The Terrier

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

Volume 18 - Issue 2 - Summer 2013

ACES

Over ONE HUNDRED YEARS of managing PUBLIC PROPERTY for the PUBLIC GOOD

THE TERRIER

THE JOURNAL OF ACES - THE ASSOCIATION OF CHIEF ESTATES SURVEYORS & PROPERTY MANAGERS IN THE PUBLIC SECTOR VOLUME 18 - ISSUE 2 - SUMMER 2013

EDITORIAL

Betty Albon

The Summer Terrier has a leaning towards research projects and I am pleased to start this edition with 2 articles from surveying students regarding the very topical public service hubs and collaborative working. Even more pleasing is that ACES members have been able to help in the research. One of the conclusions of both is that the public sector has not developed measuring value for money assessment, other than in financial terms. These pieces of research are also very apt, given the recent CSR 2015-16 announcement that incentives are available through the £100 million Transformation Fund for local government. A summary of the government's financial proposals has been provided by John Connell.

There are a number of pieces from the RICS, which is an indication of our growing closer working relationship. A useful summary of the new CPD requirements is featured and a number of branches are rising to the challenge of extending their meetings to include a few hours CPD. Also, the North East Branch recently held a training event which gave an insight into the APC process, to help candidates prepare to undertake the assessment, and their counsellors and supervisors to understand their obligations in supporting their staff through the process.

There are a number of articles which can be put under the theme of sustainability, something we are all going to have to pay more attention to. Another theme is government changes to funding and planning, which affects the valuation of affordable housing land and urban regeneration. And then there are a whole range of other topics of professional interest which I hope will give you all plenty of beach reading!

My thanks go to all my colleagues from the public and private sectors for their very useful contributions. Please keep them coming......

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

Cover photo: Public service hub – West Suffolk House

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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

Speakers

Duncan Mackison, Serco
James Grierson, DTZ
John McClimens, DVS
John Lelliott, The Crown Estate
Elizabeth Hirst, HS2
Richard McKinney, Defence Estates
Ian Manson, Clyde Gateway
Tony Rose, Scottish Futures Trust
Ian McKenzie, Glasgow 2014
Derek Mackay, Minister for Local Government and Planning
David Nuttycombe and David Bethel, Cambridgeshire CC

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

ACES COUNCIL MEETING NOTES, 12 April 2013

Tim Foster, ACES Secretary

ACES Council met on 12 April 2013; 24 members were present. The meeting was chaired by ACES President, Tom Fleming.

Matters discussed

President's report
The President reported on how he had enjoyed his branch visits. He also advised that he had held a meeting with Scottish Ministers and it had been agreed that government officers were now able to join ACES.

Financial position
The Honorary Treasurer presented reports showing the financial position for the first 9 months of the financial year. These figures showed a potential loss of £15,000 for the full year and these losses would be fairly typical going forward, based on current projections. It was agreed to look carefully at the finances following the Glasgow conference and this would be one of the priority tasks for the new treasurer.

The Honorary Treasurer advised that branches had now received their first instalment of branch subscriptions.

Appointment of Treasurer Designate
Copies of the job description and applications received were circulated with the agenda.

In view of the fact that no appointment could be made by Council and any decision could only be a recommendation to the Annual Meeting, it was decided that everyone present should cast a vote in order that there was the fullest possible support for the successful candidate. The secret ballot led to Willie Martin being declared the successful candidate.

The appointment of Willie Martin as Treasurer Designate will now go forward as a recommendation to the Annual Meeting.

Appointment of Conference Co-ordinator
Copies of the job description and application forms were circulated with the agenda. There were 5 applications for this post. It was proposed and agreed that there should be a shortlist of 3 candidates who would be invited for interview prior to the next meeting of Council.

It was further agreed that an interview panel be established comprising, Tom Fleming, Andrew Wild, Richard Wynne, Betty Albon, Willie Martin and Tim Foster, who would carry out the initial interview in August and make a recommendation to Council which will go forward as a recommendation to the Annual Meeting.

