure 4
Aggregated local authority forecasts of primary pupil numbers

It was not until 2008 that local authorities started to predict increased pupil numbers and their projections failed to predict the longer-term rise until 2010



Pupil numbers (millions)	2003/04	2005/06	2007/06	2009/10	2011/12	2013/14	2015/16
2006 estimate	-	-	3.82	3.85	-	-	-
2007 estimate	-	-	3.85	3.85	3.64	-	-
2008 estimate	-	-	-	3.85	3.92	-	-
2009 estimate	-	-	-	3.84	3.95	4.00	-
2010 estimate	-	-	-	-	3.97	4.18	-
2011 estimate	-	-	-	-	3.97	4.18	4.35
2012 estimate	-	-	-	-	-	4.20	4.41
Actual NOR	4.01	3.96	3.84	3.79	3.89	-	-

NOTE
1 NOR - Number on roll.

Source: National Audit Office analysis of local authority aggregated forecasts, 2004-2012

suddenly faces a viability issue. All these issues mean that the school place planning strategy requires regular, and frequent, revision.

The Department for Education is undertaking further research to consider the uncertainty of the long-term estimates, due to the increasing priority to target capital funding to areas which have the greatest need. About two-thirds of London authorities currently subscribe to the GLA School Roll Projection Service. This produces 10 year projections and beyond, but does not take account of proposed new housing developments, or schools which are planned but not yet in operation. Individual boroughs apply these local factors to the projections for their own strategic planning, and some use a completely independent methodology. The GLA is consulting

on a new pan-London School Rolls Projection scheme, which will, if approved, provide a mandatory service applying to all boroughs with the intention of delivering a more consistent picture across London. It will look at roll projections at 'planning area' level, thus providing an analysis of trends on a geographical basis within each authority which is in line with the DfE's new approach to calculating capital funding for new school places. It will also account for specific cross-boundary trends for both primary and secondary pupils.

Standards and Costs

The benchmark for space and quality standards is contained in the Building Bulletins (including BB99 for primary, BB98 for secondary, and BB102 special needs.) These are advisory, and almost

impossible to meet in dense urban environments. The Royal Borough has adopted a design manual which seeks to apply a practical approach whilst acknowledging the intentions of the Building Bulletins, and sets out a policy against which the very different space standards for free schools can be measured when proposals are made for new schools in the Borough. The manual helps in negotiations with developers who have undertaken to include a new school in schemes as a result of s106 agreements or commercial land deals.

The costs of assembling sites for schools in central London are very high. In central London, a new 2 form entry primary school can cost between £6m and £12m or up to £28,000 per pupil place, excluding land value, depending on whether the project is part of a larger development or a free-standing building. This can be twice the sum assumed by HM Treasury to be the average cost used in the capital funding allocations. The NAO report states that the DfE initially assumed that local authorities would contribute 20% of the cost of providing new places, but in its survey noted that authorities reported making an average contribution of 34%. To meet the shortfall, it found that authorities are using capital allocations intended for maintenance (potentially storing up future costs by deferring repair work), and applying capital from s106 payments or other corporate resources.

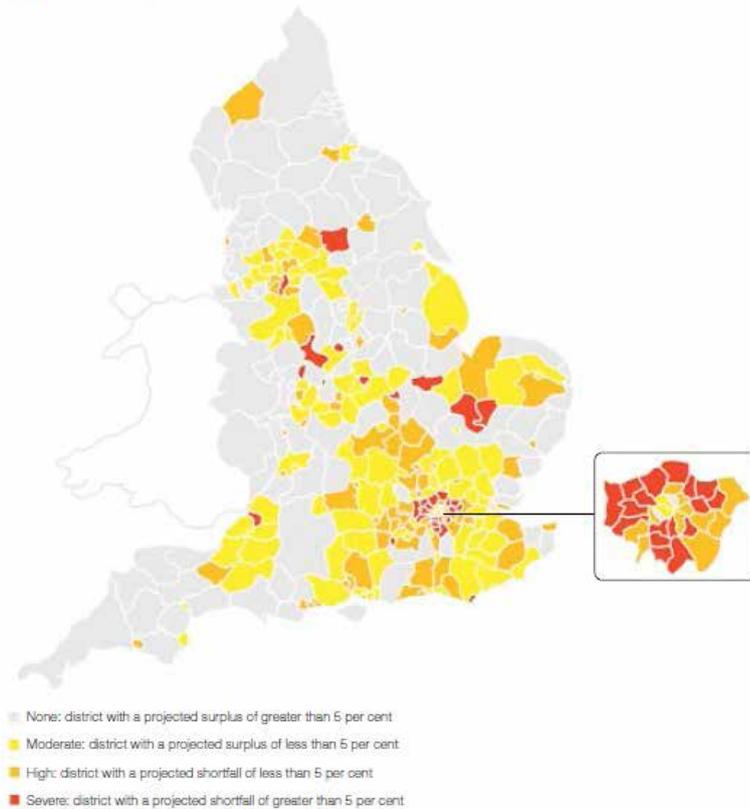
The role of the local authority

Local authorities are statutorily responsible for ensuring that there are sufficient school places for every child who needs one. Authorities rely on co-operation from existing schools, but they can only direct the expansion of community and voluntary controlled schools. However they can only influence the siting of free schools through liaison with the proposers and the DfE. Individual sites and buildings may offer little new scope for change. Where an increasing number of school places are provided in future by free schools, and schools which have converted to academy status, the formal

Primary places required across England by 2014/15

Figure 5
Primary places required across England by 2014/15

Increasing pressure for primary school places will become severe in some parts of the country, in particular, in London



NOTE
1 Need is defined as the number of additional pupils as a proportion of capacity. It is assumed each district needs a minimum of 5 per cent surplus to ensure some parental choice and to allow for operational flexibility.

Source: National Audit Office analysis of 2012 School Capacity data

powers of the authority are much more limited. These schools are also able to set their own admissions criteria.

Boroughs where school standards are rising will expect to attract demand from areas beyond its boundaries, and experience has also shown that free schools and academies attract new demand for places. This can potentially de-stabilise existing schools. There is also a distinction between 'need' and 'demand' which can be difficult to manage when planning for new places and using limited funding opportunities.

Despite this, the role of the local authority in strategic school planning is accepted by both the government and organisations such as the GLA and London Councils. There is a close working relationship in most authorities between the education service and

the property department in trying to maximise the use of the existing building portfolio, and respond to new school proposals. Some tensions will arise however, because many authorities are under considerable pressure to release property assets for capital receipts – and school assets invariably occupy large and valuable sites. It was not long ago that many authorities were releasing school sites due to falling rolls, or sites being in the wrong place at that time. The scenario of a school site being declared surplus and sold, and then attracting the attention of a free school proposer seeking support from the same local authority to secure it, is not unknown.

Free Schools

In addition to the familiar community and faith schools, the publicly funded

school portfolio now includes an increasing number of new free schools, and existing schools which have converted to academy status. There are also schools specialising in Special Educational Needs (SEN), Alternative Provision (including Pupil Referral Units), sixth form colleges, and studio schools. Local authorities have new responsibilities for pupils with learning disabilities up to the age of 25. Free schools and academies are not restricted to primary or secondary schools: in the Tri-borough area, the Alternative Provision service is now operated by an academy trust, and a number of free school proposals have been made for the SEN sector. Some authorities also have schools outside their own boundaries which are a legacy from previous authorities, such as ILEA, and that do not meet current requirements and can be expensive to manage and maintain.

The government intends that new schools in future will be free schools. These are funded separately from the Basic Need allocations to local authorities, which works on the assumption has been that this funding will be used for permanent expansions of existing schools.

The Tri-borough experience shows that it is beneficial to adopt a flexible approach to meeting the demand for new school places, from a range of options. Many existing schools still offer scope for expansion with relatively little capital outlay, which could also improve the buildings and reduce long term maintenance expenditure. This depends on an accurate calculation of capacity and considering whether all spaces within the buildings are being used effectively. Policies for responding to free school proposals can legitimately include the extent to which they will contribute to meeting the authority's need for new places, as opposed to the 'demand' which responds to parental preference.

The NAO report notes that the Free Schools Programme was not primarily intended to deliver places in areas of shortage. About 10% of the places needed between May 2012 and 2014/15 would be available in free schools,

Local authority solutions for providing primary places

Figure 11
Local authority solutions for providing primary places

Local authorities use a broad range of solutions

Solution used

School organisation

Increased numbers of Forms of Entry

Bulge classes

More pupils in existing classes

More mixed-age classes

Opening of a new school

Support for a new Free School proposal

Accommodation solutions

Construction of a new permanent extension

Installation of temporary accommodation

Conversion of non-classroom space

Reduction in playground space

Construction of a new school

Reopening 'mothballed' space

Reduction in space standards

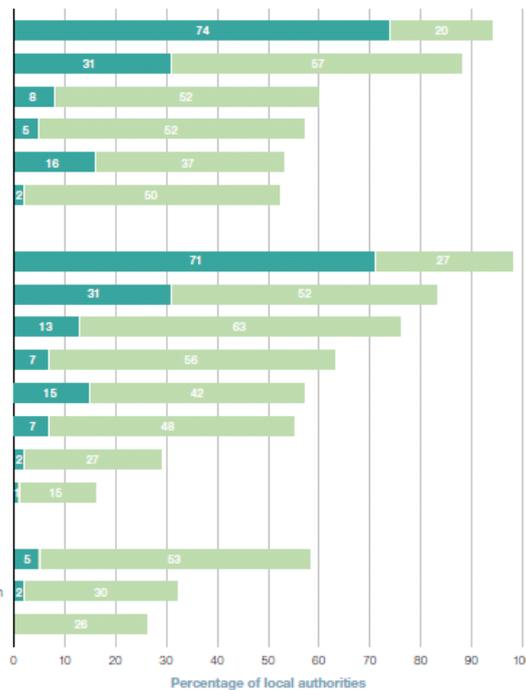
Use of non-school properties

Non-accommodation solutions

Acceptance of increased pupil travel times

Increased local authority funded bussing of children

Other local authority funded transport solutions (eg taxis)



Great extent
Some extent

NOTES

1 Base: 122-125 local authorities.

2 A 'bulge class' is an additional class within a particular year group, not involving a permanent expansion of the total number of forms of entry for a school as a whole.

Source: National Audit Office survey of local authorities

however only 8,800 would be in primary schools, and most free schools would not be operating at their full capacity by 2014/15. This results in considerable pressure to find interim solutions, which is often an expensive exercise.

A careful analysis is also required to assess the extent to which SEN and sixth forms can be provided for within existing schools as distinct from new buildings, and whether options for re-designating schools and site swaps may present opportunities. All these are complex matters requiring far more than resolving building and land challenges.

Capital Funding

The government announced the Basic Need allocation in March in which it had sought to take more detailed account of pockets of demand within authorities' own geographical areas as well as

demographic predictions. The NAO notes that the DfE has used 4 different methods to allocate funding since 2007; it is clear that the government is seeking to ensure better value for money from scarce resources by a closer reflection of actual need, together with national review of school building condition, more effective procurement, and more transparency over the impact of funding in future. Formula based allocations, including top-ups to meet unforeseen pressure, are on the way out. Funding in future will increasingly rely on a bidding process, and this already includes the budget for new free schools and provision for the post-16 year group.

The insufficiency of central capital funding means that authorities frequently use a mixture of capital sources for their projects, which typically includes planning gain funds, and, where possible, land deals where

re-aligning a school can release land for sale with the proceeds re-invested in the development. The Tri-borough councils have recently reviewed the calculation of child yield for planning gain negotiations to make them more consistent; but the flexibility afforded by the Community Infrastructure Levy where funds can be pooled across the tri-borough area could help significantly when applying a more integrated approach to school place planning. The local criteria, whereby the interests of each borough are not unduly sacrificed in favour of another, remain to be calculated.

The Tri-Borough approach

The approach to school place planning and capital investment across the Tri-borough group varies, as it would in any area. Each borough now has a School Organisation and Investment Strategy, up-dated in March each year, setting out a summary of the pupil projections and matching these with an investment strategy. These strategies will be produced in a similar format, so that they can then be compared easily across the Tri-borough area, and linked strategy can be produced for any given sector. The documents will feed into the planning infrastructure plans. By having these plans, the different backgrounds which have resulted in the existing portfolio can be taken into account, which may influence the strategy for the future.

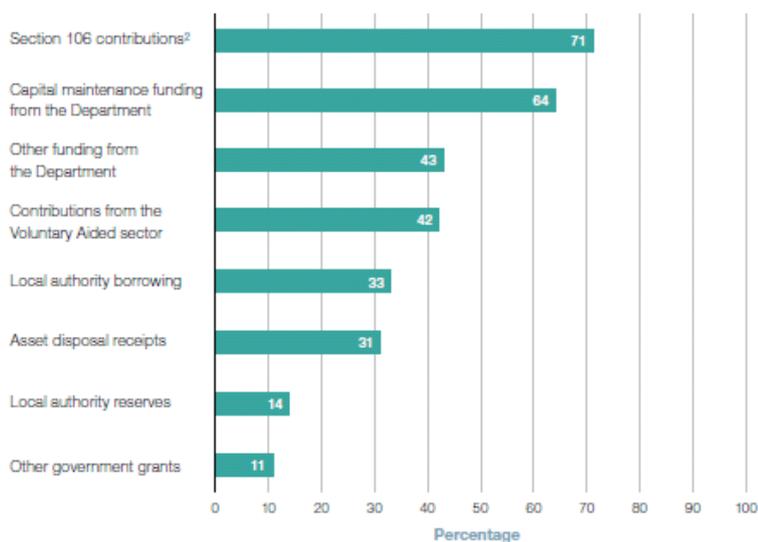
Westminster has invested heavily in the secondary sector through the BSF programme, and all but one of the 10 schools is also now an academy. Until 2010, there was little need for new investment in the primary sector, but that changed just as the Primary Capital Programme was cancelled. Two large sites had been released for disposal, including one which was a former secondary school site following relocation, and another inherited as a cleared site for a primary school from ILEA. The area is also benefitting from free schools. In Kensington & Chelsea, a large programme of building new schools in both primary and secondary sectors is underway. This is financed largely through property deals and planning gain, with a substantial

National Audit Office March 13, fig 12

Local authority sources of financing their share of costs for new places

Figure 12
Local authority sources of financing their share of costs for new places

New places funding often comes from section 106 funds and maintenance funding



NOTES

1 Base: 104 – 118 local authorities.

2 Section 106 contributions are contributions from developers under the planning system towards improving local infrastructure.

Source: National Audit Office survey of local authorities

contribution from Council reserves. Need varies within all the boroughs by location, as anticipated by the DfE's decision to take account of planning areas. In Hammersmith & Fulham, evidence of rising need has resulted in substantial Basic Need allocations, but no BSF funding. Free schools have also contributed to meeting the need, including the pioneering West London Free School founded by Toby Young. Schools are required to participate in a borough-based bidding process to allocate the funding so that there is a strong incentive to target education attainment as well as building improvements.

The 3 councils have agreed a common policy towards free schools. The free school concept is welcomed, as all councils are seeking to promote choice and high standards. The policy states that Council-owned property assets will only be made available to proposed free schools or academies at less than open market value (either by sale or by way of a lease) where they will assist

the Council in discharging its statutory responsibility to provide sufficient school places in the area affected.

Both Westminster and Hammersmith & Fulham are areas of rising population growth accompanied by pressure on school places, whereas Kensington & Chelsea is relatively stable. This requires a different strategy for each. However, the boroughs are co-operating on some projects using a bi- or tri-borough approach, such as the new multi-academy trust for alternative provision.

To illustrate, Westminster prepared a strategy in 2010 for expanding existing schools. Almost as soon as the strategy was approved, a proposal for a free school was received under the new provisions, in an area which the research indicated was in need of additional places. The Council then formally accepted the principle of free schools and found an interim solution using a converted building. The school is due to open on its permanent site in 2014.

This experience illustrated the extent to which a local authority can quickly become involved in a series of complex development projects, service re-locations, planning negotiations and community engagement, the total cost of which far exceeds the capital funding available from government for the project, but may at the same time be the catalyst for implementing other service strategies which have stalled for want of an injection of capital or political support.

The need for new places must be acknowledged and planned for in a strategy that needs constant revision, and is now updated on an annual basis. Westminster had not envisaged that free schools would be a part of the solution, but subsequent events mean that free schools will meet all, and more, of the forecast demand. The local authority's contribution, both financially and in professional property expertise, in facilitating these schools, is considerable.

At the same time, and despite the number of community and faith schools converting to academy status, the existing portfolio provides a major resource. Expansions and well-thought out improvements can make a significance difference to the number of school places available, and the quality of education provision delivered for the next generation.



HOW WIDE IS A RIGHT OF ACCESS?

Alastair Paul

Alastair is an associate in Knight Frank's Rural Consultancy department advising private, corporate and publicly owned rural estates and investment portfolios in the Home Counties and East Anglia. He has an in depth knowledge of the issues of land ownership on the urban fringe and this has led to him advising land owners in connection with land that they hold for the prospect of future development. Alastair.paul@knightfrank.com

Alastair looks at a recent Court of Appeal ruling concerning access rights. He concludes: "owning farm land that cannot be accessed by modern machinery ... will have potentially significant adverse impacts on rent and capital value." Access rights must be appropriate to the use of the land.

Having recently helped a local authority to resolve an access issue through a farmyard to a farmhouse that was sold many years ago, this led me to investigate the recent case law on what is a surprisingly relevant subject to all types of landowners. My advice to the local authority was timely, as over the last 2 years the issue of the access along farm tracks has been under intense scrutiny.

In the rural world, taking access from the public highway to reach your land over a track owned by a third party is common place. It is generally accepted and hasn't until more recently caused too many high profile problems.

The catalyst in a recent court case was the fact that farm machinery, and to a certain extent farm related lorries and commercial vehicles, have increased dramatically over the last 20–30 years.

No one blinks an eyelid when driving past a farm track where the tyres belonging to tractors, combines, spreaders and harvesters, have rutted

and ribbed the verges making a complete mess, or a hedge cutter has decimated the adjoining hedges and trees to allow for such access. Apart from the mess, this is little for anyone to be worried about, provided the person using the track owns the verges and hedges but things become a little more complicated if he does not.