[Ed – Subsequent to the Council meeting, the President felt that the interviews should be deferred until the discussions on marketing (see item below) were finalised, rather than commit to another remunerated post at this stage. Officers had hoped however to be a little further advanced with the discussions on marketing, but this process is now likely to take a little longer than first anticipated. Council members have subsequently been consulted and support this]

Marketing
Andrew Wild and Jeremy Pilgrim reported that they were holding talks with Fox International and that Tom was also meeting them on the 3 May to discuss progress. The process was a little protracted but it was hoped to be in a position to report back to the next Council meeting in August. It was emphasised that we were looking at both internal and external marketing.

RICS dialogue
The President reported that steady progress was being made with the RICS with another meeting planned for late April or early May. Andy Algar advised the meeting that he was putting his name forward for the London Regional Board. [Ed – RICS statement in this Terrier]

RICSics Housing Liaison Officer
It was agreed that Rachel Kneale be appointed as the new Housing Liaison Officer.

Membership criteria
ACES Council considered an application for membership from a private sector surveyor who carried out the whole of the estates work of the Maritime and Coastguard Agency. This prompted a wider discussion about other public sector organisations, such as the Department of Transport, to see if any of its surveyors wished to join ACES.

Increased membership and attendance at conferences
It was agreed that the secretary contact authorities without ACES representation to advise them of the forthcoming conference.

The Terrier and advertising
The Secretary reported that advertising income for the coming year fell short of the cost of publication. Council was reminded that our existing printers were unable to produce magazines of more than 68 pages and the cost would inevitably rise if Betty continued to get as much copy as she had in the recent past.

Future date of Annual Meetings
It was decided to defer any decision as to whether the date of the November Annual Meeting should be moved.

Website
The Secretary circulated comments from members as to how they thought the website might be improved. It was agreed that Paul Over collate these views on the basis that any redesign of the website would start from "a blank canvass" and send them to Colin Bradford and Jeremy Pilgrim. Colin would then contact Colin Harris, a website developer and Jeremy would include website development amongst the items that Fox International is looking at. Both would report to the next meeting.

It was also agreed that the website should in future be a standing item on Council agendas.

British council for offices – Densities study
Tom Fleming reported that he had been approached by Neil Webster who was re-visiting the densities study on office occupancy and thought it would be useful if ACES members could play a part by contributing their data. This was agreed in principle.

Post graduate course Leeds metropolitan university
The Secretary circulated a comprehensive report from Malcolm Williams who is assisting Leeds Metropolitan University with the planning of its Post Graduate Course. This MSc is aimed at practitioners and those aspiring to work in the public sector asset management area. Its aim is to provide the student with an understanding of the commercial property asset and how this is viewed by public sector bodies. It also aims to promote the concept of strategic planning based on the property asset and the ability to collaborate with other public sector organisations.

Council commended the good work carried out to date by Malcolm and the President mentioned 2 more possible courses in Scotland and London and the need for an ACES Skill/Education Liaison Officer in the future.

Online government property sales
Trevor Bishop asked whether ACES should explore the feasibility of our local authority members joining the government web-based initiative to broaden the marketing of our surplus or investment properties. Trevor advised that NHS/PCT properties are listed as well as the usual central government departments.

Trevor was asked to gather further information and report back.

Valuation
Betty advised that she would be standing down as Liaison Officer at the Annual Meeting and ACES would need to find a replacement. She further advised that there was a major overhaul of the Red Book in progress, to comply with International Standards which would be launched in the New Year.

There were also changes on the way for the European Regional Development Fund in relation to Business Premises Regeneration Allowances of up to 25%.

Rating
It was reported that the next revaluation had been postponed until 2017 which would obviously prolong the use of rateable values which were set at the height of the market in 2008. The view was however expressed that even if rateable values came down to present values the government would have little choice in the present financial climate but to merely increase the rates poundage upwards to compensate, thus leaving businesses no better off.

Performance management
Trevor Bishop reported that he had missed the first meeting of NaPPMI but he would be making contact with IPD at the forthcoming North West Branch CPD seminar at which they were speaking to over 100 delegates.

Sustainability
It was reported that Colin Wright was seeking ACES feedback on the new Green Deal.

DCLG/ACESs working group
It was agreed that a date be arranged for the next meeting of the group [Ed – 11 July, but unfortunately too late to report in this Terrier].

Federation of property societies
Richard Wynne reported that the next meeting was on the 7 June [Ed – see report in this Terrier].

Distressed town centres
The Secretary was asked to circulate members for their input when he was given certain information which was presently being collated [Ed – I hope to include an article on this in the Autumn Terrier].

Consultation
Andrew Wild reported that ACES had been consulted by the CLG on transparency. The main concern expressed was the lack of staff resources to collect all the required information.

ACES had also been consulted on a little used power contained in the 1927 Landlord & Tenant Act allowing landlords access to premises. The ACES response concluded that the provision is not widely used, but where standard agreements are silent, s10 could be used and has been successfully used in the past by Leeds City Council.

Honorary membership
It was agreed that in view of their outstanding service to the Association both Betty Albon and Lee Dawson be made honorary members.

Future meetings and conferences
The President reported that preparations for his conference were well in hand for the 19/20 September 2013. The conference proper would commence at 10.30 on Thursday and finish at 13.30 on Friday when lunch would be taken followed by a visit. Tom was arranging transport to pick delegates up from the airport and station.

The next Annual Meeting would be in Cardiff on 1 November 2013 The dates for the next 2 Presidential Conferences in 2014 and 2015 had not yet been fixed although they were likely to take place in September.

Diary of council meetings
It was agreed to hold the next meeting of Council in Manchester on 30 August 2013.

MEMBERSHIP Tim Foster, ACES Secretary

I list below the changes in membership between 1st April and 30th June 2013

New members approved

There were 7 new applications approved during this period

Anthony	Andrew	The Scottish Government
Andrew	Brown	Plymouth Community Homes
Adrian	Daniell	Northampton Borough Council
Roger	Kirk	Luton Borough Council
Catherine	Moore	Wakefield Metropolitan District Council
Caroline	Sheen	Argyll & Bute Council
Peter	Watton	City of Edinburgh Council

Transfer from full to past membership

One members transferred to past membership during the period

Richard	Lauder

Resignations

There were 13 resignations during this period

David	Bennett
Ian	Brand
Richard	Carroll
Michael	Flanagan
Donald	Meldrum
Tunde	Ogbe
David	Soanes
Matt	Sorby
Linda	Steven
Rod	Taplin
Iain	Thomson
Arthur	Tindall
Carol	Wood

The membership as at 30 June 2013 now comprises

Full	227
Additional	64
Honorary	35
Past	79
Total	405

The Terrier

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

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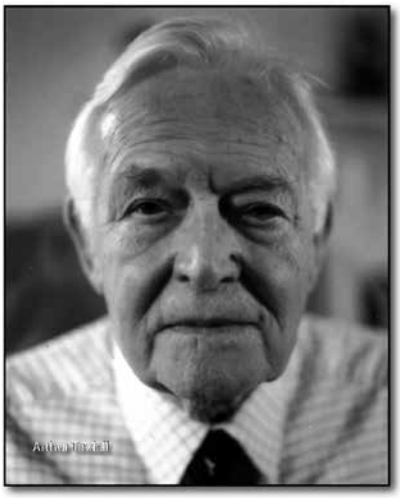
ACES



OBITUARY

ARTHUR J TINDALL DFC FRICS

Arthur Tindall was born on 15 October 1922 in Brighton, Sussex. He was one of 5 children, having 2 sisters and 2 brothers. He left school at 14 with no formal qualifications and started work in January 1937.

He volunteered for the RAF on his 18th birthday and saw service from September 1941 until Sept 1946. He completed 2 tours of operation with Bomber Command, being one of the relatively few whose entire operational career was with the elite Pathfinder Force. He was awarded the DFC (Distinguished Flying Cross) and permanently the pathfinder badge. The 'fly past' at his funeral was in recognition of this service.

Lie in the dark and listen

When he was demobbed in 1946 he worked for a local auctioneers and valuers and commenced part time study in the evenings and weekends, (there was no day release at that time) becoming a chartered surveyor in 1951.