In this scenario, the normal course of events is that the track owner asks the farmer not to go beyond the width of the track and of course if obeyed, the farmer becomes incapable of accessing with his machinery. This appears more prevalent on the urban fringe where track owners are often smaller hobby farmers or single or groups of residential property owners. These people do not want their smart driveways destroyed.

Out of the recent court cases surrounding agricultural access there is one of key importance to land or rural portfolio owners, especially those who have sold or are currently selling areas of land. This is *Oliver v Symons* 2011 in which the court of appeal upheld a high court decision that a right of way granted in a conveyance for a vehicular use was strictly limited to the width of the existing track.

The facts of the case look rather day to day but the implications of the ruling are quite significant.

In this case the claimant's family owned the farm. The mother owned the farmhouse and 2 acres of paddocks leading up to it; the sons owned the land. The sons had a right of access over the mother's drive through the paddocks to reach their land. The conveyance described the rights as "to go, pass and re-pass, with or without motor vehicles and agricultural machinery or on foot only (as appropriate) over and along the access way over the property showing coloured yellow on the said plan".

Of course there was no issue, until the mother sold the farmhouse and paddocks to the defendant.

Some years later the claimants were granted planning permission to convert farm buildings on the farm to 3 dwellings. A condition of the planning permission was to construct a new access to the site in advance of the work starting.

The claimants could have used the new access road for their farm machinery but to keep the new access in keeping with the new dwellings and not muddy the road with farm machinery, they wished to continue using their right of way.

Over time the defendants erected gates, which prevented certain types of wide agricultural machinery from using the track. The parties could not agree how



have been the reasonable expectations of the parties to their original conveyance.

The court referred to a historic 1968 case (BT Engineering v Barland) stating that there was no implied right to reasonable lateral swing space as it would mean that the land owner could therefore use corridors of land extending well beyond the boundaries of the track, the justification being that a land owner has the right to build up to their boundary.

The decision was that the right of access should be construed narrowly, so that a right does not extend any further than the width of the track itself and that it does not include use of the verge of the track to negotiate round tight corners except where this is already evident and therefore has become part of the track.

It is obvious to say that the implications of this ruling are significant in that owning farm land that cannot be accessed by modern machinery, and therefore, incapable of being farmed in a modern and cost effective manner, will have potentially significant adverse impacts on rent and capital value.

The clear message is therefore: - what is shown on the plan will be exactly what is allowed on the ground and therefore careful consideration must be given to access rights conveyed in sales and purchases to ensure that access is appropriate to the use of the land.

the track should be used and referred the matter to court. The High Court ruled that the right of way was limited by the track itself as provided for in the conveyance.

The claimants appealed on the basis that the High Court had wrongly construed the extent of the right of way and that the right must include some tolerance for wide loads, which they described as “**swing space**”. The court of appeal dismissed the appeal referring

to the words in the conveyance, robustly concluding there were physical limitations on the exercise of the right.

The court also distinguished between “**verge space**” which is where vehicles occasionally veer onto the grass verge, and swing space, being the greater tolerance for wide loads. It held that occasional use of verge space was reasonably necessary to exercise the right of way, however allowance for swing space went beyond what might



HELPING PROTECT YOUR ASSETS

We understand that striking a balance between maximising your assets and demonstrating value for money is complex, never mind the added challenge of budget cuts.

Knight Frank can work with you to develop an asset management strategy and implementation plan to deliver the best outcomes.

We are also approved suppliers on a number of government frameworks, making it easy for you to work with us.

For further information contact:

Duncan Thomas
+44 20 7861 5388
duncan.thomas@knightfrank.com

Chris Hemmings
+44 20 7861 5390
chris.hemmings@knightfrank.com

Alastair Paul (rural property)
+44 7768 232 922
alastair.paul@knightfrank.com

KnightFrank.co.uk



COMMUNITY GROWING AND THE NEED FOR LAND

Jade Bashford, Community Land Advisor

Jade has worked in the local food sector for many years, including 12 years for the Soil Association. She has been involved in public procurement, community planning and innovative models such as Community Supported Agriculture (CSA). She is active in community and commercial local food schemes herself, as a founder and director of Stroud Community Agriculture and Stroud Brewery. www.communitylandadvice.org.uk

Jade provides a summary of the work of the Community Land Advisory Service in bringing into temporary or permanent cultivation a whole range of land parcels. Community gardening is something ACES members can encourage.

Over the last few years, community gardening – particularly food growing – has become extremely popular in the UK, fuelled by the ‘grow your own’ message and an increased awareness of other issues such as health, well-being and climate change.

The Federation of City Farms and Community Gardens (FCFCG), an organisation which supports and promotes community growing, estimates there are now well over 1,000 community gardening groups in the UK and this number continues to rise. These projects are usually run by local people, on a voluntary basis, and take many different guises including community gardens, community orchards, wildlife gardens, small market gardens, play parks and associated green spaces.

fact, the Department for Communities and Local Government published a Guide in August 2012 designed to encourage more involvement, called Space For Food Growing (www.gov.uk/government/publications/space-for-food-growing-a-guide).

All, it would seem then, is rosy in the community garden. However, there is a major stumbling block. The dramatic surge in demand for suitable plots of land, in both urban and rural areas, means statutory provision has long-since been surpassed and many



Hand-in-hand with this growth is a wider recognition among policy makers that community gardening is something to be encouraged and supported. In

would-be community groups are stalled, unable to find a site for their activities or negotiate a lease for a patch of land they have found.

In order to get over this hurdle, FCFCG has set up the Community Land Advisory Service, an independent initiative which gives landowners and community groups the support and information they need to work together. And in turn, CLAS is encouraging landowners, including local authorities, to consider whether their under-utilised land can be turned over to community use.

Benefits

Naturally, the question for many land managers and landowners concerns the value of leasing land to community growing groups. The answer is simple: community gardening produce a wide variety of benefits and opportunities.

This is backed up with hard evidence from research conducted by FCFCG called *The True Value Of Community Farms and Gardens*, which concluded that: "The work of community farms and gardens provides tangible benefits to many people's lives, increasing their well-being, community involvement and pride in their local environment. These benefits go a long way towards supporting government agendas in relation to health, education, climate change and social inclusion, amongst others."

There's more. Community growing supports the protection and promotion of biodiversity and makes a contribution to sustainability, making them of interest to land managers, local authorities and other government agencies within the legislative and policy landscape. Providing access to land for growing can also contribute to the outcomes of local and national policies on social action and empowerment. Together this builds community resilience and capacity and acts as a 'nursery' enabling talent and enthusiasm to grow.

By allowing community groups' access to underused land, councils benefit from reduced maintenance costs and site improvements as well as gaining a potent weapon in the fight against anti-social behaviour, such as vandalism. A local community food growing project can also stimulate other community activity such as village fairs and street parties.

Projects can aid social inclusion through involvement of excluded or vulnerable groups such as the elderly, minority ethnic communities or ex-offenders. Many projects offer opportunities to learn how to grow, cook, socialise, co-operate and problem solve at any age. And some offer more formal training opportunities, both casual and structured schemes leading to qualifications or experience for employment.

Community growing can also improve health and well-being by improving diet and fitness, while it also has therapeutic benefits for groups such as people with special needs, the elderly and infirm, and those with mental health problems.

Finally, access to growing opportunities also helps reduce food miles, improves food security and lowers the carbon footprint.

Suitable Land

It is often mistakenly assumed that all this activity needs a lot of land or specialised sites. But community growing groups are potentially interested in even the smallest parcel of land, for example a flower bed in a local park. Small plots of disused land held by councils are often ideal for new groups starting up with limited resources and personnel. However, don't ignore larger areas of land either, as different types of groups have different needs. For example, community supported agriculture (CSA) projects can function on about 6 acres, while a few groups have sites up to 45 acres or manage whole woodlands.

Contaminated land is not ideal, but neither is this an insurmountable difficulty. Clever use of raised beds or container gardening can be utilised, or a project based around tree planting and wildlife, rather than food growing, could take place.

Unused land that has been earmarked for potential development does not have to be vetoed either. Some local authorities have successfully used 'Meanwhile Leases' (created with government backing) which grant temporary use of a site for community

use until development begins.

A 'Meanwhile' site can be ideal for establishing a new project that can move on to a different site in a year or so. Some projects are geared to work well on temporary sites; they grow in moveable raised beds built with wheels holes for forklift spikes, ready to relocate to the next site. Calling a lease a 'Meanwhile lease' reminds those involved that the site is temporary and the short term nature must be incorporated in the community group's plans for the project.

Where to Start

There is no set plan of action or straightforward good practice guide available, though a general Guide for Landowners has recently been published by CLAS in Scotland (available from the CLAS website) and versions for England and Wales are in development.

However some local authorities have taken the initiative and are showing the way. For example, Manchester City Council has appointed a member of staff to deal with community land access. The council has also devised a template Heads of Terms to be used to with community groups to help smooth the lease process for both community groups and the council's legal department.

CLAS also recommends half a dozen top actions that local authorities can take to help with community access to land:

1. Have a single point of contact:

A primary contact to keep track of a case through the process and across departments ensures continuity and coherent action. Many community groups find it extremely difficult to navigate the complexities of multiple council departments. The group might need help from planning, legal, estates, community development and small grants departments for example.

2. Devise a community land policy:

Creating a single policy about using assets for community benefits (rather than individual departments having different policies) which includes a clear pathway for community development,

site matching and leasing would help both land managers and community groups.

3. Improve outreach: Putting some resource into outreach to get to know the needs, strengths and weaknesses of community groups may appear difficult in these cash-strapped times, but could be beneficial in the long term.

4. Make land information available: Collating and making available information about the land held by all the different departments improves the chances of matching a group to a suitable sit.

5. Create a community group questionnaire: The questionnaire helps the council assess whether the enquiry is simply from an enthusiastic individual with a hopeful idea, through to a properly-formed group capable of negotiating a lease and taking on a site. A template based on a questionnaire created by Bristol City Council is available on the CLAS website.

6. Talk to CLAS.

CLAS Support

The Community Land Advisory Service is an impartial, collaborative service currently operating in England, Wales and Scotland, which aims to increase community access to land. CLAS helps land managers and community groups gain satisfactory agreements on access to land. CLAS acts as bridge between local community groups and landowners, offering one-to-one support and advice from a small team of specialist advisers, as well as online information services.

Our website is furnished with a mixture of links to recommended existing documents elsewhere on the internet and original documents written by the CLAS team such as a simple heads of terms template and guidance written for people with no property experience. Template leases and licences were also included along with a commentary on how to use them.

Training courses have been developed and delivered on leases and licences,



planning and buying land which have had excellent feedback and have been delivered to both community groups and landowners and their advisers. We've had a number of council staff attending the training, those who found it of particular value were those who are the link between a council's legal and property department and the community group seeking land, such as the green space strategy officers.

We regularly meet with local authorities, housing associations and other landowners in order to help bring unused land into community use.

Case study: Simms Hill Shared Harvest

Simms Hill is a community supported agriculture project (a farming model where the community provide support in the operation of the farm).

Simms Hill members commit to having a share of the harvest for a season rather than buying vegetables occasionally, helping protect farmers against losses in a poor season. The budget for the farm and what members contribute is negotiated, seeking to establish a fair and transparent deal for all concerned. This may include subsidised membership for members on low incomes.

The aims of Sims Hill are to provide quality fruit and vegetables, grown using natural farming methods. Offer opportunities for education, work and recreation to the wider community, inclusion and support to people who are socially or economically marginalised and to build community life through creating a relationship with food and its production.

The land is rented on a 7 year lease from Bristol City Council and is located on Bristol's historic (and fertile) agricultural land. It employs 2 part-time workers and currently produces enough vegetables for 40 households but there are plans to increase productivity to bring it up to 60 households. www.simshill.co.uk/

Other case studies are available via the CLAS website.



RIGHTS TO LIGHT – A LOCAL AUTHORITY VIEW OF THE WINDOW?

Christine de Ferrars Green

Christine de Ferrars Green is a partner in the real estate practice at national law firm, Mills & Reeve LLP. Her work involves a wide range of property matters, specialising in development schemes, both large and small. Together with others in her practice, rights to light issues arise frequently in urban redevelopment projects and give rise to significant concern. Christine.deFerrarsGreen@Mills-Reeve.com

Christine sets out an overview of the Law Commission's recently published report on rights to light. The Commission has requested evidence from local authorities about the use of Section 237 Town and Country Planning Act 1990 to resolve rights to light disputes in development schemes. The report also proposes extending S84 Law of Property Act 1925 to cover rights to light.

Law Commission Consultation Paper

In February this year, the Law Commission published a consultation paper on rights to light. A couple of days later, the Daily Telegraph gave the report front page coverage, calling the consultation "a new assault on planning rules". The newspaper looks set to campaign for the "common man" against "greedy developers" (my terms, not theirs, I hasten to add) in much the same way as they did on the National Planning Policy Framework, last year. If that is the case then we can expect the Law Commission paper to attract more coverage and give rise to more interest than is commonly the case for such consultations.

Ordinarily, rights to light are regarded as a property law matter, and one that is increasingly troublesome in development schemes in built up areas. This is particularly so, following recent court cases. Indeed, the Law Commission's consultation was launched

following the High Court's decision in Heaney (HKRUK II (CHC) Ltd-v-Heaney [2010] EWHC 2245 (Ch)). In that case, the Court ordered the demolition of the top storey of a completed building in Leeds city centre, because it interfered with the flow of light to a neighbouring building. This was so, even though the owner of the affected building had delayed in asking the Court for an order. In fact, demolition has not taken place. Although the developer appealed to the Court of Appeal, that appeal was never heard as the parties settled the matter out of court. Doubtless, a considerable sum of money was paid for the alleged interference to the right to light.

Difficulties with rights to light in development schemes

A right to light can be an important feature of the building. The flow of light to windows in a building can make it a better place in which to live and work, than without that light flow. The owner of such a building will be keen to preserve the right to light. However, in some cases, an owner may be happy to give up the right, replacing it with internal, artificial light and will pursue a claim for right to light in order to extract money from the owner-developer of the neighbouring land in return for the release of the legal easement of light.

The current state of the law is such that in some circumstances affected owners can increase monetary payment simply by the threat of an injunction to prevent, or interrupt building works.

Some will say that the payments made in these circumstances are out of all proportion to the actual loss which the building owners suffer when giving up their rights to light. Rights to light are, therefore, on the one hand seen as a potential money-spinner for the building owner claiming to be adversely affected and, on the other, a serious consideration in the profitability and viability of a development scheme by the owner-developer facing a claim.

Proposals for changes in the law

The Law Commission's proposals set out a number of suggestions for creating a new balance between owners who wish to protect the flow of light to buildings on their property and developers wanting to develop neighbouring land. The aim is a reform of the law, to end the excessive costs and delay to developments which can occur as the law operates at present.

The acquisition of a right of light is usually by prescription, rather than by written legal grant. It is a passive process: the windows in a building receive a flow of light for 20 years, after which the right becomes permanent. This is so, unless the owners of the neighbouring land can show that they granted written permission for the flow of light. One of the Law Commission's proposals is to abolish prescriptive rights, although this abolition would not be retrospective, so that change in the law in itself will do little to alleviate the

issues in established developed areas, where redevelopment is proposed.

The legal remedies for interference with a right to light are an injunction, ordering a developer not to start building, to stop building, or to demolish a building which interferes with a right to light. Instead of an injunction, the Court may order payment of compensation to the prejudiced party. The inconsistency of approach by the courts on when, and how much, compensation is payable has led to considerable uncertainty for developers. The Law Commission proposes to clarify the law with a new test of proportionality. If adopted, a court would not award an injunction if its effect would be disproportionate. In deciding proportionality, the court would look at the conduct of the parties and whether the party claiming has unreasonably delayed in taking court action to prevent interference with the flow of light.

The report also sets out a notice procedure, for bringing rights of light issues to a head. If these provisions are passed into law, a developer would have to serve notice on a potential complainant. The complainant would then have to choose whether to seek a court order preventing development, or alternatively claim only financial compensation. If opting for a court order, there would be a requirement to commence proceedings within a stated period. If choosing compensation, the developer would be able to begin development safe in the knowledge that the building process could not be stopped.

Section 237 Town and Country Planning Act 1990

When considering alternative ways in which rights to light issues are resolved, all of which involve incurring costs, the consultation paper takes a detailed look at Section 237 Town and Country Planning Act 1990. This has been used by some local authorities, particularly by the City of London Corporation, to encourage negotiated settlement and also to force a resolution where no such settlement can be reached. The paper cites several disputes around major redevelopment schemes in London.

Readers will be aware of others.

Where local authorities are keen to support and promote redevelopment, in the appropriate circumstances they will be prepared to use the statutory right given by Section 237 to override established rights and interests in land, in order to facilitate that development. So, Section 237 has been used by local authorities to allow development by third parties, where it would otherwise be prevented or put at serious risk, because of the existence of rights to light burdening the land to be developed.

A Section 237 scheme involves the local authority either acquiring or appropriating already owned land, for planning purposes and, save where the development is actually being carried out by the local authority, then selling or leasing the land in question for development in accordance with a consented scheme even though doing so would interfere with a neighbour's right to light.

The report recognises that Section 237 is a useful mechanism by which some of the problems associated with rights to light can be managed. However, the circumstances in which this is the case are limited, where private, developer-led schemes are concerned - because of the requirement to involve the local authority, the conditions and considerations which have to be taken into account in relation to the exercise of a public function and the fact that it is likely to be of use only in respect of a relatively small number of developments. However, many local authorities will, undoubtedly, be keen to follow the City of London Corporation's policy of using the powers under Section 237 to ensure that developments "deemed to promote economic development and other public benefits... can proceed without running the risk of injunctions being applied with regards to rights to light" (Para. 7.56 of the Consultation Paper).

A particular issue with Section 237 is where the local authority acquisition is made through compulsory purchase, when compensation for diminution in value is payable. In these cases, there are no precise statutory rules as to

how Section 237 operates. So, as the Commission's report identifies, there is no statutory control on process or timing to be followed when exercising the power, nor is the nature and content of communications to be sent to neighbours prescribed. The absence of specific provisions can lead to circumstances where both local authorities and landowners may be unclear about what is required of them when the Section 237 procedure is being used.