Following a relatively short period as a temporary valuer with the board of Inland Revenue he joined local government and was subsequently employed by Cardiff City Council, Great Yarmouth County Borough Council, Reading County Borough Council, Londonderry Development Commission, Swindon Borough Council and finally Lincoln City Council, arriving in May 1973. He remained at Lincoln until he retired in October 1987 after 51 years' employment.

Whilst in Lincoln he was involved in many projects including the Co-op Store/Bus station in Sincil Street, Stonebow Development, Waterside shopping centre and the installation of an alarm system for the elderly/disabled which is now used by many thousands of residents.

He was treasurer of the National Association of Local Government Valuers and Estates Surveyors (ALAVES) – the predecessor of ACES – and was president in 1985. [Ed - see History of ALAVES in this Terrier].

Following his retirement from full time employment he became involved in the voluntary sector – serving as chairman of the Lincoln Enterprising Agency and with others was instrumental, in forming the Lincolnshire committee of the Princes Youth Business Trust, being vice chairman or chairman for a number of years. He was also a member of the Board and for a period, vice-chairman of the Lincolnshire Association of the Care for the Elderly Housing Association. He had the privilege to serve as the Sheriff of the City of Lincoln in 89/90.

He is survived by his wife June, son Bruce, Head of Development at Reading and a member of ACES, and 4 grandchildren, one of whom, Adam, is also a chartered surveyor.

As an aside, while working for Reading, Arthur was instrumental in the building of Chatham Street Multi storey car park which won awards for its design. "I was responsible for its demolition!!" (Bruce)

LOCAL GOVERNMENT RESOURCE REVIEW 2015-16 CORE BRIEFING

John Connell at the Department of Communities and Local Government has forwarded this briefing of the main elements of the recently announced Comprehensive Spending Review for 2015-16. It shows continuing financial challenges ahead, but opportunities and incentives for strategic asset managers to drive collaborative working and shared properties.

Summary

- Local Government Resource Delivery Expenditure Limit (DEL) in 2015-16 will see a 10% real reduction.
- The reduction on local government spending overall is 2.3% in 2015-16 (this includes Local Government DEL, other government grants and council tax income).
- We are investing £3.8bn for integrated Health and Social Care, including £2bn of new money from the NHS.
- In addition we are establishing a new fund of £330m for Transforming Services, comprising:
    - £200m for Troubled Families;
    - £100m for Service Transformation;
    - £30m for Fire and Rescue Service to drive transformational change.
- We will provide new funding for future council tax freezes (set at 1%).

Headlines

- **This settlement is sustainable for the sector, as the £2.6bn reduction is balanced with a progressive package of incentives, including £3.8bn of local spending on integrated health and social care.** This is a real opportunity to change services for the better that we must take to help the elderly and vulnerable. The incentives will help deliver better outcomes for less money.
- **We will be investing £3.8bn of funding, including £2bn of new money from the NHS, to deliver faster and deeper integration of health and social care.** This will enable councils to invest in prevention and early intervention, and help people to stay at home for longer. To stimulate real change, £1bn of this money will be directly linked to the delivery of outcomes.
- **The troubled families programme will be extended, through a new 5 year programme (with £200m available in 2015-16), to provide intensive help to 400,000 families that may require assistance with multiple problems.** These families currently cost the state around £5bn a year, mainly in reactive expenditure.
- **The establishment of a £100m Transformation Fund will incentivise service transformation and greater efficiency in local authorities**, by enabling authorities to meet up-front costs for shared services and other cost saving measures.
- **Service transformation will be further supported by the establishment of a £5m Public Service Transformation Network in 2015-16**, which will operate across the country to implement the learning from the community budget pilots.
- **We will protect front line capacity within the Fire and Rescue service while simultaneously incentivising radical service redesign**. Local government funding on fire will be reduced by 7.5%, with 2.5% (worth around £30m) being pooled to set up a fund to improve efficiency and drive transformational change and collaboration. We have also secured a £45m Fire Efficiency Incentive Fund to invest in transformational reform of the fire and rescue sector.
- **DfE and DCLG will work with local government to examine the scope to improve outcomes, reduce burdens and drive efficiency in children's services**. Department for Education will consult on how the reductions in Education Services Grant will be implemented through realising efficiencies and enabling local authorities to focus on their core role on schools.
- **Hard pressed families will be protected through further council tax freezes over the next 2 years. We have also baselined the 2011-12 and 2013-14 freeze grants (worth over £800m), which have helped Council tax** bills fall by 9.7% in real terms under this government.
- **In addition, we will:**

Total	2014/15	2015/16	Real terms change
LG Resource DEL (including local share of business rates)	£25.60bn	£23.45bn	-10.0%

◊ **Incentivise asset sales** and support investment in service transformation by consulting on allowing, for a limited period, local authorities some flexibility to use capital receipts from asset sales to fund one-off revenue costs of reforming services.

◊ Make a concerted push to ensure that more collaborative and productive use is made of **public sector assets.** We will work with the Government Property Unit and individual departments to ensure that they are doing all they can to drive joint working with local partners through their delivery chains.

◊ Work with Cabinet Office to consult on new legislation to **remove barriers to data sharing**, helping councils, the NHS, criminal justice system and Jobcentre Plus design services around the individuals that need them. Work with other government departments and local agencies to establish a centre of excellence to reduce the complexity of sharing data between services.

◊ Ensure that both local authorities and Clinical Commissioning Groups are given their **funding allocations further in advance** providing increased certainty that will help them work together to invest in preventative services.

Single Local Growth Fund

- In response to Lord Heseltine's Local Growth Review, we are able to confirm that funding streams of over £2bn will be transferred into the Single Local Growth Fund for 2015-16. In 2015/16 a proportion of each council's New Homes Bonus will be **pooled locally** with other councils in the LEP area, as part of this single pot. This will be £400m.

- **DCLG Capital** has unveiled a £3.3bn package to support 165,000 new affordable homes over 3 years from 2015-16. The new programme gives the continuity that providers and their funders need to plan for house building over the longer term.

- We have established **the Homes and Communities Agency as the single land disposal agency for government.** This will ensure that surplus assets are returned to productive economic use, delivering additional homes and economic growth. The HCA will have a key role to play in delivering the government's aspirations to deliver £15bn of asset sales in 2015- 2020.

RICS AND ACES

Mark Walley, Executive Director, RICS UK

The ACES Annual Luncheon in November 2012 was attended by RICS Chief Executive, Sean Tompkins. Sean returned to RICS HQ impressed by what he had heard but also determined to ensure that RICS and ACES continue to build a strong and productive relationship to meet the challenges faced by our members.

This has of course been happening for some time with regular briefing meetings with previous ACES presidential teams to feed into various RICS initiatives and of course ACES support and endorsement of the RICS Public Sector Asset Management Guidelines and representation on the RICS Public Sector Executive Group.

However, we know that we can do more and indeed we must do more. As Executive Director of RICS UK I am committed to ensuring this happens.

Together with fellow executive team member Mark Powell and Paul Bagust from Professional Groups, I met with Thomas Fleming , Richard Wynne and Heather McManus here at RICS in January to understand greater the challenges faced by our members working in the public sector.

It was made very apparent that the public sector is under constant pressure to cut costs and release capital. At the same time, service delivery and quality expectations are increasing, requiring more efficient and effective use of all resources.

Public sector organisations face challenges which inevitably involve significant property change to meet demanding operational and financial strategies. There are many examples of outstanding leadership and innovation which exist and we discussed the need to support our members with the right training and development opportunities. In addition we must provide the next generation of ACES and RICS members with the correct skills to meet these challenges.

It was also made clear that we need to make council leaders and senior management more aware of the value and contribution that RICS members are making in their organisations.

Following this meeting we undertook a survey of the members of the RICS Public Sector community. Of those that responded 67% were ACES members and it was encouraging that 81% saw RICS as the organisation that should be responsible for generating standards and best practice. However, it was a concern that there were many who did not feel enough was being done for the public sector and we must address this.

Another productive meeting with the ACES presidential team was held in June with much common ground identified, exciting initiatives discussed and constructive ways forward agreed.