The Commission's paper also recognises that local authority participation in private development projects requiring the use of Section 237 will often lead to local authority involvement in expensive and convoluted schemes, where land usually has to be transferred into the local authority's ownership and then out again, with associated tax issues, public law considerations and the need for the local authority to obtain best consideration. With all this comes the risk of judicial review and the potential unravelling of schemes which are challenged and are subsequently found to be unlawful, for some reason. It is acknowledged that the complexity of such schemes, with the consequent legal and political considerations, makes reliance on Section 237 a matter of last resort - to be used only when all other avenues have been explored, particularly the negotiated settlement route. Whilst acknowledged as not being a quick, or cheap, or easy fix to a developer's problem, Section 237 fulfils a valuable role.

Call for evidence

Amongst the many questions raised in the consultation, the Commission's paper calls for evidence to be provided about alternative ways in which rights to light disputes are commonly resolved and the costs of doing so, including evidence about the costs of local authorities using Section 237 to resolve rights to light disputes.

Section 84 Law of Property Act

So far as the Commission's recommendations considering Section 237 are concerned, the Commission does not propose amendments to that

statutory provision. Rather, it wants to extend Section 84 Law of Property Act 1925 to cover rights to light. This statutory provision currently deals only with restrictive covenants. It allows a developer to apply to the Land's Chamber of the Upper Tribunal for an order extinguishing or modifying a restrictive covenant. The provisional proposal is that the procedure should be extended to enable the making of orders for the modification or discharge of existing rights to light, using the same grounds for making decisions on applications relating to covenants, with the payment of appropriate compensation.

A closing thought

Here is one closing thought. With compulsory purchase rights being used more commonly at present by local authorities to unlock stalled development schemes and to promote urban regeneration and economic development, it can be said that simplifying rights to light issues, which may reduce the amount of compensation payable and so increase the viability of development schemes, is to be favoured. With that in mind, local authorities and developers (who usually pick up the tab) may see the Law

Commission's proposals in a different light to those adversely affected by any changes which may be made to the current law.

For those interested in reading the Law Commission's consultation paper, it can be found: http://lawcommission.justice.gov.uk/docs/cp210_rights_to_light_version-web.pdf

The closing date for responses to the Consultation is 16 May 2013.

BUSINESS RATES RETENTION – A FRIEND OR FOE?



Roger Messenger BSc FRICS FIRR V MCI Arb Registered Valuer REV

Roger is a Senior Partner at Wilks Head & Eve Chartered Surveyors. He is a highly experienced Rating Practitioner, who has been President of the IRRV (Institute of Revenues Rating and Valuation) on 2 occasions and also President of the Rating Surveyors Association. He is a current member of the IRRV Council, Rating Surveyors Association Committee and the Valuation Faculty Board of the IRRV.

Roger has extensive experience in the rating of public sector property and has been at the forefront of central negotiations with the Valuation Office Agency in respect of a number of classes of property at every revaluation since 1990.

This is the first of 2 articles which covers aspects of the new Business Rates Retention Scheme, including the reactions to pooling. Roger suggests that the Scheme is more like a foe than a friend.

What will the new system mean to Billing Authorities?

These changes represent a very significant structural shift in the financing of local authorities – the most significant since 1990.

In essence the system can be summarised:

- Business rate income is shared

50/50 between local and central government

- There is a scheme of "Tariffs and Top-ups" to correct inconsistencies in incomes received by local authorities
- Additional funding will be available to local authorities outside the retention scheme
- The challenge for local authorities is to "maximise rate income", and to create growth in the area
- Certain classes and categories of property rate income will be retained in full by local authorities for

example, in Enterprise Zones and for renewable energy

- Tax Increment Financing will be available for authorities to borrow against projected rates growth.

The consequences

Authorities will want to achieve much greater certainty arising out of the volatility in the Rating List in their locality, as in retaining 50% of the growth they also have to fund 50% of any losses themselves.

Rateable value changes in the 2010 Rating List might arise as a consequence of:

- Ratepayer/occupier appeals at compilation date
- Subsequent Material Change Appeals arising out of physical changes in the locality
- New properties coming into the list
- Deletions due to demolitions
- Valuation Office review of assessments giving rise to increases/reductions
- Developing case law at Valuation Tribunals or Upper Tribunal (Lands Chamber).

Authorities will want to improve rate yield and forecast budgeting changes likely to occur in order to maintain a stable income profile.

The emphasis will be on:

- Budgeting
- Maintenance of the Rating List
- Projections on future RV changes
- Anticipation of potential substantial backdated RV reductions
- Efficient and cost effective rate collection systems.

The problems

- Rating is “reactive” – appeals served now may not be considered and resolved for a number of years
- The Valuation Office has publically announced that the negotiations between ratepayer and VO are “confidential” and will not be revealed to a third party before conclusion – not assisting Billing Authorities in budgeting
- The VO has appointed “Liaison Officers” to interact with the local authorities. It is not clear what focus they will have and the purpose of their appointment
- Tracking case law can be problematic if not directly involved as a

party in litigation

- Identification of key appeals by class of property (eg city centre retail) or other unusual properties (eg heavy industry) can again be difficult to interpret
- Large hereditaments could have a disproportionate effect on local authorities, (eg heavy industrial plants) etc, whose assessments may be challenged on multiple occasions through the life of the Rating List
- Losses on collection and cost of collection will directly affect the bottom line budget of billing Authorities.

Department of Communities and Local Government comment

DCLG has made its position plain – although local authorities will need to manage their Rating List, there will be no immediate right of appeal. DCLG has said:

“You enquired about local authority rights of appeal. One of the positive consequences of the new rates retention system is that local authorities will take far more of an interest in what is happening on their rating list. And we are already starting to see the benefits of that in discussions between the VOA and local government on how they can improve the maintenance of the rating lists.

Local authorities can already make appeals in some circumstances such as to ask for the inclusion of a new property in the rating list or where there has been a material change of circumstances – such as physical changes in the locality. Local authorities cannot make appeals merely because they believe a rateable value is wrong.

Such a right would allow local authorities to opt into appeals being discussed between the valuation officer and ratepayers and prevent those appeals being resolved without their consent. This would introduce new bureaucracy and delays into the system and it would not support the Government’s objective from rates retention of delivering growth.

Nevertheless, Ministers recognise local authorities now have a direct interest in the accuracy of rateable values on their rating lists. The VOA is already in active discussions with local government about how they can best keep them fully informed of changes and risks on their local rating list. The focus of local authorities now is on setting up the system and budgeting for the first year. But once that is out of the way those discussions could look at how local authorities make representations on rateable values and how the VOA would consider and respond to evidence and points of view put forward by local authorities on significant appeals and groups of appeals. The Government believes this strikes the right balance between the interest of local authorities and an efficient system which continues to support growth”.

Other issues

Other matters that Billing Authorities may review:

- Perhaps look more closely at the current Empty Rate applications
- Discretionary Section 44a relief
- Charitable Reliefs
- Leisure Trusts
- Discretionary reliefs and “top up”
- Completion Notices.

Pooling by Authorities

The government, alongside these changes, has allowed Billing Authorities to group together in a pool to share their business rates income and obviously share the losses. A significant number have gone into a pool based on the idea of mitigation of any adverse effects of the new system.

It is evident that authorities who were likely to see a net increase in RV were unlikely to enter a pool and it is therefore largely those who fear a reduction in

rateable value who have decided to spread the risk by pooling. Unfortunately the decision to pool or not to pool was in most cases not based on any real valuation assumptions as to where the NNDR income might finish up.

Wilks Head & Eve has undertaken a forensic review of a number of local lists for Billing Authority clients and it is apparent that each face their own risk profile based on types, sizes and quality of different properties within their NNDR area. No two authorities are the same and the risk profile is diverse. In the long term, any anomalies between authorities may average themselves, but in the short term some members of a pool have potentially exposed themselves to risks beyond those ever to be faced in their own list and based on scant information.

As pooling arrangements can be reviewed,

and by one leaving the pool can collapse, it seems that the mitigation strategy may be rather more uncertain than by properly identifying their own risks. Perhaps that is why many who decided to enter the pool abandoned that approach at the last minute and remained on their own.

Time will tell for those who stayed with it.

So what is the reality?

For most areas of the UK, there is not a great deal of new commercial development, due to a combination of depressed values, lack of tenant demand, building costs and development financing difficulties. Growth in the NNDR base for most authorities might therefore be illusive for some years.

The cold reality is that most Billing Authorities are more concerned about

a net loss in RV year on year rather than looking at opportunities to retain some growth. Identified and supported growth such as Enterprise Zones are outside the retention scheme anyway.

For those authorities facing a declining tax base, whether as a result of appeals or limited new property, the real problem is the budget consequence. Apart from fee and charges, the only opportunity to raise additional funds is through Council Tax which faces its own problem with capping, and funding of shortfalls in discount financing.

In short a reduction in NNDR means a potential direct reduction in services for most local authorities.

For the time being the scheme is more like a foe than a friend.



A name you can trust in property

In addition to a wide range of services available to public sector clients our key specialisms include:

NNDR Rating and Rate Retention

Iain Dewar	idewar@wilks-head.co.uk	020 7907 7894
Roger Messenger	rmessenger@wilks-head.co.uk	020 7907 7897
Andrew Williams	awilliams@wilks-head.co.uk	020 7907 7890
Paul Harding	pharding@wilks-head.co.uk	020 7907 7895

Asset Valuations

Simon Layfield	slyfield@wilks-head.co.uk	020 7907 7898
Guy Harbord	gharbord@wilks-head.co.uk	

Specialist advice and consultancy:

Advice on rating; NNDR budgeting; rate retention; empty rates
 Asset valuations all property classes including housing stock, S.123
 Best Value Appraisals



We have moved to new offices –

6th Floor, Fairgate House
 78 New Oxford Street, London WC1A 1HB
 And we have a new website:
www.wilks-head.co.uk



MAKING BUSINESS RATES YOUR BUSINESS

Alan Colston

Alan Colston is Head of Non Domestic Rating Policy, Process and Assurance in the Valuation Office Agency. He joined the VOA in 1990 and has been involved in a wide range of property valuation. He has previously led teams undertaking the Council Tax Revaluation in Wales in 2005 and was District Valuer for Wales between 2007 and 2010 responsible for providing a wide range of VOA property services to local government. alan.d.colston@voa.gsi.gov.uk

This is the second of 2 articles on this subject. "From 1 April 2013 local authorities are likely to be more focussed on potential changes to non-domestic property as well as seeking opportunities to encourage development and new businesses."

The Local Government Finance Act 2012 (LGFA 2012) received royal assent at the end of October 2012, as part of the government's localism agenda. It includes reforms to the way income from non-domestic rates (also known as business rates) is distributed amongst local authorities in England.

The Rates Retention Scheme, introduced by LGFA 2012, aims to create an economic incentive for local authorities to promote new businesses and growth in their area. It re-establishes a direct link between a council's rating list and its revenue. How does Rates Retention change things for local authorities? And what does this mean for public sector estates and property management?

How does Rates Retention change things for local authorities?

Prior to the Act, England's local government finance system was ranked as one of the most centralised in the world. In 2011/12 the £19 billion in non-domestic rates collected by councils was recovered by government and redistributed back out through a 'formula grant'. Any growth or falls in rates collected from individual lists had

no impact on the grant received by councils and so there was little incentive to grow rating lists through encouraging growth and new business.

Under the new Rates Retention Scheme, local authorities receive a 50% 'local share' of business rates adjusted by a 'tariff' or 'top-up' to a baseline level, which reflects their budgetary needs. They keep a proportion of any growth they generate on that local share. This provides a strong incentive for local authorities to encourage growth and new business. However, local authorities will also be directly affected by any falls in the rates collected.

This means that since 1 April this year, local authorities' income and budgets are affected by changes to their rating lists for the first time since 1990. The degree to which authorities will be exposed to changes in the list will depend on their baseline funding and tariff or top-up adjustment. But, as the Scheme beds in, changes to rating lists will become a key factor for local authority budgets and spending.

This link between the rating list and revenue means local authorities' finance departments are now looking to build their understanding of the non-domestic rating system. They need greater understanding of the potential risk that changes to their Rating List will have on their income and budget. They will also want to ensure that the List is accurate so that they collect all the business rates revenue they should. This

is where a local authority's relationship with central government's Valuation Office Agency (VOA) comes in.

How can the Valuation Office Agency support local authorities?

The VOA maintains 326 local Rating Lists in England and the local Valuation Officers (VOs) have a statutory duty to ensure that they are accurate. This includes setting the rateable value (RV) of the properties in the list: the business rates collected are based on these RVs. Clearly, additions, deletions and changes to these Lists will have an impact on revenues collected and retained under the Rates Retention Scheme. The non-domestic rating appeals system, which allows ratepayers to challenge their RV, is also crucial as the outcome of appeals can have an impact on revenues.

So, for chief finance officers wanting to be in the best possible place for forecasting and budgeting for the future, understanding the non-domestic rating system is fundamentally important. The VOA is keen to work with local authorities and so, after consultation with local authority representative bodies last summer, appointed 12 Relationship Managers. These managers act as a main point of contact for local authorities seeking information that will feed into their strategic decisions on budgeting and spending.

The Relationship Managers are part of the VOA's Rates Retention Team and

all have a thorough understanding of non-domestic rates. The team combines a diverse range of rating experience and skills, from property valuation and appeals settlement to process management and training. As well as working with local authorities directly, they are raising awareness within the VOA on how the relationship with local authorities is evolving as a result of the Rates Retention Scheme.

The VOA also publishes official statistics on its corporate website. On 11 April the VOA will be publishing a new non-domestic rating release. This will provide information about the numbers of appeals received, resolved and outstanding, notices served, and the aggregate RV of each list over time. Initially this will be for the 2010 lists but will be expanded in May to include 2005 lists. This new release may be of further help to local authorities' finance departments with their forecasting.

To help with understanding the impact that new developments will have on rates collected, VOs can provide estimates of RV in advance of completion of developments. To do this, sufficient information needs to be provided so that it is clear what the development will be and what is being valued; often simply a copy of plans submitted as part of a planning application. This is a service that is equally open to developers and ratepayers to help with budgeting.

Renewable energy and non-domestic rates

Under The Non-Domestic Rating (Renewable Energy Projects) Regulations 2013 SI No 108, billing authorities are able to retain all the rate income from certain renewable energy projects for their own and precepting authorities' use, rather than include it in the calculations of the central government share. This provides a financial incentive for local authorities to encourage the development of renewable energy projects.

Where the renewable energy project is producing energy from waste (Class D) or forms part of another hereditament (Class E), then the VOA will certify the

value of rateable, separately identifiable renewable energy elements on the rateable value of the property. This will apply on renewable energy projects that are in use, or available for use, on or after 1 April 2013. These certifications are only issued on the request of the billing authority – they are not automatic.

How can local authorities help the VOA?

The Relationship Managers will also promote ways in which billing authorities, in particular, can help VOs to maintain accurate lists, some of which are statutory obligations, such as:

- Notifying VOs of changes in the authority's area that might lead to an alteration to the authorities' list. This can be done electronically. (Sch 6(1) of the Local Government Finance Act 1988 (LGFA 1988))
- Serving completion notices on the owners of buildings that are complete, or can reasonably be expected to be completed within 3 months, but are not yet occupied. This allows a VO to make an entry, or sometimes entries, in a rating list for new unoccupied properties. (Sch 4a, para 1(1) LGFA 1988)
- Providing occupier information so that 'Request for Information' forms, also known as Rent Returns, can be correctly addressed. These forms ask occupiers to provide information that will assist VOs in carrying out valuations. Correctly addressing forms is part of the drive to improve return rates. The information provided is crucial in arriving at accurate rateable values. (Sch 9, Para 5H, LGFA 1988)

The VOA has launched a dedicated page on its website to support local authorities with their work under the new scheme - www.voa.gov.uk/corporate/info4LAs. This provides links, tips and video guidance on the information that is already available to authorities. The Rates Retention inbox – ratesretention@voa.gsi.gov.uk – will put local authorities in touch with their local Relationship Manager.

The Relationship Managers have already been meeting with some local authorities and the initial feedback has been very positive. Along with explaining rating, the appeals process and what information is available and how to access it, they have also arranged a workshop for a group of authorities on the use of completion notices. These are encouraging early steps towards developing strong working relationships between local authorities and the VOA.

What does this mean for estate and property management in the public sector?

From 1 April 2013 local authorities are likely to be more focussed on potential changes to non-domestic property as well as seeking opportunities to encourage development and new businesses. Finance directors may well want to explore potential areas for development with those concerned with managing an authority's own property portfolio. There will also be an increased interest in information on changes that can be raised with the VOA, as well as ensuring renewable energy projects are identified promptly.

This is also a good opportunity for local authorities to foster better working relationships between the different teams within each authority, as well as across authority boundaries. Some authorities are already exploring the option to 'pool' income from the scheme, which will involve greater partnership working for property and planning departments. This could well see departments or teams working together to encourage development and growth within an area.

There will also be an increased interest for those directly involved in the management of an authority's portfolio, whether as tenants or landlords, to provide prompt and comprehensive Rent Returns to ensure an accurate list. This is something that can be made more simple and efficient by signing up for the Valuation Office Rating Contact scheme (VORC). This allows occupiers or landlords of a number of properties to supply the information required electronically rather than completing

individual forms for each premise.

Local authorities and VOs have been working together over non-domestic rating since 1 February 1950. The LGFA 2012 provides an excellent opportunity to refresh and revitalise the links between these 2 arms of government, bringing mutual benefits from a more collaborative working relationship.

When is a local authority a billing authority?

Billing authorities administer the Council Tax and Non Domestic Rates systems in England. Shire Districts, Metropolitan Districts, the Council of the Isles of Scilly, Shire Unitary Authorities, London Boroughs and the City of London are all billing authorities (BAs). BAs have statutory obligations around helping the VO to maintain a fair and accurate rating list for their authority.

Precepting authorities have the power to instruct another local authority (a BA) to collect an amount from council tax on its behalf they and may also take a set share of the monies retained by billing authorities from the collection of non-domestic rates.

Major precepting authorities cover an area larger than that of an individual billing authority and include county councils (other than those that are unitary authorities); police authorities; metropolitan county fire and civil defence authorities; combined fire and rescue authorities; and the Greater London Authority.