It was very clear that we need to do more to communicate effectively with our ACES colleagues to ensure that products such as our local authority asset management training are more widely taken up. There is a new series of these courses aimed specifically at our public sector members. Please do take a look by going to www.rics.org/publicsector

We also want to hear back from you to ensure we are developing other material which is relevant to your market and to address any concerns you may have on issues such as CPD.

We agreed that RICS will become much more visible at ACES branch meetings and events and I am delighted to have been invited to speak at the ACES Annual Meeting in Cardiff in November where I hope to meet as many of you as possible. We also plan to have a stand at the Presidential Conference in September so please do stop by and ask the team any questions you like.

If you are interested in joining the RICS Public Sector on-line community or simply hearing more about RICS activity in your area of practice I would ask that you contact my colleague Paul Bagust in Professional Groups at pbagust@rics.org. We would really like to hear from you.

Our intention is to run the survey again next year to see how members feel the relationship is working. When it comes to RICS and ACES it really is good to talk!

[Ed – Tom Fleming, ACES President, and his team acknowledge RICS' commitment and are equally determined to build on this relationship]

CPD IN A NUTSHELL

Anthony Walters, Policy Manager, RICS Regulation

Anthony kindly prepared this note, following a presentation to ACES Eastern Branch and CPD day.

During the course of their careers, RICS members have to show that they regularly update their professional and technical skills and are aware of the latest developments in the areas in which they practice. This is achieved through Continuing Professional Development (CPD) and it enables members to demonstrate to their clients and employers that they are competent professionals who operate to the highest standards.

In accordance with **Rule 6, Rules of conduct for Members** (Members shall comply with RICS' requirements in respect of continuing professional development), members are required to undertake at least 20 hours of CPD each year and record it online via rics.org – but what actually counts as CPD and how can members meet the requirements?

Well, CPD falls into 2 categories - formal and informal - and at least 10 of the 20 hours they record must be formal CPD.

Formal activities include:

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

Informal activities include:

- developing skills through job shadowing and delivering/receiving coaching
- private study (e.g. reading trade publications, manuals, professional briefs and journals)
- mentoring (providing instruction, guidance and support to trainees or students)
- delivering presentations on technical subjects where little or no research or preparation has been required.

Learning on professional ethics

As from 1 January 2013 all RICS members are required to undertake some learning on professional ethics (RICS Global Professional and Ethical Standards) at least once every 3 years. This requirement can be met by completing the free online ethics module that is available via www.rics.org/ethics

Who is exempt?

All AssocRICS, MRICS and FRICS members must carry out at least 20 hours of CPD each year. The only exceptions are retired and non-practising members. Student members and APC candidates are also exempt from this because they have their own tailored learning requirements and structure in place.

Sources of CPD

RICS has the following products available to assist members in attaining their CPD:

- RICS Online Academy
- Conferences and seminars
- For more information visit www.rics.org/training

How we monitor CPD

Monitoring CPD is essential as it protects the reputation of RICS and helps uphold the professional standards of members. RICS Regulation is responsible for monitoring CPD and this is done via the online CPD management system that enables RICS Regulation to monitor compliance. Each year a random sample of CPD records are selected for a comprehensive compliance review.

For further information please visit www.rics.org/cpd

FACILITIES MANAGEMENT RICS GUIDANCE TO BE PUBLISHED IN 2013

Alan D White. BSc FRICS

Alan is a graduate of the University of London and a Fellow of the RICS. His career has involved the direct management of operational property for businesses including the BT Group, Diageo, Lloyds TSB, Dee Corporation and Booker McConnell. He now runs Lenborough Consultants, specialising in providing strategic occupational, property and facility management advice to businesses and public bodies.

Alan is a non-executive director at Balmoral International Land plc and is Chairman of Property Solutions [UK] Ltd. He is past Chairman of the RICS Business Development Board, is a past member of the Bank of England Property Forum and a retired property adviser to the MOD, OGC and the DCLG. Alan is a member of the RICS Corporate Occupier Group and the Public Sector Executive Group.