Local precepting authorities cover an area smaller than that of an individual billing authority and include parish, town or community councils.

Jeremy discusses the new RICS Construction Policy and how it can help small- and medium-sized enterprises drive economic recovery. "At best, SMEs are becoming Tier 2 or 3 subcontractors. At worst, they are shrinking and reducing their liabilities to wait it out until the market changes." The public sector has an important role here in implementing its procurement policies and practices.

RICS CONSTRUCTION POLICY – BUILDING BLOCKS

Jeremy Blackburn, Head of UK Policy jblackburn@rics.org

As we move into the second half of this Parliament, we must focus on the delivery of growth and jobs through construction and development, analysing where blockages are occurring and seeking solutions that are not expensive in time or budget.

the sector, particularly SMEs, is facing 3 problems:

- access to public sector procurement
- the ability to fund expansion
- how to benefit from new markets or technological innovations.

Government policy and regulation must deliver a sustainable and successful construction sector that creates the buildings and infrastructure that we all need, where and when we need them. It must also push the effective repair and maintenance of our existing built environment, not least when it comes to energy efficiency and lowering embodied or emitted carbon.

Construction is the heartland of RICS. Our scale and breadth of knowledge gives us a unique opportunity to consider the sector from the bottom up and truly understand how we can continue to deliver excellence through professional standards, guidance, products and policy propositions.

Our consultation showed that SMEs are struggling to survive, let alone grow. We found that they cannot take full advantage of government pipelines or procurement reforms, that new markets such as low carbon retrofitting are negligible, that they do not have capacity to train in BIM.

Member consultation

Construction is also the driver of economic growth, with the potential to boost the economic recovery. And this is where governments across the UK, particularly in Whitehall, are trying to help construction small- and medium-sized enterprises (SMEs) to grow through access to more workloads and therefore create sustainable jobs.

The launch of RICS' first ever Construction Policy followed a long and detailed consultation with members across the UK in 2012, all of whom work in quantity surveying, building surveying, building control and the project management of construction, repair, refit and maintenance projects.

At best, they are becoming Tier 2 or 3 subcontractors. At worst, they are shrinking and reducing their liabilities to wait it out until the market changes – although many will not be able to wait that long, they need action in the next 6 months.

Where your voice was clearest was that

The recommendations and actions

outlined in this article are a summary of the full policy launched in March. They are designed for industry, for government and for RICS because we all have a role to play in making the system work.

Industry focus

The policy recommends:

- the RICS Procurement Working Group will work with industry representatives and the Cabinet Office to produce guidance on how to initiate and manage earlier supply chain engagement, including early discussions with SMEs, which the informed client approach requires
- industry organisations and the Government Procurement Service (GPS) should create a single portal or database for SMEs to register their accreditation and references, which can be interrogated by all public bodies
- RICS will work with the Construction Industry Council and other industry partners to develop a simplified pre-qualification questionnaire for use by SMEs, which will then be made publicly available
- the construction industry beyond the FTSE 350 should sign up to the Prompt Payment Code managed by the Institute of Credit Management
- RICS will work with industry bodies, in particular the Chartered Institution of Civil Engineering Surveyors and the Institution of Civil Engineers, to develop proposals for a mechanism to allow a 'consortium' of SMEs to bid and deliver smaller infrastructure projects.

Government focus

The policy recommends:

- the government must make its public construction pipelines as visible as possible to all sections of the industry, e.g. through websites, regional pipelines, print media and trade newsletters

- the government should ask the National Improvement and Efficiency Partnership for the Built Environment to work with executive agencies and metropolitan local authorities to develop an offshoot of the public pipeline that can cascade smaller contracts to regional levels
- the government must mandate the use of the BSI-produced PAS91 standard pre-qualification procurement form and implement it across the public sector
- The Department for Business, Innovation and Skills and its partners should create a single portal that allows SMEs to see what finance is on offer, find which is most appropriate for them and follow the application process
- the government needs to be much clearer on its overarching low-carbon strategy and the incentives and guidance needed to allow this to flourish as a market. This should be embodied as a cross-department delivery group with clear targets over the next 12 months
- the Green Construction Board's Valuation Working Group must complete its paper on low-carbon refurbishment incentives and penalties and share it with industry before summer 2013
- the government should consider a minimum threshold requirement for BIM capability in future frameworks for subcontracting, in terms of size of company, because the BIM mandate will currently exclude many micro-businesses from directly tendering.

RICS actions

Recommendations include:

- RICS will develop a paper to advise all contracting authorities on how to retain quality in outcomes and outputs when making 15%-20% savings, avoiding decisions that are purely based on price or fee

- RICS will work with the Chartered Institute of Purchasing and Supply to produce guidance for all public and private sector procurement staff to help educate them on the unique complexities in construction so they can become an informed client
- following the publication of the Developing a Building Procurement Strategy and Selecting an Appropriate Procurement Route 'Black Book' guidance note, we will discuss with the Cabinet Office and GPS what training we can create to provide public-sector construction procurers with greater knowledge and understanding
- RICS will update its Methodology to calculate embodied carbon of materials information paper, which was one of its commitments under the Low Carbon Construction Action Plan. The Green Construction Board should endorse its use so that every construction project can be assessed for whole life carbon
- RICS will publish guidance on the adaptation of existing buildings for energy efficiency and low-carbon measures, including a road map for the integration of new technologies
- RICS will provide members and industry with guidance on the implementation of the Green Deal in domestic property; and also for valuers on how energy-efficiency measures work and should be considered during valuations
- RICS is developing a BIM communications plan that will include products and services to support surveyors in the role of 'BIM manager', including training and advice for those smaller practices and construction SMEs that want to access BIM

- RICS will work with ConstructionSkills to map the necessary competencies and skills that will link apprenticeships to the RICS Associate Membership pathway for construction.

UK nations

While our construction policy consultation was carried out across all UK nations, much (if not all) of this policy area is devolved to the administrations in Cardiff, Edinburgh and Belfast. Other areas of policy with a significant impact on construction are also devolved, such as housing and planning, energy and climate change.

However, the construction market is UK-wide with companies operating across all political and administrative boundaries. Many of the SME issues raised, e.g. the difficulty of procurement processes and the implementation of BIM, were common to English, Welsh, Scottish or Northern Irish firms.

The RICS paper frequently cites policies and strategies that have been published by the coalition government in England. However, where we have called for action, many of these are pertinent to the devolved nations too, given the importance of public procurement and construction to their economies.

What happens next?

If construction SMEs are to prosper and grow, providing the building blocks of economic recovery, many of these actions are needed in the next 6 months.

RICS will be pursuing these recommendations with the UK government and its devolved counterparts. Some national or local governments have the power to make these happen; with others, these actions are about RICS and governments finding a solution together or improve understanding in the sector. We will be working with industry partners on some of these recommendations to provide solutions and tools that do not rely on government time or budget.

Finally, RICS will be providing guidance, information and training where it can help officials, partners and all property professionals to make the system work for the wider public good.

I like to think that this goes right back to the founding of the Institution in

1868, when one of our members, Henry Arthur Hunt, was the quantity surveyor for the biggest public project of the age, the rebuilding of the Houses of Parliament. This was fitting given that our constitution would include the requirement for the profession to use its experience and knowledge to advise government and Parliament on property and construction questions in the wider public interest.

The development of RICS policy does not stop with the publication of this document. We are asking our members to share their experiences of the market and how they think RICS Construction Policy should evolve to meet new challenges. If you have any comments, please contact me on the email address below. We will update you on progress during 2013 and publish a revised version in early 2014.

The full RICS Construction Policy is available from www.rics.org/uk/about-rics/what-we-do/influencing-policy

The RICS Press statement follows.

PRESIDENTIAL CONFERENCE

CLYDEBANK, GLASGOW 19-20 September 2013

PROPERTY MAKING A DIFFERENCE



Speakers will be drawn from Clyde Gateway URC, The Crown Estate, High Speed 2, Defence Infrastructure Organisation, DTZ, Serco, Valuation Office Agency, and more....



Full social programme

9 hours of CPD



The ACES Presidential Conference will be held in the Beardmore Hotel & Conference Centre Beardmore Street, Glasgow, G81 4SA on the 19th & 20th September 2013.

More details to follow soon, in the meantime please feel free to visit www.thebeardmore.com for details of the venue.

Contact: Tim Foster secretary@aces.org.uk 0161 439 9589



RICS outlines action to support struggling construction industry

RICS is calling for increased transparency and visibility in government construction contracts to support growth of struggling SMEs.

RICS' call follows extensive consultation with members from across the sector highlighting the need to unlock construction pipelines, reform procurement processes and improve access and visibility of finance.

RICS' UK Construction Policy launched today (15 March), outlines recommended actions for government, industry and RICS to address these concerns. These recommendations offer time and cost effective solutions that, if adopted, will support SMEs over the next 12 months and enable a successful and sustainable construction sector for the future.

Central to RICS' policy is a call to government to improve access to public sector construction contracts, including infrastructure repair and maintenance, by making them visible to all in the industry. This would bring work to the regions meaning smaller contracts could cascade down to SMEs. To support this, RICS is producing specific guidance to aid government staff working in procurement with understanding the complexities of the construction supply chain, including early discussions with SMEs.

However, RICS believes the government's current procurement process is also standing in the way of this cascading pipeline due to the high level of resources required in completing them. RICS is therefore recommending simplified, publicly available Pre-Qualification Questionnaires (PQQs) for use by SMEs as a corner stone of its policy document. This will be supported by an RICS developed paper supporting all contracting authorities on retaining quality whilst make 15 - 20 per cent savings in procurement, avoiding decisions that are purely based on price or fee.

Industry also identified availability of finance and knowledge of how to access it as key concerns during RICS' consultation, an issue that will increase if pipelines are unlocked and procurement processes simplified. RICS is therefore recommending that the Department for Business Innovation and Skills (BIS) creates a single portal for SME finance offering advice on what is on offer and how to apply. RICS will support the government by monitoring industry feedback through The RICS Construction Market Survey and reporting these back to government.

Jeremy Blackburn, Head of UK Policy at RICS said: “Visible pipelines, complex procurement and access to finance are all major concerns for the industry as a whole and particularly SMEs. These issues are intrinsically linked and it is vital we have an overarching approach to address them. The recommendations outlined in our policy document provide a unified approach for government, industry and RICS that have the potential to provide direct and meaningful support for the industry.

“SMEs account for a significant proportion of the construction sector and 50 per cent of RICS members. If we can support these businesses to thrive rather than just survive it will provide a strong foundation for the industry now and for the future. Quite simply, SMEs are the building blocks of recovery.”

To download RICS Construction Policy in full please visit www.rics.org/constructionpolicy.

REDEVELOPMENT OF BLAKENHALL GARDENS, WOLVERHAMPTON

Ian Mercer

Since March 2008 Ian has been seconded to Wolverhampton City Council as a Project Officer on a number of particular projects, Blakenhall Gardens being one of them. This article is based on a presentation he gave to the Heart of England branch.

Ian Mercer is a partner with the Bruton Knowles Development Team. Ian specialises in regeneration consultancy, in particular providing advice on housing and mixed-use developments to local authorities. He also provides development agency advice, including promotional agreements, as well as development site valuations. ian.mercer@brutonknowles.co.uk

Introduction and Background

Located a mile south of Wolverhampton city centre Blakenhall Gardens was built in the 1960s with 6 blocks of high rise flats at its heart. The Blakenhall development also comprised the Council managed shopping precinct of 10 retail units, a local Housing Office, St Luke's Infant School, with the junior school located elsewhere in Blakenhall, 2 public houses, the Apna Punjab (restaurant), which was built as part of the Council managed shopping precinct, and some unused land and areas of underutilised open space.

Why the decline

The main reasons cited were that 4 out of the 6 tower blocks comprised a mixed community of both elderly and young persons which created a lot of friction; the actual physical form of the development i.e. the layout of the precinct and flats enabled acts of anti social behaviour to go unchallenged; poor physical public realm; drugs dealers were rife, undermining the community; and underutilised public open space.

Attempts to remedy

During the 1990s, the Council sought to remedy the situation; in particular in 1996 the Council transferred the management of one tower block

(Phoenix Rise) to a housing association, as well as investing/renovating another in 2000 (Cobden House).

However, in 1996 Blakenhall Gardens suffered a well publicised machete attack on 2 infant school nurses at the school. Many believe that this really spelt the end of the Blakenhall Estate as we knew it, given that the community never really recovered from the impact this had.

New Deal for Communities

Therefore, from the mid 90s the Council had a desire to regenerate the estate, but did not have the financial resources to do so, until the opportunity came to apply for 'All Saints and Blakenhall' to become one of the government flagship regeneration areas within the New Deal for Communities programme or as it later became known, All Saints and Blakenhall Community Development Partnership (ABCD).

With funding available, in 2001 the City Council and ABCD completed the Master plan for the entire area which covered Blakenhall Gardens estate. In 2003 the Council and ABCD appointed DBA Management regeneration consultants, progressed an Options Appraisal based upon 4 stages:

Stage 1 – Issues

Stage 2 – Identification of initial developed options

Stage 3 – Refining the preferred option

Stage 4 – Revisions to the preferred option

Stage 1 – Issues

DBA's created a Project Steering Group and then held discussions and walking tours with stakeholders to identify key issues relevant to Blakenhall. DBA organised group visits to 2 existing regeneration projects, both to gain an understanding of how earlier schemes had been delivered and also to learn important lessons.

Issues identified included the shopping precinct not correctly situated to Dudley Road, a security risk because of its physical form, no parking for passing trade, and no central focal point. The Council had already determined that the mid rise buildings should be demolished and the consultation confirmed that this was also the desire of the community.

Schools

The physical separation of the 2 local schools created a range of problems including poor accessibility, inadequate play facilities and very dated buildings. There was an opportunity for shared community use such as a nursery.

Public Open Space

Insufficient and poorly used areas of open space, with a lack of play facilities and security problems, created by layout and screening.

Traffic Movement

Because of Blakenhall's location within Wolverhampton, it was used as a short cut for traffic. The main arterial road, Dudley Road, was often congested, with on road parking/abandoning of cars, leading to numerous accidents with congestion at busy junctions.

Stage 2 – Initial Developed Options

Fixed Elements for Redevelopment

Fixed elements which should be within a redeveloped scheme included a relocated shopping precinct fronting Dudley Road, the demolition of all tower blocks being replaced with family housing, improved public open space, with any new development having a focal point in a street grid pattern. DBA considered the historic grain of former development pre 1960s and proposed a modern interpretation of the original character of the area, which was essentially terraced housing, in a grid like pattern.

Variable Redevelopments Elements

The variable elements included relocating the junior school, to be in close proximity to the infant school, and redevelopment of surplus land.

The initial options stage resulted in 4 options which all involved a variety of either keeping or demolishing Phoenix Rise, providing a neighbourhood centre, mixed use development and retail abutting Dudley Road, and finally the two schools either remaining where they were or being combined.

The 4 options were exhibited at Blakenhall Gardens Week in Action and attendees were requested to submit views in the form of questionnaires. Of 494 questionnaires submitted, 74% found in favour of Option B which in essence was the construction of a

neighbourhood centre, a mixed use development and new shopping along Dudley Road, the demolition of Phoenix Rise and a combined junior and infant school constructed within the estate. The land cleared of the high rise flats would be redeveloped for housing.

Stage 3 - Refining the preferred option

The preferred option was discussed in detail with the Planning Authority, the Education Department, The Diocese and School Representatives. Following discussions with the appropriate bodies, the preferred and revised option was taken to a fourth and final stage.

Stage 4 – Revisions to the preferred option for the redevelopment of the Blakenhall Core Housing Site

In essence the scheme that was ultimately agreed upon formed the basis of the marketing brief of the selection process to appoint a developer for the new housing and retail development. These were a grid pattern development, open space, combined St Luke's school, retail to Dudley Road, rear parking to the rear of retail with limited neighbourhood parking.

Next steps

Next was preparation of a marketing/ planning brief, as well as bidding for the necessary financial resources to undertake the development. Plans were needed for transferring residents from the tower blocks, as well as preparation of newsletters keeping the general public and community fully apprised.

Plans were being put in place for the demolition of the vacant tower blocks, the relocation of schools, demolition of the existing commercial buildings and the strategy to relocate existing retailers or their inclusion within the new development.

The future of Phoenix Rise needed to be resolved as it was leased to a housing association, and the acquisition/ CPO strategy for acquiring third party properties required for the scheme including Apna Punjab, the Glassy Inn

and other long leasehold interest in the shopping precinct.

The Beginning of the End

With all the necessary authorities in place and finance obtained, work began in earnest. Demolition and assembly of the main site commenced in 2002 with Cobden House, the redevelopment of Phoenix Park in 2004, completion of general housing needs housing, a bungalow elderly person scheme and new combined school in 2007, adjacent to the main site.

Simultaneously, work also commenced in marketing the Blakenhall core housing and retail site for a developer partner. Over a very competitive 2 stage selection process, with 9 expressions of interest and a short list of 5, Keepmoat was selected as the development partner in 2007, with a scheme of 143 houses including 20 apartments over retail fronting Dudley Road, 25,000 sq ft of retail and open space and with a good financial package – everything was looking up!!

End of the Beginning

With all the necessary work completed and the regeneration process progressing well disaster struck in the form of the recession. I am sure the Council will never forget the meeting with Keepmoat in which they said - sorry we can't do this anymore!

Fortunately, a siege mentally ensued – we've come this far with both the Council and Keepmoat agreeing - we're going to finish this. Both parties continued to meet and determined that there was a desire and a willingness to complete the final piece of the jigsaw. Therefore it was back to the drawing board.

For those involved in property, and particularly the development industry, I believe the months of Oct to Dec 2007 went by in somewhat of a blur as people struggled to fully appreciate just how bad the situation was or was yet to become. I even remember others suggesting that everything would be back to normal by Christmas 2007!

As far as Blakenhall was concerned, when the mist began to clear, a number of actions followed to determine if this scheme could be rescued to produce a viable scheme.

Keepmoat and the Council's Housing Team set out to review the housing market to determine if any demand for housing still existed. All parties set about determining how costs could be saved within the development. By simplification of the scheme with apartments over retail removed, a greater number of 4 bedroom houses planned, and a reduction in the number of houses from 143 to 102, as well as the developer constructing 10 of their own shared equity units, the scheme was worked back to a position of near viability. This did mean that the Council had to accept that the capital receipt tendered by Keepmoat was no longer going to be achievable.

Furthermore, while the incorporation of 30% affordable housing was non-negotiable, the s106 agreement was renegotiated to defer some of the usual payments that would have been sought pre recession, so long as the developer built out to a pre-agreed programme of 3 years, unless the developer experienced unforeseen circumstances.

In essence, the objective of the Council was to achieve a balanced agreement whereby the interests of both the Council and the developer were mutually aligned.

The Development Agreement (DA)

The Council and Keepmoat negotiated a conditional agreement, conditional on planning, viability and vacant possession, with the Council securing land via CPOs, with Code Level 3 for the affordable housing units.

In drafting the DA, the fundamental objective was to deliver a scheme which minimised Council risk and contained its forward budget based upon identified resources. At the time the Council had to compromise on a land receipt to enhance viability and deliverability. It was considered expedient to devise a structure which sought to protect the

Council's ability to generate a land value between exchange and completion of the agreement and then following the development itself, thereby providing protection against a rebounding economic situation.

The DA was structured for both parties to agree an initial appraisal upon exchange, with a final appraisal agreed as a condition of the agreement's completion. This meant that the Council's financial interest was protected right up to the point of scheme delivery and therefore provided some safety net against a rapidly improving economy, whilst importantly keeping the scheme going. Further protections were put in place in the form of 3 overages based upon plot sales, retail sales and savings overage. Plot sales were calculated against a pre-agreed baseline value, with any net value over and above agreed plot sale values split 50/50.

Retail sales overage was in place for a 10 year period following scheme completion, with the Council entitled to receive 100% of any net value of any subsequent sales following scheme completion over the first 3 year period, tapering off over 10 years. This protection was installed to prevent any new retail owners benefiting from any rapid improvements in the retail market by making a 'quick turn'.

A savings overage also enables the Council to receive 50% of any savings achieved against the agreed costs within the financial model, once the developer has achieved its pre-agreed profit level.

Finally, a great deal of thought went into how notices were to be served on existing retailers. To reduce the risk of counter notices being served by occupants, the freehold of the precinct was transferred to Keepmoat, who then as developer served notices under s30(g) of the Landlord and Tenant Act 1954. Meanwhile, for continuity sake, the Council continued to manage the precinct as agent to Keepmoat, and underwrote the cost of serving the notices and gaining vacant possession. Costs were paid for with the rent the Council continued to collect.

The DA was completed in 2010 with

all conditions satisfied, whereupon work resumed. The scheme is due to be completed in June 2013 and the consensus suggests that it has been a success.

The Successful Scheme - Why

Both Wolverhampton City Council and the community consider the Blakenhall Regeneration scheme has succeeded, but why?

The community played a pivotal role in helping to deliver the scheme, being involved at every stage of the process and initiating ideas through to preparation of the preferred option and assisting at developer/contractor selection interviews.

St Luke's School has proved to be a fantastic success, engaging with both young and the public generally, many of whom have participated in learning about the overall project and the construction process, assisting teaching and learning. The scheme has developed a sense of pride throughout the community, has raised aspirations and the lessons learnt in its completion have been used in Wolverhampton's Building Schools for the Future programme.

The new school has provided a place for 420 children and as the community wished, it also doubles as a community facility. Its construction of timber and heated by a Biomass woodchip system, has enabled it to win a series of design awards.

Bromford Housing eco home scheme, constructed at Cross Street South for general housing, is an award winning scheme.

Phoenix Park open space was initiated by the community, who remain instrumental in its operation. Its success is judged by the fact that since 2008 the facility attracts an extra 255 visitors per day from all groups within Blakenhall. The opening up of the access for visitors through the park has created natural surveillance which has added to the park's safety.

Blakenhall Community and Healthy Living Centre Despite certain amounts

of initial debate as to the size and appropriate uses, once the facility had been agreed the project never looked back. The building is now in regular use.

Main Housing Development The main Blakenhall core housing site at the centre of the scheme is well on course to deliver new market houses, which are selling well, including 30% affordable housing to Code 3 and 10% of properties incorporate PV panels. The success of this project can be linked again to the community's involvement and the full and proper consultation by the developer in listening to their ideas and required house types. The community inspired the developer to take the risk in developing out a scheme in unprecedented and difficult conditions. The ultimate success is that previously displaced community members are returning to live in the area.

Retail 25,000 sq ft of new retail is well on the way to being completed with 2 of the 5 previous tenants relocating here. A truly remarkable level of demand has been experienced to acquire freehold interests and the excellent design has enhanced the street scene.

Dudley Road has helped transform the area with reduced parking conflicts.

In summary, the pre agreed programme is in hand, the Council has received plot overage and the relationship with the developer has matured well over time, to mutual benefit.

What have we learnt from the Scheme?

A successful development project requires a co-ordinated and strategic leadership, helping others in the team to deal with problems (or rumble strips as I like to call them) or better still think ahead to avoid them in the first place.

Interestingly, the community spoke and their vision has proved to be deliverable. But, as importantly, ideas and aspirations were managed. Regeneration schemes need to be realistic and deliverable and just like a successful marriage, a level of compromise is often needed.

Ongoing, clear and unambiguous communication with residents, local press, and other stakeholders has proved vital as well as being clear on what is expected of people involved in the project, be it a development partner, colleagues, the media and of course the community themselves.

Finally, be aware of the hidden menace, these types of sites frequently hide very deep old sewers. Therefore, assume

nothing and check everything.

It has been a fascinating project to be involved with, as well as at times very demanding, not just because of the vertical learning curve in terms of how the public sector really operates, but also helping to deliver a complex regeneration project in the midst of a recession.



Members of the Heart of England Branch inspecting the recently completed Blakenhall Gardens Retail Centre, Wolverhampton



EAST-WEST CROSS-BORDER STRATEGIC ALLIANCES

Kevin Joyce

Kevin is a London based public sector surveyor, involved in asset management strategy, assets consolidation, rationalisation and disposals. nevskyuk@gmail.com

How can we best grow the business while minimising our exposure to risk is a central challenge for the boards of property development and investment companies in the UK and abroad, with shareholders expecting their executives to make the right decisions about the best routes to follow to maximise the investment returns and growth of their shareholdings. Kevin outlines some options.

Business Growth: Deciding on the best route to take

Business growth can be generated internally, externally, or through adopting a combination of internal and external strategies which ideally should be progressed in tandem.



Internal Growth

Most sizeable property development and investment companies will have core strategies and business models or

plans guiding the scope, direction and progress of their market activities.

For property development companies, sustaining and increasing profitability will be largely dependent on their ability to deliver a stream of new development projects. Success may hinge on factors such as the company's ability to secure advantageous planning approvals, to enter into pre-lets or pre-sales to reduce project risks, to project manage construction efficiently to deliver schemes on time, within budget and built to increasingly exacting sustainability standards while maintaining downward pressure on contractors cost and finance cost margins, or successfully to sell on completed projects which are not to be absorbed into their own investment portfolios.

New development schemes can go badly wrong though if, for example, projects which have not been pre-let or pre-sold come on stream at the wrong time in the economic cycle, or unforeseen abnormal development costs reduce or wipe out development profit margins.

Property investment companies may be faced with a different set of challenges and risks. No matter how meticulous and exhaustive appraisals may be into the prospects for income and capital growth which new investment acquisition opportunities might appear to offer, growth expectations can fail to materialise for reasons outside an

investor's control, such as a general economic downturn or say a shift in investor sentiment from investment in real estate to investment in stocks and shares.

External Growth

A property development or investment company's acquisition of another company in the sector could realise a number of benefits for the acquiring company. These may include becoming the owner of a portfolio of prime buildings and sites belonging to the target company, or exploring prospects to add value to the acquired portfolio which prospects may not have been evident to the target company, or acquiring capable and experienced executive expertise in the employ of the target company.

Notwithstanding such potential benefits, whereas a target company would expect to benefit from being acquired, having received a buyer's premium, typically between 25 to 50% higher than the book value of the assets to be acquired to induce the company's sale, there is no certainty that the acquiring company would necessarily prosper from its acquisition.

Broad market expectations are generally that over 50% of merger and acquisitions transactions will dilute the post-acquisition shareholder value of the acquiring company, in the short term at least, usually blamed on either flawed business strategies or acquiring

companies simply miscalculating either the value of the purchased assets and the prospects to enhance this value or the skills set and capabilities of the target company's management resources.

Acquiring another company may also carry with it less predictable risks of:

- culture businesses differences in the new entity proving to be a source of tension rather than a source of strength;
- the requirement to accommodate and integrate different management practices and information systems taking place more slowly and less effectively than had been anticipated;
- the possibility of disillusionment or de-motivation of the management or staff taken over impacting adversely on their subsequent performance.

The real costs of an acquisition may be disguised to a point should the acquiring company use its own stock to purchase rather than cash debt-financed by the company's bankers, with the target company exchanging their equity for stock in the acquiring company. Stock-for-stock acquisitions were quite prevalent in the buoyant 1990s markets, with public companies using their stock to mop up smaller companies in order to build up scale as part of 'roll-up' strategies.

A joint venture between two property companies or enterprises is unlikely to expose either party to the same levels of risk as although the companies involved will create a new partnership or joint venture vehicle, each will continue to exist as a separate company. Both the level of activity and scope of the joint venture and the expected outputs and duration period of the partnership should be clearly determined and agreed at the outset.

Such a partnership could enable the partners to share their skills, expertise and knowledge, combine resources, and share the risks exposure to new projects, while enabling both partners to

enjoy learning benefits which the joint venture should bring. The venture might also include specific provision for one partner to buy the other one out, either in part or entirely, should the venture prove successful and both parties opt to do so. A joint venture could as likely fail as succeed should the termination terms be unclear, or management teams with insufficient or inappropriate skills be assigned to the venture, or if the teams should prove unwilling to share their knowledge for the benefit of the venture.

As strategic alliances are more informal than joint ventures, they are more dependent on there being mutual trust as neither party has clear control over the other, as well as a willingness to share ideas and expertise and to pool resources, for the alliances to be successful. These alliances can involve multiple partners, can be adaptable and flexible to changing or evolving markets, and can provide companies with access to new markets or to businesses and expertise not ordinarily available for them to work with.

If though, one of the parties has longer-term ambitions to become a rival to the other, entering into an alliance with such a party and sharing skills, expertise and knowledge, could prove counter-productive. Determining the objectives and motives of a potential partner or partners, as far as it is possible to do so, should therefore be an essential pre-requisite to entering into strategic alliances with them.

An alliance could normally be expected to develop well and prosper over the longer term should it be made, for example, between a property developer operating in a home market and say either a 'pure play' one line of business overseas property investor/funder or a conglomerate looking to expand into property, rather than between a home market property developer and an overseas property developer looking to establish a presence in that home market.

The Attraction of UK Property for Overseas Property Investors

Property is the third asset investment class, after equities and bonds, sharing some characteristics of equities and bonds, being more illiquid than both but having less volatility than shares and able to deliver higher yields generally than gilts.

For investors such as Sovereign Wealth Funds, the UK is particularly attractive for property investment because of FRI leases with upward only rent reviews, with London global status as a major financial centre being a magnet for their investment. A Sovereign Wealth Fund might typically apply an allocation of around 7% of total investment to property, spread between direct property investment, unlisted property funds, listed property companies, and real estate debt to limit their exposure to any one investment class.

Any increase in the normal percentage allocations to property investment could benefit the property markets, but is there any reason to anticipate such an increase? There could be several reasons, beyond the general benefit of any form of investment in the UK offering a comparatively safe haven for international investors specifically looking, for example, to steer clear of markets exposed to eurozone contagion.

There have been some quite dramatic falls in share prices in recent times and if these falls should continue with some regularity, fraying at the nerves of investors, then both bonds and property investment could be the beneficiaries of any change in investors' sentiment in offering generally less volatile investment alternatives to shares.

On 23 September 2011, more than £64 billion was knocked off the value of Britain's hundred largest companies following fears of the US and Chinese economies showing signs of faltering. Traders wiped a further £26 billion off the value of shares on 8 May 2012 driven by market jitters that a new Greek coalition government would not honour an austerity deal underpinning the country's £190 billion eurozone bailout. A further £35 billion was wiped off the value of shares on 23 May over concerns of a Greek exit from the euro currency, France's new president Francois

Hollande pressing for a Europe-wide growth pact, and increasing signs that the Spanish economy was struggling to cope with higher borrowing rates.

Whereas much of the developed world is looking for new capital, petrodollars wealth in the Middle East and international trade surpluses in the Asian Tiger countries continue to generate capital for reinvestment outside these countries' home economies. Changes to international investment patterns could be influenced not just by economic returns but by wider political considerations.

Within the oil rich economies of the Middle East, regional political tensions and uncertainties could impact on their longer term economic prospects and investment decision-making. At present, one source of tension concerns whether or not the UN and international community are likely to be satisfied that Iran's plans for the development of uranium enrichment facilities are for use solely to generate energy for electrical and medical purposes. Should they not be convinced then the potential ramifications for Middle East exports trade, particularly interruptions to oil shipping in the Straits of Hormuz, could lead to a change in emphasis from inward to outward investment.

Increasing levels of investment in UK property from Far East investors could also buoy the home markets. Napoleon Bonaparte famously observed *Let China sleep, for when she wakes she will shake the world* – quite a prophetic observation about an economy now comprising some 1.3 billion people and having huge spending and investment power. Chinese annual corporate investment in 2011 in Europe alone tripled to \$10 billion as Chinese companies looked to gain access to new markets, and appears likely to continue increasing. A report by US firm Rhodium Group projects that by 2020 outbound global investment by China could reach \$2 trillion. This would appear all the more likely should China's new president Xi Jinping deliver a programme of faster economic liberalisation reforms promised to the country.

China's increasing appetite for

investment in the UK economy has been reflected in the £1.4 billion acquisition of the London Metal Exchange by the Hong Kong Clearing Exchanges, the £1.2 billion acquisition of a 60 per cent stake in the Weetabix Food Company by China's state-owned Bright Foods, and by London being chosen as the global foreign exchange dealing centre for trading of 'dim sun' yuan-denominated bonds with the Chinese government aiming for a fully convertible yuan by 2015.

The China Construction Bank has already issued a dim sun bond in London in November 2012, the first Renbimbi denominated bond ever sold outside China, and follows an agreement in September 2012 between George Osborne and Chinese vice-premier Wang Qishan to boost London's role as a RMB hub.

Russia is Britain's fastest growing export market, with exports of £5 billion representing an 80% increase in the last two years. The country's recent accession to the World Trade Organisation is also making it easier for Anglo-Russian trade to take place.

Sourcing Partnership Opportunities

For UK property investment and development companies operating in markets where the major banks have little appetite to offer new corporate and project finance, who would be the best prospective overseas partners to do business with?

Some Middle Eastern and Far Eastern sovereign wealth funds are currently among the most active investors in prime UK real estate. The Gulf state of Qatar, which has vast off-shore gas fields, has been the most active and assertive of these investors. The Qatar Investment Authority (QIA), holds stakes in a number of London property assets including the London Stock Exchange, Harrods, One Canada Square in Canary Wharf, the Shard high-rise office development at London Bridge, the Chelsea Barracks housing development, the US embassy site in Grosvenor Square, the former Commonwealth Institute site in Kensington High Street,

Camden Market, and the 2012 Olympics Village development at Stratford. The value of UK property assets acquired by the QIA, some with the assistance of the high profile broker Amanda Staveley, or through its property investment arm Qatari Diar, and by Barwa Real Estate, one of Qatar's leading property investment groups, is estimated to be worth in excess of £10 billion.

Despite this level of investment and activity, the QIA is dwarfed in size by the largest of the sovereign wealth funds, the Abu Dhabi Investment Authority, which has been involved in London property investment since 2001 when it bought Berkeley Square in the West End from the BP Pension Fund. More recent London purchases, some acquired for the Authority by Lancer Asset Management, have included the Excel Exhibition Centre in London's Royal Docks, No 1, Knightsbridge Green close to Harrods, and 2 former Thistle hotels, also in Knightsbridge.

A reported profit of £2.25 billion made by Sheikh Mansour of Abu Dhabi's ruling family on a £3.5 billion investment in Barclays in 2008 to help the bank avoid a taxpayers' bailout, appears likely to whet the appetite of Abu Dhabi for more investment ventures in the UK.

Norges, the investment managers of Norway's sovereign wealth fund which at £376 billion is the second largest wealth fund in size, has bought a 50% stake in British Land's Meadowhall shopping centre, and follows the purchase of a 25% stake in the Crown Estate's Regent Street portfolio in 2011. The significance of the Meadowhall purchase is that the wealth funds no longer appear to be limiting their interest to prime investment property in the capital.

Intriguingly, the Kingdom of Saudi Arabia, by some distance the largest oil producer in the Middle East (and the world), also invests in property but prefers to do so discreetly, using nominee companies to acquire property investments.

One of the leading Chinese sovereign wealth funds, the Chinese Investment Authority (CIA), holds an interest in

Canary Wharf through an investment in Songbird Estates. The CIA's investment, alongside an investment by Qatar, enabled Songbird to repay a large loan to Citigroup to help secure the company's future.

Malaysia's Permodalan Nasional Berhad has acquired Milton and Shire House, headquarters of the law group Linklaters, in Silk Street in the City of London, as well as 3 of the 4 buildings in KanAm's £1 billion central London portfolio, including One Exchange Square, EC2, the home of the European Bank for Reconstruction and Development.

Sovereign wealth funds are not the only high value investors in London though. Battersea Power Station site has been acquired by the Malaysian property groups Sime Darby and SP Setia. The office building No 10 Trinity Square at Tower Hill has been acquired by the Singapore conglomerate KOP Group. An investment vehicle controlled by Moise Safra, the Brazilian banking mogul, has bought the One Plantation Place office block in the City. Tower 42, formerly the NatWest Tower in the City, has been bought by Nathan Kirsh, the South African property tycoon. The Middle Eastern-backed investor, Arab Investments, has bought the Pinnacle, formerly the Bishopsgate Tower, in the City.