Alan is a Governor of Oxford Brookes University, a Trustee at Keele University and an advisor to Buckingham University. He is joint author and editor, with Keith Jones, of the 2 editions of the RICS Public Sector Asset Management Guidelines and has authored and edited other publications and numerous articles in the professional press.
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Alan gives an outline of the new RICS FM Guidance. Here, Alan explains the broad scope of FM in the management of buildings and the role of the facilities manager, which includes taking care of services and people in buildings. "The Guidance will provide insights into the organisational benefits of supportive facilities operations. In so doing, it will hopefully give inspiration and enlightenment to facilities managers and will be judged worthwhile and value-adding by them and those they serve."

Introduction

The management and servicing of operational space has come much more into focus as business managers concentrate on core operational activities, on improving the efficiency and effectiveness of their businesses and seek best value from service suppliers. The expansion of the facilities management sector to a UK market size of over £100bn per annum in 2012 is testament to the importance of the sector in supporting business and underlines why practitioners should be aware of, and fully conversant with, the strategic and operational issues confronting facilities managers.

In 2012 the RICS produced research entitled 'Raising the Bar – Enhancing the strategic role of facilities management' (Joint research with the Occupiers Journal) and is continuing this project with a second report later this year. In addition, a Guidance Note, 'Managing Facilities to enhance organisational performance' will be published later this year with the aim of raising the profile of facilities management so that its key role in infrastructure management in organisations is better understood.

What is facilities management?

The management of buildings is an increasingly complex operation, requiring technical expertise and experience which most facilities managers are in a position to handle. However, more than technical skill is required. The list of additional responsibilities for some facilities managers is endless, including an understanding of the productivity effects of working environments, workstyle flexibility, computing and mobile technologies and, sometimes, the value and marketability of the real estate portfolio. So, the job profile of a facilities manager is a considerable challenge, particularly where poor organisational structures, budget constraints, lack of training and mediocre accommodation conspire to make the management task for some all the more difficult.

Given this multiplicity of potential tasks and the the fact that the role of the facilities manager varies from organisation to organisation, it is not surprising that there is little unanimity about the definition of facilities management. It is interesting to look at a few of these definitions.

The International Facility Management Association [IFMA] definition of facility management highlights the integrational importance and wide scope of the role:

Facility management is a profession that encompasses multiple disciplines to ensure functionality of the built environment by integrating people,

Service provision	Strategy and Management
Catering, Hospitality, Café **Cleaning**, Internal and external, Pest control **Documents**, Copying, Archiving, Printing, Scanning, Shredding **Front of House**, Concierge, Conferencing, Help Desk, Reception, Switchboard **Logistics**, Vehicles, Consumable supplies **Maintenance,** Fabric, Landscaping **M&E,** Air con., Fire alarms, Lifts, Lighting, UPS systems **Security,** Access control, Alarms, CCTV, Asset tagging, Information security, Security sweeps **Staff welfare,** Crèche, Gym, Medical Centre, Sports facilities, Staff Shop **Telecomms**, Mobiles **Utility supplies,** Water treatment **Waste management** **Workplace,** Space allocation, Churn, Hot desking	**Administration,** Asset registers, records, archives **Business continuity,** Disaster recovery, Crisis management **Compliance,** Accreditation, Legislation, Policy, Regulation **Contract Management,** Specification, Tenders, project management **Corporate Social Responsibility,** Energy, Carbon, Waste, Work-life balance, Sustainability **Customers,** Relationship Management, Complaint handling, **Finance,** Accounts, Budgets, Business cases **FM Team,** Management, Training, Recruitment **ICT,** BMS, Cable Management, CAD, CAFM **Networking,** linkage with internal & external customers **Performance management**, Staff surveys, benchmarking **Procurement,** Services, Utilities, Supplies **Risk,** Business continuity, Environmental, Health and Safety, Insurance **Strategy,** Business plan, FM Vision, Mission & Objectives **Workplace,** Design, Workstyle, Flexible working, Furniture

place, process and technology.

The Facility Management Association of Australia has adopted a community focused definition:

Facilities management involves the management, operation and maintenance of buildings, precincts and community infrastructure. In all cities and regional areas facilities management provides safe, healthy, productive environments, protecting the wellbeing of the Australian community.

The British Institute of Facilities Management [BIFM] defines facilities management in organisational terms:

Facilities management is the integration of processes within an organisation to maintain and develop the agreed services which support and improve the effectiveness of its primary activities.