JP Morgan Asset Management bought 25 Bank Street in Canary Wharf, and both Bishops Square and 33 St.Mary's Axe in the City. The American TIAA-CREF Teachers Fund, which manages \$480 billion on behalf of teachers and academics in the US, owns the 1 Angel Court office tower in the City, and has bought a stake in 76 Buckingham Palace Road.

Overseas property investors with a relatively high profile may well have a number of potential UK property investment and development company suitors interested in entering into joint venture or strategic alliance partnerships with them, meaning such competitive interest should enable them to agree more favourable terms. There may be merit therefore in UK companies developing relationships with high profile overseas investors with an unsatisfied appetite to invest in prime UK property assets, but also purposefully to seek out and court overseas investors which are either operating under the radar or have not yet become active in the UK property markets.

Identifying who these potential partners could be, becoming aware of what their sector preferences are, what investment income and capital growth expectations they have, and respecting their cultural differences, could be key to the creation of new alliance partnerships as part of companies' external growth strategies.

A strategic alliance which works well, and where both partners should decide that they wish to build on the relationship, could lead to joint venture arrangements being entered into, and if the relationship should continue to grow and prosper, to a merger or acquisition. If, for example, a public UK property company (employing internal growth strategies to deliver good performance, reduce management costs, and reduce levels of leverage to both increase financial flexibility and minimise exposure to market conditions and interest rate changes) should still fail to make significant inroads in reducing share price discounts to net asset value, a well-structured alliance or joint venture could boost the company's share price. This could be particularly attractive if the terms should include the securing of a substantial credit facility from the overseas partner in return for an equity stake so as to enable stalled development projects to be brought forward.

As internal growth and external growth strategies are not mutually exclusive, a substantial UK property company could, for example, develop new alliances or enter into joint ventures with overseas partners while at the same time raise comparatively cheap debt on the bond market to help refinance existing property investments.

ADVERTISING IN THE TERRIER

The Terrier is an easy way to get known to around 300 senior surveyors, property managers and asset managers in local authority and public sector organisations. Most copies of The Terrier end up in their offices at work, where it is read by their professional teams – and, I hope, by other senior decision-makers on property matters.

Rates for 2013 are set out below.

	COLOUR		MONOCHROME	
	4 x The Terrier plus website	The Terrier single edition	4 x The Terrier plus website	The Terrier single edition
Full page	£2175	£710	£1300	£425
Half page	£1675	£549	£810	£268
Quarter page	£1360	£456	£485	£163

If you wish to discuss advertising please get in touch.

Betty Albon editor@aces.org.uk or Tim Foster secretary@aces.org.uk



FUTURE CITIES IN THE UK

Brian Ablett BSc (Est Man) MRICS (Reg Val) CEnv MPWI

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

Brian presents a provocative argument around the increasing importance of data to facilitate efficiencies for public and private sector service delivery.

When the Editor asked me to write up what I am doing on Future Cities I asked her to clarify what she expected: "well, anything really". Whilst such latitude is welcome, since it helps to convey the breadth and vagueness of the topic, it was also an excuse for some first-class displacement activity. It seemed preferable to tidy up a few things in my study than to write anything.

Over a period of time the Ablett household has built up a large and surprisingly eclectic collection of DVDs and periodically these need to be tidied back onto their shelves. I thought of these when entering the new Apple store in Leeds, within the new Trinity Quarter scheme. The helpful, and surprisingly young, shop assistant showed me some new laptops and iPads and other toys and mentioned that no-one still had a DVD player... "legacy equipment". No chance then for my stock of DVDs to have another viewing. I recalled my early encounters with computing, at school; punch cards, transportation via briefcase to the local tech college to run through its computer, then PCs at work, then home. The last few years have seen modest changes, with much that is better but appreciably similar and familiar. The software we use at work mostly predates the internet era. What, then, is all the fuss about Future (or Smart) Cities?

Around April 2012 I was asked to look into some workshops that had been run by the Technology Strategy Board (TSB), part of Business Innovation and Skills (BIS). I had a distinct feeling that I had been palmed off with a topic that would keep me both happy and busy till the autumn when I could be given some "real work". The TSB had clearly been tasked with actions and activity that were outside of its usual remits. Other than for Future Cities it works exclusively with the private sector. Yet for Future Cities this was to be only with local authorities and with a clear focus on city councils. It was seeking to get councils to integrate "systems" but left these undefined. I took this to be, at the top level, the city itself. In our case, we overlap so much with Bradford that many consider the 2 to have fully interlocked economies. I put this to colleagues there, who both agreed and decided to throw in their lot with us.

The TSB required the submission of an Expression of Interest (Eoi) to proceed further, and this I did. The Eoi secured £50,000 from the TSB to use to develop a feasibility study. By now my steering group included Leeds and Bradford Councils, Leeds University (feeding out to a further 2) and West Yorkshire Metro, our Passenger Transport Authority. Arup was appointed, via competitive tender, supported by Halcyon (a one person undertaking) and the Centre for Low Carbon Futures. The first task was to try to agree the specification for the task, itself far from simple. The TSB's timing left much to be desired, allowing us to

"start" in August when folk take their holidays. In practice, we had 10 weeks to turn in a finished piece of work and really we were doing this from a standing start.

In mid November 2012 we had completed the work; you can read it on the TSB's website along with a further 29 from the other cities. We entered the final stage, to bid for a £24m prize to fund the implementation of our proposals. But the TSB allowed around 15 months to commit the money and the logistics of getting this through the 2 councils' governance and tendering systems seemed improbable. To us, it seemed to be a competition in which winning was worse than losing; we didn't win; this is left to Glasgow.

So, where were we last December? A good deal of effort, huge support from many people and organisations, very close cooperation with 2 other authorities and a feasibility study with 12 Interventions. Far too good to waste. And our joint working seemed to have scratched a corporate itch in Whitehall; colleagues in BIS were anxious to visit and to ask what we were going to do.

We discovered a few further things along the way. Leeds, I am told firmly by our CEO, is the largest local authority outside of London, and if added with Bradford, this is beyond dispute with a combined population of 1.25m. The government is looking to the Core Cities to ramp up their economic performance better to counterbalance against

London and the South East, which is fair. And the significant reductions in income to local government may have more than just a reduction to national debt as a driver. Our own work indicated that if new ways could be found to deliver public services then service outcomes may be met with less money. In fact, we know that there is close cooperation between the Department for Communities and Local Government, BIS and the Cabinet Office and believe our analysis to be broadly correct.

We sit in the midst of the internet era and forget how recent it is. Maybe what we do not do is reflect on how it could be used and how we can drive the performance of both our own authorities and our economies to greater effect. This is, though, one of the foci of Whitehall. One of our Interventions was around the use of data and we wished to pull this together into a "City Dashboard". This would be somewhere where data from a variety of sources could be placed and maintained. It would allow anyone to "mash" together seemingly unrelated data sets for their own purposes or to sell this via an App. Transport for London (TfL) has done this and claims that 4,000 developers provide a service to 1m customers per month. Yet TfL pays nothing for the additional market penetration and customer uptake it has secured.

Our own Interventions essentially comprised proposals for the smart delivery of services supported by technology. For example, we could rid our city centres of delivery vans if instead we used edge of centre warehouses in which loads for individual shops could be dropped off by a single van. This happens already at the Meadowhall Centre in Sheffield. In Leeds, this is now being taken forward by the Trinity developer, Land Securities, on a city centre wide basis since it improves the ambience for shoppers and hence for its new scheme. IT can allow the warehouse staff to pick products for individual shops from the stock placed there and to have this ready for the courier's collection to support internet sales. This process uncouples the store from both its location and staff and additionally allows

the store to use its former stockroom for sales, all reducing its business cost base. And we are considering how we can adopt alternative ideas better to support services for adults - better services for the citizen and at a lower cost, too. So, our Interventions are sound, based as they are on the concepts derived from manufacturing; "advanced manufacturing" seeks huge improvements in quality and huge reductions in unit costs. Our proposal is Advanced Service Delivery (ASD).

Yet whilst we have progress to varying degrees for our Interventions, and these should prove both useful and show significant economies, to some extent the TSB's competition has served to distract us from the main requirement, to develop our cities in ways that support them in a global economy and provide opportunities for exports. Cities are now the preferred place to live. They are efficient and allow access to opportunities for their citizens in a way inaccessible to those living in rural communities. More than half the world's population have chosen to live in this way. By 2050 forecasts indicate that this will increase to 75%. Such a rapid change suggests that the rate of increase in a city's population could outpace its ability to generate income to deliver key services. Most cities will be in a similar position to those in the UK; increasing demands against proportionally reducing incomes. The only way to resolve this is either to cease to provide entire services, but continuing to operate as before, probably inefficiently, or to change and to operate along the lines of Advanced Services Delivery. We are working with the private sector to encourage the development of ASD services and to organise themselves so that they will be well placed to export their knowledge to cities around the world.

Understanding how to support our cities, economies and citizens, and understanding how we can make these both more efficient and successful, is something that touches upon every member of ACES since it is at the heart of what we do. BIS has developed a competition, to be delivered by the Local Government Association (LGA), to support this process. However, a recent

LGA seminar held in Leeds, considering "transparency", efficiency and good governance, did bring out the need for public bodies across the piece to publish their data and to maintain it to ensure it is always up to date. The debate was whether this should be done at a minimal level, but sufficient to avoid overt criticism from central government and auditors, or to bite the bullet and put out as much as possible. Patently there is an opportunity cost to this; the more effort involved, against tight financial positions, the less there is to do something else. Do we publish and find this closes another service? Should we measure the unit cost in, say "libraries", that is, for each level of improvement in the quantum and quality of the data published, another library must close to cover the cost?

I put this to BIS. The interchanges and responses were thoughtful and provocative: that Open Data is a public good, like the lamps in our streets, and will shed light on the workings of a community or city, and that the best way is to fund this through central taxation with a duty placed on suppliers to maintain the quality and periodicity. The value of the data will need to exceed its cost. This will help hold both local and national government to account and should be of great value, forcing poor service providers to change. And more prosaically, it can be a powerful tool for the citizen and the economy: a business could match support programmes, apprenticeships and FE Colleges, and the quality, of the courses. New businesses like to cluster; they could identify the quality of related expertise in the locality, patents (from the Intellectual Property Office data sets) and university research and their graduates and their fields. Or consider the likelihood of flooding for a location and the quality of flood defences to stop this. Or to consider the potential for a retailer or restaurant operator to spot opportunities by gauging the trading potential against the data sets for rent and rates (both published now, of course). With local retention of business rates, what would be the net cost of data publishing to local authorities against uptake of premises, including our own, and job creation? How will the information be used by

others, such as Utilities and house builders? It is not clear but discussions with Yorkshire Water show a need for the company to try to forecast demand and the most effective means to manage this. Amongst many odd statistics was one that rainy Yorkshire has, per capita, a lower rainfall than the citizens of Afghanistan... well, you can use it in a pub quiz!

Defining smart/future cities has not thus far been possible nor, I now see, even necessary. There is a huge amount of literature available, all very earnest and well meaning, and Leeds University has developed one of the 2 national

centres of expertise in the UK. Clearly local circumstances will dictate local priorities, but there are a couple of areas emerging that seem universal. The first is that there is, by intention, a compelling need to grapple with Advanced Services Delivery. Significant reductions in income mean that there is little option other than to address this. The other is the need to make available information under the Open Data initiative, either voluntarily and proactively or by compulsion, meaning loss of competitive edge of central government or auditor intervention.

Looking up at my tidy shelves of home

movies, it does not surprise me that Blockbuster went, well, bust. We already have the first American city that sees the necessity to ensure every household and business has 1Gb broadband speeds. Why ever would you wish to have the product at home when you can view it cheaply at any time? And so things move on.

Our work as property experts, increasingly recognised by Whitehall Departments, is not immune from all this. The use of premises dates back to the analogue age, sometimes useful and sometimes not, but is now increasingly bound to the digital era.



THE CLOUD AND MOBILE ASSET MANAGEMENT IN THE PUBLIC SECTOR

Tom Whittle

Tom Whittle is the Sales and Marketing Coordinator at The Technology Forge, providers of property and asset management software. Tom deals with the day-to-day management of the company's marketing. The Technology Forge has over 130 public and private sector clients across Great Britain and Northern Ireland. tom.whittle@technologyforge.com

This is the first of 2 features produced by software exhibitors at ACES conferences. The Technology Forge has produced flexible cloud-based asset management software – tf cloud.

The Cloud

In recent years, the public sector has steadily made the transition of using software installed internally on a physical computer or server, to running applications hosted externally and accessed through the Cloud. A recent study by Eduserv, a public sector IT specialist, found that 57% of major councils have adopted cloud computing over the last 5 years, citing the

reasons as reduced cost and improved engagement. Around a third of councils surveyed confessed to not having any cloud based solutions in place.

The benefits of cloud software include:

- **Flexibility** – work can be carried out from anywhere with an Internet connection and in the current climate where many are working from home and from different locations, this undoubtedly increases flexibility;
- **Cost** – public sector IT departments are saving huge amounts of money relating to infrastructure and cloud technologies are typically taking

a 'pay as you go' approach with the removal of significant up-front investment;

- **Deployment** – cloud solutions can be deployed from day one. There is no lengthy set up process and in many cases, log in details are provided the moment cloud software is purchased;
- **Software Updates** – updates are implemented with minimal involvement of the client, freeing up IT teams to concentrate on more important activities;
- **Security** – with data stored in the cloud, information can be con-

trolled and accessed from anywhere and organisations no longer need to worry about lost/stolen computers;

- **Carbon Footprint** – the removal of on-site servers to host software means that there is significantly less energy consumed and carbon emissions are reduced.

There are a few apprehensions relating to cloud technology which concerns some within the public sector:

- **Security** – whilst there are benefits relating to security, there is a transfer of control from the client to the host so it is important that security credentials of potential suppliers are scrutinised;
- **Cost Model** – some organisations prefer the up-front investment approach and do not want a 'pay as you go' service;
- **Technology** – reliance on having an Internet connection. Whilst this is becoming fairly ubiquitous, there are times when a connection cannot be guaranteed.

It cannot be disputed that there are significant benefits of migrating current public sector software to the Cloud and it has been proven to reduce operating expenses by up to 50%. Whilst the savings are a major benefit, the other benefits are longer term and are facilitating extensive modernisation across the public sector which will drive efficiencies for years to come.

Mobile Asset Management and Surveying Hardware

tf cloud, the latest property and asset management solution from The Technology Forge is a cloud based solution that is creating significant efficiencies in asset management. We have taken many of the benefits of cloud computing and integrated them with the system's comprehensive property management, surveying and facilities management modules. Finally, we have taken full advantage of the mobile and collaboration opportunities made possible by cloud computing. Our clients are now managing property from the office, home, on the road and on site using any hardware and in any browser. No longer are our clients forced into Windows-only solutions. We have also developed surveying applications that synchronise seamlessly with the main system and support data collection when there is no Internet availability.

Asset management is being carried out on a proliferation of devices and we have developed solutions to work on a range of tablets, smartphones, PCs and laptops making the process as simple as possible for the user. In the present market, end users are adopting tablet computers and smartphones more and more and devices such as iPad, iPad Mini, Galaxy Tab 7 and Galaxy Note II are all being heavily used.

Decisions on devices are very much the responsibility of council IT policies and preferences. Some decisions are down to operating platform and others are driven by size, weight, durability, battery life, camera quality etc. It is for this

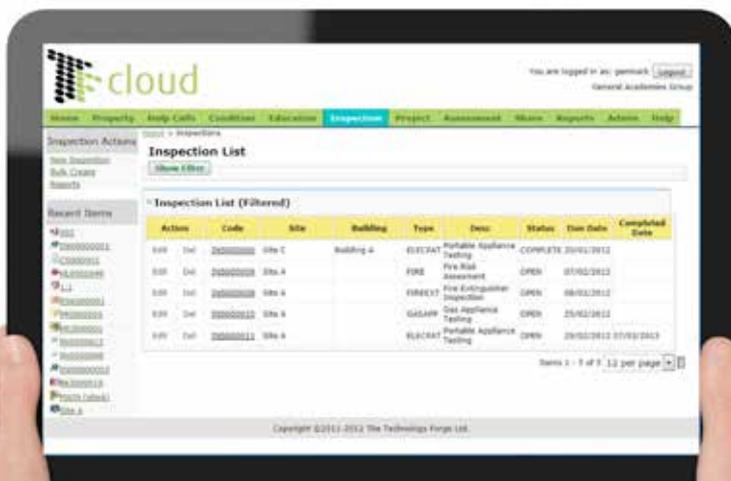
reason that we have made our software available on both the Android and Apple stores. Cloud computing is ultimately giving the end user control over how, when and where they access data and we are one of many organisations facilitating this efficiency.

Technology

In broader terms, the Internet is integrating every facet of day-to-day life. In recent years we have seen the introduction of the Internet television which can stream TV from the Internet as well as link in with other Internet enabled devices such as smartphones, so that the user can set a programme to record when they are on the train home from work. Other devices are starting to follow this trend, with the emergence of Internet fridges which can tell the user from a remote location what items are in their fridge, their best before dates and what ingredients are missing for certain recipes. Internet enabled ovens are being controlled remotely so that the oven can be preheated before you are even home or can be switched off in the event that you are running late. Office lifts, bathroom scales, door locks, cameras can all be Internet enabled, meaning that the majority of our day-to-day lives are being stored in the Cloud.

Advances in infrastructure are only helping to maximise the availability of cloud technologies and the introduction of 4G means the vast increase in bandwidth for smartphone users will facilitate even more efficient computing processes, whether it be streaming TV shows to your phone or carrying out condition and hazard surveys on-site as many of The Technology Forge's customers are doing via the property and asset management solution, **tf cloud**.

The changing IT landscape of the public sector and the emergence of the Cloud is driving real cost savings and benefits. The only question is how long can public sector organisations resist the transition?





STRATEGIC PROPERTY ASSET MANAGEMENT

Gary Toal

Gary Toal is a Business Consultant at Atrium Software Ltd where he is responsible for the project management and implementation of Atrium's Enterprise Asset Management software to the public and private sectors. g.toal@atriumsoft.com

This is the second of 2 features produced by software exhibitors at ACES conferences. Below is a good practice case study which uses Enterprise Asset Management (EAM) software.

Case study – West Lothian Council

Delivering better, more efficient services by making more effective use of property assets continues to be a key objective for all local authorities, and good financial management, including ensuring compliance with CIPFA best practice and the new International Financial Reporting Standards (IFRS), is a critical part of this. West Lothian Council is in the vanguard of such strategic property asset management, and this case study explores how the Council's business drivers and specific objectives are being delivered.

West Lothian Council has been at the forefront of asset management innovation for a number of years, with a rationalised estate, shared partnership centres, and the management of assets as corporate resources.

Key business drivers for the Council are to make more effective and efficient use of its property assets, continually improve resource deployment and rationalise systems to streamline management processes. One area of focus was the production of asset valuations for incorporation in the Council's financial statements.

Ensuring property asset data would

remain compliant with both CIPFA best practice and IFRS led the Council to procure new asset management software. After a lengthy tender process Atrium's Enterprise Asset Management (EAM) suite, with its core data repository and IFRS compliant module, was selected.

The implementation is enabling the Council not only to continue to be CIPFA and IFRS compliant, but also to interrogate and analyse its property asset management data more effectively. This is delivering service improvements and long-term efficiencies through better asset utilisation, resource deployment and prioritisation of investment. The key strands are:

- Supporting the co-ordinated corporate approach to asset management by consolidating several disparate databases and functions, and reinforcing the structured, systematic and fully documented process
- Supporting the Council's emerging corporate asset management plan
- Improving property asset performance data and decision-making processes
- Improving the integration of capital and revenue spending decisions with asset management planning
- Improving service user interfaces on property asset management (eg statutory compliance, works and contract management)

The first phase of the project involved migrating West Lothian Council's existing asset register to the Atrium EAM system and producing capital accounting reports in line with IFRS. Existing valuations were migrated as part of the Council's financial year end processes.

Complex algorithms associated with IFRS-compliant asset valuations contained in the Atrium system runs automatically every time any asset valuation adjustment is made. This gives the Council a flexible, easy way to report on live figures, and improving management of the asset register by reducing repetitive manual data entry.

Overall, Atrium's EAM solution is proving an essential part of West Lothian Council's financial management activities and a key component of their property asset management strategy going forward.

DUNCAN BLACKIE, EASTERN BRANCH SECRETARY

18 members attended the Branch meeting on 1 March at Landmark House, Ipswich. 18 apologies had also been received, including 5 in the last week or so. This is a sign of the times, where office pressures make it difficult to attend.

Neil McManus reported on his attendance at the Annual Meeting at Fishmongers Hall EC3 and on the inspirational talk provided by Wayne Hemmingway urging public sector surveyors to take responsibility for and ensure good design [Ed – featured in this edition].

Attendees discussed reports from the January Council meeting, particularly the new roles of conference organiser and treasurer. Members were consulted on the value of the website and in particular the forum and these were felt to be very useful. Members' details are to be refreshed to maintain up to date contact information.

Branch CPD event[s] - It was agreed that it would be a good idea to extend meetings to include a larger CPD element and that the July meeting in St Albans would provide an opportunity to test this idea. It was also noted that Thomas Fleming, National President will be attending.

The main body of the meeting was a presentation from Peter Revell (Peter.Revell@suffolk.gov.uk) and Brian Prettyman about the partnering initiative of Landmark House between Suffolk County Council and the police [Ed – featured in the Terrier Autumn 2012 p18]. As workplace transformation projects/ programmes have become more familiar, so public sector surveyors have begun to develop the appropriate skill sets to manage these programmes. The presentation was led by Peter, who as programme director has overseen a range of multi-agency

workplace transformations across Suffolk. Landmark House was therefore a continuum of a programme that began 8 years ago with Endeavour House in Ipswich, West Suffolk House in Bury St Edmunds, and will be completed by a joint development in Lowestoft in the next year or so.

The backdrop to the Landmark project was a joint vision between SCC and the Police [comprising the constabulary and the police authority] to rationalise buildings, reduce running costs, consolidate public access and introduce integrated working between the 2 organisations. Peter explained some of the synergies which would be achieved by co-location and closer working between police and trading standards and by police and children's services.

It was envisaged that St Edmunds House, in the centre of Ipswich would provide public access and be a second leg of a scheme with a programme cost of £25m, producing annual revenue savings of £500,000. However, the onset of the Comprehensive Spending Review presented a fundamental challenge to its affordability. As a consequence, St Edmunds House was dropped from the project and greater utilisation was required at Landmark House and Endeavour House, with the Police retaining a building that would have been released. The consequence was beneficial in financial terms - projected scheme costs were reduced to £21m and revenue savings increased from £500,000 to £1m p.a.

The reality was a little different, as a number of unforeseen capital items increased the cost to £23m but the project came in on time, delivered on its promised revenue savings and brought a very visible unoccupied building back into economic use.

In common with the model adopted in previous SCC partnerships, the asset is held jointly [on a trust for sale basis in this case] and both parties contributed equally to development/project costs. Running costs are charged on a pro rata basis based on floor space occupied. The site, with 850 staff, comprises 3 buildings; a visitor centre with meeting/conference rooms, a property & equipment building [storing everything from bicycles to evidence from crime scenes] and the main office block. The main occupying departments include all the people/functions previously undertaken at Ipswich police station, Children & Young People and Trading Standards.

Challenges to the project included:

- Changes to the scope which put pressure on relationships
- The inability to agree an alternative town centre location for front of house operations
- Not fully understanding governance arrangements and the implications for project decision making/timescales
- Attitudes/constraints to sharing information particularly where related to security
- Consistency of decision makers on top team – significant personnel changes resulting in a revisiting of decisions already made
- Anticipating the impact of significant organisational changes on the project
- Unexpected site problems

A guided tour of Landmark House, which enabled theory to be understood

in practice, followed Peter & Brian's presentation. Hats off to Brian and Peter for successfully managing a collaboration project with the police.

There followed some interesting network information including in Watford, the sale of some assets and 2 new tube stations to be developed as a result of regeneration schemes at the Health Campus and Watford Business Park (previously visited by Eastern Branch); rejuvenated interest in commercial sales at a number of

locations in the Eastern region, an increase in RTB activity following the uplift in discount sum to £75,000. Jeff Clarke of NPS reported the acquisition of RAF Coltishall by Norfolk CC in January. The site extends to 640 acres and includes 130 buildings of varying sizes. It was marked as a future ACES site visit and the subject of a Terrier article. Other interesting initiatives included setting up an arm's length trading company, externalisation of a property services team, and guarantees to lenders to support 95% mortgage lending up to

£190,000 where purchasers can provide a £10,000 deposit.

The next meeting is on 5 July 2013, to be hosted by Debbi White in St Albans. It will be a CPD training event, including presentations from RICS about professional ethics, a legal update and a software demonstration from Kel. Everybody is welcome, just let me know in advance (d.blackie@btopenworld.com).

MARCUS PERRY, LONDON BRANCH

Since our round-up in the Winter edition of the Terrier, the London Branch has met twice - on 18 January 2013, and on 15 March 2013 - on both occasions at the Guildhall, City of London.

16 members were present at the January meeting, with our newly installed chairman, Andrew Wild in the chair. Andrew welcomed 2 guests from the RICS, Paul Bagust and Luay Al-Khatib, who during the meeting gave us some informal guidance on how we should interpret the recent RICS regulations on posting CPD on-line, and what constitutes "formal" and "informal" learning.

Our colleague from the City of Westminster, Alan Wharton gave a presentation on School Place Planning. Alan explained that since Westminster joined the Royal Borough of Kensington & Chelsea, and the London Borough of Hammersmith & Fulham, in their "Tri-borough" initiative to share key services, Children's Services had merged across all 3 boroughs and Alan was now working for all 3 in his role of Asset Manager for Children's Services. Across London there is an anticipated shortfall of 90,000 school places by 2016, which will be challenging to accommodate. The capital cost per pupil in new builds ranges from £28,000 in primary schools,

to £53,000 in secondary schools. Despite the move to independence from local authorities as schools opt for academy status, and free schools begin to be established, responsibility for finding a school place for every child remains firmly with local authorities as a statutory duty. The GLA School Roll Projection Service assists LAs in the calculation of demand in London's ever changing demographics. Alan concluded his informative powerpoint presentation by commenting that school place planning is as much an art as a science when it comes to juggling demand with available places. Local authorities still take the lead in school place planning, and when consultants are employed to assist in this task Alan expressed the importance of their knowing the authority's patch.

20 members re-convened at the Guildhall for our March meeting, and again Andrew welcomed Paul Bagust from the RICS. With no external presentations on the agenda, members were able to spend more time during the meeting on exchanging information and discussing current topics. Our member for LB Islington, Jane Taylor gave an update on Islington's Capital & Asset Pathfinder project - Wave 2, August 2011 - on the selected project of public sector agencies sharing their

training facilities across the borough, to achieve savings over a 10 year period. Although most public sector providers had participated in the project and candidate venues for sharing had been identified, the project had stalled for the time being, mostly for political reasons. Members look forward to a further update from Jane when the project reconvenes.

Past Member Neil Webster briefly updated members on topics for CPD and Webinar training and it was agreed that rather than reinventing the wheel for the London Branch we would look at the RICS on-line learning platform. ACES training needs to complement RICS training, not compete with it. Paul Bagust offered to provide Neil with further information on the RICS training platform.

Topics for future meetings and branch socials were discussed. The London Branch looks forward to Tom Fleming's Presidential visit on 17 May 2013 when we meet at LB Southwark - all welcome. For the July meeting we have pencilled in a visit to LB Brent's new state-of-the-art Civic Centre, recently completed adjacent to Wembley Stadium. In addition to our Branch Meeting and a tour of Brent's new civic facility we hope to fit in a social tour of the stadium.

RICHARD ALLEN, HEART OF ENGLAND BRANCH SECRETARY

A good turn out of 17 branch members welcomed Tom Fleming, the ACES National President, to the first meeting of the year on 7 March. The meeting was hosted by Wolverhampton City Council, held at the Blakenhall Community and Healthy Living Centre, which weather-wise turned out to be a very dark and wet Black Country day.

During the main meeting Tom spoke about his aims for his presidential year, updated the branch on major decisions affecting the future of ACES made at the AGM and last full Council meeting, and outlined his plans for the Presidential conference to be held on Clydebank in September.

He also treated the meeting to a fascinating presentation on how Glasgow City Council has innovatively used its substantial non operational property assets to offset a large reduction in central government funding and support the financing of the Commonwealth games. He explained how the Council transferred these assets into a local authority owned company called 'City Property' and is using the net income to repay over 25 years a substantial capital payment made available to the Council from a major financial institution. He covered how the company was legally and financially set up and in particular how the risk to the council and tax implications have been minimised.

Following a formal welcome to the President given by Peter Burt the Branch Chair, I started the morning session by giving a shortened version of a presentation made in January to final year Nottingham Trent University students on corporate property management in the public sector. I had been invited by the university to give a 2 hour talk on the subject as part of their Corporate Real Estate Module. The talk covered the characteristics of property as both an operational and financial



Ian Mercer, Bruton Knowles (far left), Tom Fleming, ACES National President (with Chain of Office) and members of the Heart of England Branch who attended the last meeting in Wolverhampton.

asset; the role of property strategies in supporting corporate objectives and measuring property performance. The presentation also featured a number of examples and how they had contributed to corporate and property objectives and improved property performance.

Ian Mercer, Bruton Knowles, then gave a presentation on the regeneration of the Blakenhall Gardens area of Wolverhampton [Ed – featured in this Terrier]. It took the form of an in depth case study covering the decline of the area, early attempts to remedy, approach to master planning, options for redevelopment, selection of developer, affects of recession and the recovery plan, development agreement, final outcome and what was learnt from the scheme. This was followed before lunch by a walk around the area to see the new retail centre and housing, including a visit to the Keepmoat Homes show home.

The ACES Council proposal that branches should run CPD training days for member authorities' staff was

discussed and supported in principle. It was agreed that the Secretary look at suitable venues and costs and that branch members seek from their staff possible CPD topics. It was also mentioned that the RICS wants to get closer to ACES and that there had been discussions at both national and regional level. An RICS and the Public Sector briefing paper produced by the RICS was then considered and the Secretary was authorised to open discussions at a regional level and report back progress at the next meeting.

Malcolm Williams reported that on behalf of ACES Council he had met with Leeds Metropolitan University with regard to ACES helping them put together proposals for an MSc post graduate course in public sector asset management aimed at middle managers. He went through the 8 proposed modules and then sought branch members' views and comments.

There was a discussion on how authorities are managing property performance and raising the profile

of property, including the response to consultation on the proposed 'Code of recommended practice for local authorities and data transparency'. This topic was on the agenda as it had been raised at the last full ACES Council meeting, along with the specific concerns RICS has about the profile of the chartered surveyor in the public sector. It appeared that most authorities had stopped collecting performance indicators due to the need to prioritise resources, but some were considering starting again. It was suggested that as a minimum they should collect the revised key NaPPMI performance indicators [Ed – featured in this Terrier].

A branch member had made a request for examples of community asset transfer policies. It appeared that most authorities have now produced policies so there are plenty available.

The various ways of documenting shared occupation arrangements were discussed such as: memorandum of understanding for use of a desk and a computer, licence for use of a work area, tenancy/lease for exclusive possession of cellular space. It was agreed that as

collaborative working is being promoted and becoming more common, there is a need for some guidance on the pros and cons of the different approaches and when they should be used.

Various initiatives being adopted to support the distressed town centres agenda and Portas Pilots were outlined. Examples mentioned were a 'Dragons Den' approach offering free space for a year, local authorities reducing parking charges, creating Business Improvement Districts and setting up 'Pop up' shops.

As the President had flown down in the morning from Glasgow and I needed to get him to Birmingham International airport for his return flight, the meeting closed at 4.00pm, with a number of agenda items being held over for the next meeting.

Although the journey out of Wolverhampton, along the M6 and down the M42 was slow we did get onto the turn off to the airport at 5.40pm. Still good time for Tom's 6.40pm flight as the gates did not close until 6.20pm. Unfortunately we then sat in traffic for over an hour, eventually getting

to the airport at 7.15pm. Accordingly Tom missed his flight. However, he was relieved to find that there was another one at 8.35pm. We found out from the airline that the traffic hold up had been due to a serious car accident outside the airport, combined with heavy traffic leaving the Crufts Dog Show at the NEC. As Tom had missed his allotted flight through no fault of his own, he was booked onto the last flight at no extra cost. By this time we were both rather hungry so, at the branch expense, I treated Tom to an evening meal at the airport before his flight; it was the least I could do. But because he only had a small time window it was fast food at Burger King!

I understand Tom eventually got back home at 10.30pm and was pretty much well spent, not helped by a young woman sitting behind him on the plane with a baby that screamed the whole flight. So finally to quote our president: "the Heart of England certainly knows how to wine and dine their president and give them an experience that will go down in the annals of the history of ACES."

JOHN READ, NORTH EAST BRANCH PRESS OFFICER

The branch held its meeting on 1 March 2013 at the offices of North Tyneside Council situated at the heart of the Cobalt Business Park. The meeting was well attended with over 20 delegates from across the region and Thomas Fleming as part of his presidential tour of the branches. After a minute's silence in memory of David Roxburgh the branch accepted and approved the nomination of John Murray as Branch Vice-Chair and Alison Johnston as Branch Treasurer, both with immediate effect.

Carol Summers of Capita Symonds, on behalf of the host authority, gave a workshop style presentation on "Identifying and overcoming the barriers that arise whilst trying to introduce collaboration through property." This

focused on the practicalities and opportunities facing public sector property service heads at a time when the sector faced increasing pressures. Carol encouraged colleagues to come up with new ideas, share them and promote the positive contribution that a well managed estate could make to achieving wider council objectives.

Areas covered included:

- The importance of accurate baseline property data
- Networking and relationship building with other public and private sector professionals
- Council leadership and governance models

- The national political framework
- Identifying the different agendas and priorities of other public sector service providers and trying to establish a common goal
- The mapping of all public sector properties within an area
- The need to engage with service providers to identify their requirements
- The revenue, capital and service delivery benefits of good asset alignment
- Regeneration and job creation opportunities



Carol Summers, Thomas Fleming, Alison Johnston, John Murray, Daniella Barrow

The presentation from Carol was followed by an address from ACES President Thomas Fleming in which he outlined his vision for his presidential year and the challenges facing public sector surveyors at a time when many authorities were reducing staff numbers. He outlined the importance of working with the RICS, central government and other agencies and encouraged members to make greater use of the ACES website and Forum as a conduit for information and communication. Tom sought member views on promoting the role of ACES, future meetings and conferences and how membership could be increased. Branch members discussed how regional branches could work more closely and share information and the contribution which ACES could make to meeting RICS CPD requirements. The invitation from the North West Branch for other branch representatives to attend their CPD day was cited as an example. It was also suggested that our branch may wish to consider this for its next CPD day. The President finished with a plug for his conference in Glasgow.

A request was made on Brian Ablett's behalf seeking member feedback and contributions. Members were advised that "The RICS Yorkshire and Humber Board had asked how the RICS can become closer to its public

sector members and to be seen to be more relevant to them. For example, it is trying a programme of inexpensive CPD meetings hoping this will meet the comment about reducing budgets for training."

After lunch, Ian Richardson of Capita Symonds gave a brief overview of its relatively new partnership with North Tyneside Council. He advised that the council objectives behind the partnership were to generate cost savings of £41m over a 15 year period, achieve service improvements, protect the existing workforce and promote employment growth. Capita Symonds for its part agreed to £20m of investment and the establishment of a Northern HQ which would act as a platform for growth for the company. Whilst it was early days in the partnership, the company was committed to make it a commercial success which would also significantly benefit the local community.

Daniella Barrow then led a workshop discussion on asset valuations and getting the basics right. She covered the basic information that you need to provide whether valuations are being procured in-house or externally; how much information is required for the provision of valuations and the quality of that data, especially from service

departments. She then prompted a discussion on issues around asset valuations and how different authorities dealt with them and experiences with regard to auditors requirements. In addition, the production of a guide/manual for your in-house team was discussed, to ensure consistency within the team and provide details of your thought process in determining particular courses of action with certain property types.

Following her presentation, Daniella reminded branch members of the APC Training Event which Bernard White and she were arranging. The event was to be targeted at APC candidates, counsellors and supervisors and aimed at ensuring that all involved in the process were fully aware of what is required to make candidates fully prepared for their APC. Daniella reported that she already had a good response and invited others, who had candidates or were counselling or supervising candidates, to let her know so that she could fix the most appropriate venue for the event.

Other branch business included a report from Mike Ackryod on branch finances and a request for members to put forward ideas for topics in preparations for the next branch meeting which will be a CPD Training Day in Leeds on 5 July 2013.

Other Interest Areas



CYCLING TO WORK

Neil Webster

Neil established Cyclo Consulting in 2008 after a career in real estate change spanning client side and advisor, public and private sectors, UK and Europe. He is passionate about getting value for money from the public estate having delivered projects in health, local government and policing. He contributed a chapter to RICS Public Sector Asset Management guidelines. Recent projects include herding 14 public bodies towards a more effective combined estate. He is a MAMIL (cyclist) and was mad enough to undertake the Cycle to Cannes in 2012. cycloconsulting@gmail.com

“People increasingly wish to cycle to work, but the UK is far behind other countries in providing the facilities and infrastructure they need.” Neil outlines some of the difficulties and some encouraging initiatives. But more needs to be done.

Cycling is a healthy and sustainable way to get to work, and thanks to Britain’s dramatic sporting successes, cycling is increasingly popular with the public. In a 2012 study by the British Council for Offices (BCO) entitled *Cycling and the modern workplace*, over 50% of respondents suggested that the provision of good cycling facilities would influence their choice of employer. But is this message getting through to employers?

Cycling revolution London, a study by Transport for London (TfL) in 2010, showed that cycling activity in the city doubled between 2000 and 2010. A London School of Economics (LSE) report, *The British cycling economy* (supported by Sky and British Cycling), indicated that in 2010, 3.7m bikes were sold in the UK, a 28% increase over 2009.

More people taking up cycling is undoubtedly good news for the economy. The LSE study showed that the gross cycling contribution to the UK economy was £2.9 billion, and if the current trend continues, 1 million additional regular cyclists could be contributing £141m to the UK economy

by the end of 2013. In Copenhagen (Copenhagen City of Cyclists Bicycle Account 2010) it has been shown that there is a benefit to the economy of DKK 1.22 (£0.14) per cycled kilometre, whereas car travel is an equivalent negative value of DKK 0.69 (£0.08) per kilometre.

There are also big potential benefits to public health and government health spending. Health Minister, Anna Soubry, told the All Party Parliamentary Cycling Group (APPCG) Inquiry earlier this year that greater investment in cycling infrastructure would have benefits for public health and could provide savings for the health service. There is good news for employers, too. Various studies show that cyclists take on average one to 1.6 fewer sick days per year than other employees.

So cycling demand is on the up, cycling’s contribution to the economy is significant and cycling is beneficial to employee and employer. Yet despite this, the BCO research showed that many workplaces still lacked the necessary cycle storage, lockers and showers that are needed to support employees who wish to cycle.

There are some honourable exceptions; PWC, Deloitte and Lend Lease in London provide good amenities, for example, but they are not the norm. Smaller enterprises struggle because they lease rather than own their buildings,

are in multi-occupied offices, or their properties were not designed with the current boom in cycling in mind.

There are hopeful signs. Some enlightened employers are demanding high-quality cycling amenities from developers when specifying their new buildings. Better still, some developers are integrating good cycle facilities into new developments; recent examples of this in London include Air W1 (The Crown Estate/Stanhope) off Regent Street, Heron Tower (110 Bishopsgate) and 200 Aldersgate (Helical Bar).

Niche providers

In addition, niche players are popping up to provide services to fill the gaps. Pearsons, the cycle retailer, has a Borrow a Bike scheme where employers host a pool of folding bikes for employees to use both for leisure and commuting. H2 Bike Run in Soho offers a safe haven for bikes as well as changing facilities (although people still have to walk to their place of work afterwards). Innovative cycle storage solutions are starting to appear which help get bikes into tight spaces.

But what is really needed is proper debate on this issue to hammer out the crucial questions, such as what are the real barriers to cycling and what is the role of employers in encouraging people to get on their bikes? At BCO’s Deloitte-sponsored seminar at the end

of January 2013, issues such as the need for industry metrics on employee/cycle space ratios and whether or not cycling poses a risk to employees' safety were raised. Every workplace should be asking its own questions. Are you cycling to work? If not, why not? What would encourage you to do so?

Government clearly has a big part to play. If it is serious about tackling health issues such as obesity through exercise, then more investment is needed in cycling infrastructure. In spite of the Mayor's famous call for a cycling revolution, a recent vote in the London Assembly for an increase in the cycling budget from £104 to £145m failed to reach the two-thirds majority required.

It is also sobering to compare London's ambitions with the likes of Denmark and the Netherlands. The Mayor wishes to increase the percentage of journeys made by bike from 2% to 5% by 2026. In Copenhagen 36% of work and study-related trips are by bike, while in the

Netherlands 26% of all journeys are made by bicycle. How have these cities and countries managed it? What lessons can we learn from them? One factor might be Copenhagen's separation of motor vehicle and cycling commuter traffic flows, to the benefit of both.

So while cyclists like Sir Bradley Wiggins, Becky James, Lance Armstrong and Andrew 'Plebgate' Mitchell grab the headlines, it would be good to see the commuter cyclist recognised with improved workplace facilities and transport infrastructure over the coming years. Our sporting superstars have laid the foundations of a true cycling revolution; now responsible employers, the property industry and government need to make it happen.

BCO survey: key findings

- 'Fitness' is the key motivator for cyclists, ahead of 'enjoyment' and 'convenience'

- Showers are the most sought-after workplace facility, followed closely by lockers and safe cycle storage
- Safety is the main reason given by the non-cyclists for not cycling to work, followed by 'lack of clear cycling routes/cycle lanes'
- The quality and availability of workplace cycle facilities influences the career choices of more than half of respondents
- An overwhelming majority of respondents (92.6%) say there has been an increase in demand for cycling facilities in the offices sector, mainly driven by occupiers rather than developers or investors.

Source: BCO survey, 'Cycling and the modern workplace', August 2012. (Online survey of 160 people, 70% based in and around London)

THE SUFFOLK SCRIBBLER

The Kid from Red Bank

Born in 1904, in Red Bank New Jersey, The Kid and his big band spent 60 successful years on the road; he must have something to tell us about management?

I saw him and his band at the Sheffield City Hall on 2 November 1957 and lashed out 5 shillings on a balcony seat. I can still remember some of the evening. Although his long time rhythm section of Joey Jones on drums, Walter Page bass and Freddie Green on acoustic guitar was widely regarded as the best ever anywhere Sonny Payne had taken over the drum kit by the time the band reached Sheffield and it is his magnificent, energetic and loud work I remember most. The band vocalist was Joe Williams but I always preferred his predecessor Jimmy Rushing who, by coincidence, turned up at Sheffield almost exactly a year later.

Just in case anyone out there has lived under a rock for the past half century I

am of course talking about Count Basie the *Jump King of Swing*.

So what can a man who successfully led a group of 16 to 20 highly talented and

individualistic artists out on the road for more than 60 years?

First his key word was simplicity. His own piano playing style demonstrated



this. *He left out more than some people play* was one comment from an eminent former sideman and *he could play just one note and make it swing* was another. This all sounds like one of the basic principles of those management gurus of the 70s, Peters and Waterman (or was it Peters and Lee?) i.e. *stick to the knitting* from *In Search of Excellence*.

Secondly the band style was to play together and all pull in the same direction. Sound familiar? In rehearsing new stuff if something wasn't quite right he would merely look at whichever section was at fault and did not need to say anything directly because, as he put it himself, *I knew what they are thinking and they knew that I knew and I knew that they knew that I knew*. A policy of self-correction.

And if he really needed to offer words of advice to an individual musician, he did it in such a way that the rest of the group were unaware of what was going on. One great example of such advice was in relation to a trombone solo where he told the musician, *there is no need to demonstrate all your ideas in the first solo; save some for later*.

And did this all work? Well in a TV biography he was asked how he wanted to be remembered he said 2 words - *Nice Guy*. In the programme many illustrious sidemen, rival bandleaders and business associates were interviewed but no one had a bad word to say about him. And he kept the band on the road. Although he bought a house in the Bahamas in the 70s he did not spend a lot of time there but carried on touring even though in the end he was a very sick man. He died in 1984.

A Gritty Problem

Every year, after a really bad spell of winter weather, the media interview motorists who have been held up, and always one of them will assert; *They never bothered to send out the gritters, and that's why we were held up*. Whereupon the media then turn on the hapless character who is in charge of winter maintenance and attempt to wring out a confession that indeed no gritting took place. Despite what is said the impression is always left that, as

usual, the incompetent local authority fails again.

I would advocate an alternative approach and imagine the following dialogue would take place.

Local Media TV Reporter. "Yet again motorists have been stranded overnight in a blizzard that dumped 30 centimetres, or to put it in context 12 inches, of snow on the motorway and have had to survive gale force winds and temperatures about 10 degrees below zero. I put it to you that you failed to send out the gritters and that had the motorway been gritted then no one would have been stranded. Did you send out the gritters?"

Winter Maintenance Chief. (Adopts a look of total astonishment and slaps his head.) "We need you on our team. We had been tracking the incoming storm for 48 hours. We were aware of its likely severity. And that it was likely to hit us in the early hours of the 20th. So I called in the whole team for 10pm on the 19th and there we all were surrounded by about 100 tons of salt and all these huge yellow lorries with snow ploughs on the front and, do you know, not one of us could remember why we were there. We just sat around drinking tea, had a few games of snooker then called it a day and went home. That's why we need you on the team. You could have put us straight. I'll tell you what, give me your phone number, and next time we have a similar forecast, you can come in and make sure we send out the gritters."

What's the Beef?

Remember the BSE crisis when Europe fell over itself to ban exports of British beef for fear of eating something contaminated? The outcome was an extremely complicated system of linking written evidence of origins and production with the beef carcass. Apparently a similar system has been set up for horses but, or so I hear, it is a laughing stock and seldom complied with.

Some argue that there is no problem anyway as horseflesh is quite palatable and we should not be afraid of eating it, although when they say *we* I rather think they mean you! However that is

not my problem as I don't eat beef, *or so I have recently learned*. But the difficulty is that, with the best will in the world, horseflesh is not being introduced as an expensive flavour enhancer but as cheap filler. And although testing seems to have been mainly confined to horseflesh, and occasionally pork, what else could be lurking in the cheap end of the beef products market? Dead zoo animals, dromedary giblets, road kill, or whatever can be pressure-hosed off the front of TGV or Eurostar trains? What might be uncovered if the testing for adulterations was widened?

And finally the most pompous quote on the problem. I always understood that those without the resources to supermarket shop in the normal way, those we used to refer to as *the poor*, were in some way allowed access to out of date products either directly from a designated skip at the supermarket or these products were delivered directly to charity-run shelters. Having spent weeks assuring us that there was no actual harm likely to occur from consuming the horseflesh contaminated products that were now being removed from supermarket shelves, when asked if they would be passed on to the aforesaid poor the spokesperson appeared to be shocked and said *No* as that would stigmatise *the poor* as second class citizens!

WORK IV

After Beatson and Clarke I opted to go closer to home for my next 2 summer jobs and was able, through my father's connections, to get a temporary job at the local pit, which, traditionally, never took on temporary workers.

I was taken on as a labourer in the fitter's shop under the following non-negotiable conditions

- Hours were 6am to 2pm, known as Days
- The pit-head baths system to be used
- Union membership was compulsory, all done through the pay system, so, technically, for 2 periods of 6 weeks I was a member of the NUM.

Initially, getting up was no problem, and it was only a 10 minute walk to work, but trying to stay awake in the afternoon and evening was a trial. This was essential to ensure a sound night's sleep.

The pit-head baths system may not be immediately familiar to everyone. The building had a clean side, where you went in with your street clothes, and a dirty side, used when dressed in work clothes. The process was having gained access through the clean door, with your street clothes, lunch container (snap tin), drinks bottle (the most common was a empty Tizer bottle, as it had a screw cap, filled with cold tea; yuk!) and dry towel, you changed out of your street attire and left it all in your numbered locker then walked through to the dirty side, found your similarly numbered locker containing work clothes, changed into those then walked out into the pit yard and **clocked-in**.

The unwritten, but always observed, main rules of conduct were as follows.

- Sitting down was not permitted except during the 2 designated break periods and then only on the forms either side of the metal snap table within the shop.
- If a trip outside the shop was called for something had to be carried in order to demonstrate the nature of the errand.

The shop foreman seldom ventured into the shop but had he done so, and seen anyone contravening the above first rule this would probably have resulted in dismissal. Indeed the staff were said to police this rule themselves and the story was often told of the fitter who was having a nap during work time with his hob nailed boots on the metal table, who woke up to find his boots, with his feet inside them, welded to the table. The second rule was waived at **clocking-out** time. This was the only place I ever worked at where everyone finishing their shift was allowed to lurk near to the clock whilst one person was allowed to stand at the clock repeatedly stamping his card until the time of 2.00 registered; then it was every man for himself.

And what were the fitters' duties? These included fabricating and erecting any metallic artefacts needed on site or below ground; and repairing or maintaining the same. And repairing or maintaining any machinery used on site or below ground. I was put to work with Les Bilton whose main job was the repair and maintenance of coal cutting machinery.

I have to say that I thoroughly enjoyed my time with the fitters who also taught me how to use most of the machine tools in the shop except the lathes.

Mister Ed

When Ed Milliband was first introduced to the general public after his election as Leader of the Labour Party I must admit I was caught in 2 minds. This first interview took place on the steps of his London residence where he appeared in his 3 button, one size too small business suit. On seeing this I wondered whether we were looking at a reincarnation of Norman Wisdom (knockabout humour) or Alexei Sayle (hard edged, biting left wing satire). In the event neither option has materialised. But what we have is a perfectly written and perfectly delivered one-liner worthy of the most accomplished stand-up comedian of any era as witnessed by this question to the PM on 14/03/2013. ***In the light of his U-turn on alcohol pricing could the Prime Minister tell us, is there any activity he could organise in a brewery?***

It brought the House down!

The Alcohol Problem

The argument goes that if the price of cheap booze is increased it will cut out the late night mayhem in city centres, defined as public drunkenness, fighting in the streets and the deliberate damaging of public and private property. What the politicians and assorted do-gooders seem to forget is that all these are criminal acts and police should be asked/required to deal with them accordingly. But currently the police seem to have adopted the social services role. So when they come across someone utterly incapable of looking after themselves through drink their

overriding duty is not to arrest but to see them safely home.

And should anyone be arrested, from my viewing of the numerous fly on the wall series now on TV, the arrested person can ask at any time for an ambulance to take them to A&E. No wonder the 91 year old war veteran, locally, who had the misfortune to cut his head open pretty badly on a Saturday night had to be taken to hospital by his family and then sat around in A&E for 4 hours with no treatment whatsoever before his family took him home again.

There is a link with the beef piece however. No one now is confident about eating cheap burgers any more for fear that they probably contain horse-flesh or horse-manure as I call it when I read it to myself. However few are similarly reticent about drinking, or pre-loading to use the technical term, very cheap supermarket cider before an evening out, even though everyone knows that it contains 50% horse-p*ss.

A Joke

Simon Hoggart, in a recent Guardian column, said that last week he recently wrote about the way jokes spin down the generations and as an illustration recalled this one which he said he had first heard around 30 years ago.

A hungry chap sees a sign in a pub window, "a pie, a pint and a friendly word - £3". Inside the barmaid serves him the pint and the pie. "Just a minute," he says, "where's my friendly word?" "She says, "Don't eat the pie."

I heard the Yorkshire version about 50 years ago.

A hungry chap goes into a pub and sees this sign "a pie, a pint and sleep with the barmaid for £3". The landlord greets him and the hungry chap notices an absolutely stunning barmaid serving in the other bar. The landlord points to the sign, and with a faint nod in the direction of the barmaid asks, "Are you interested?" He got the following curmudgeonly reply, "What sort of pie is it?"

estatemanager for local authorities 2013



Estateman Property Management Software has been at the forefront of the Property Software Market for over two decades and has over 50 Local Government Clients.

Estateman for Local Authorities has been written in conjunction with several Local Councils and now includes the following functionality:

- Property Terrier
- Tenancy Register
- Property Managers Diary
- Acquisitions and Disposals
- Deed Register
- Accounts Modules & Interfaces
- Asset Register & PPI's
- Asset Management Plans
- Condition Surveys
- Links to GIS & Autocad
- Report & Export Wizard
- Health & Safety Register
- Document Management System
- Environmental Module



For further information on Estateman for Local Authorities or to arrange a demonstration please ring 0113 387 3099, or email sales@estatemanager.co.uk

estatemanager

“Estateman is a true Windows application. It is an easy to use system, which offers a wide range of property management functions.”

Estates Gazette

“Estateman go from strength to strength and are probably the market leaders for midrange property management packages.”

The Valuer

“Congratulations to Estateman on coming top in the National Survey - by Ernst & Young - for customer satisfaction on their Property Management Systems.”

Property Week

Estateman Limited
6 Harewood Yard,
Harewood
Leeds LS17 9LF

Tel: 0113 387 3099

Fax: 0113 387 3179

info@estatemanager.co.uk

www.estatemanager.co.uk



Delivering solutions

First class advice and support to Local Authorities – making change happen

- Asset management
- Corporate real estate consulting
- Development consulting
- Facilities management
- Fund management
- Housing consultancy
- Occupier services
- Performance improvement
- Procurement and outsourcing
- Planning
- Project and building consultancy
- Property management
- Rating
- Sustainability
- Technical assurance
- Town centre development
- Town planning
- Transactions
- Valuation

STRATEGY AND PERFORMANCE

James Grierson
james.grierson@dtz.com
+44 (0)20 3296 2264

Andrew Smith
andrew.tc.smith@dtz.com
+44 (0)113 233 7306

DEVELOPMENT AND REGENERATION

Paul Ellis
paul.ellis@dtz.com
+44 (0)20 3296 3120

Keith Hardman
keith.hardman@dtz.com
+44 (0)113 233 7334