For the purposes of the RICS Guidance, the definition of facilities management adopted will be:

The management of accommodation and workplace environments to support corporate operations, integrating the organisation's central support infrastructure to deliver services to staff and customers at best value to optimise business performance and, where appropriate, to maximise real estate asset value.

In summary, therefore, facilities management creates an environment that supports corporate operations, integrating the organisation's service infrastructure to deliver satisfaction to staff and customers at best value and optimising productivity to the organisation. So, facilities management operations will:

- Provide flexible and well maintained accommodation and supportive technology
- Enhance customer experience and enable the efficient delivery of products and services
- Enhance the organisation's brand, image and financial performance.

The definitions will vary over time as conventions change and additional responsibilities are added to and others subtracted from the role of the facilities manager. The dynamism and variety of facilities management is one of its attractions as a profession, but, the definitional difficulty and fluidity of the role can make marketing the profession to career seekers and graduates difficult.

What facilities managers do

In 2011 the CEN Organisation [the European Committee for Standardisation] published the Facilities Management standard BS EN 15221-4 (Taxonomy, Classification and Structures in Facilities Management), which offers a definition of 'Facilities Products' under the 2 categories of 'Space and Infrastructure' and 'People and Organisation' and together contains 121 headings and sub headings that attempts to defined the activities and services that are delivered through a Facilities Management regime.

A much simplified version highlighting the main responsibilities for most facilities managers is given in the table, divided into Services and Management categories.

This table assists in an understanding of what facilities management is about and the roles which the facility manager is expected to fulfil, so that the strategies set out in the Guidance and their practical application are better understood by practitioners. It is also important to differentiate the role of the in-house [client side] facilities manager compared to the quite different role of the supply side [service provider] counterpart.

The Guidance

The RICS Guidance Note emphasises the importance of strategic planning in the provision of facilities services to support the aims and objectives of the business. Too often services are provided in an unplanned, non-aligned manner and are supplied to a cost budget rather than to an output specification. The aim of the Guidance is to provide clarity about the process of aligning facilities provision with business strategies, thereby maximising organisational performance.

Following the sequence of strategy, planning, delivery and review, the Guidance gives a high level account of the process of developing a facilities plan and reviewing its performance with appropriate changes being made as business requirements change. The Guidance is equally applicable to the private and public sectors as well as to all sectors of the property industry.

Included in the publication will be a series of Information Papers in the form of appendices which major on important operational issues for the facilities manager. People are the key factor in the delivery of services, so their capability, capacity and training needs are discussed at some length. The management of workspace is a major operational area for the majority of facilities managers and the provision of appropriate working spaces, with supporting technology will have a significant effect on organisational efficiency. These factors are discussed with reference to the technologies which are influencing working practices as well as those developments which will assist in the more efficient management of buildings portfolios.

The concluding paper considers the overall management of the supply of facilities services: the operational facilities organisation, procurement, delivery and performance management and customer care, along with health and safety responsibilities and business continuity planning. The sustainable management of buildings and the importance of operating and maintenance manuals are discussed, with reference to the imperative of accurate and complete data to enable reliable decision-making.

The facilities management sector is well known for its abbreviations and specialist terms and the more important of these are set out in a Glossary of Key Terms. A substantial Bibliography is provided which includes real estate references to assist those facilities managers with this responsibility.

The Guidance will provide insights into the organisational benefits of supportive facilities operations. In so doing, it will hopefully give inspiration and enlightenment to facilities managers and will be judged worthwhile and value-adding by them and those they serve.

FEDERATION OF PROPERTY SOCIETIES NOTES OF MEETING ON 7 JUNE 2013

Richard Wynne, ACES Representative

The Federation brings together a number of organisations representing various professions involved in property across the public sector, to pool and share knowledge on a variety of fronts including contact with and from central government.

FPS aims to:

- Act as a forum for discussion on all matters affecting local government property;
- Co-ordinate the views and actions of the different professions and bodies involved in local authority property;
- Provide a consolidate response to general or common issues affecting local authority property to the government and other bodies; and
- Promote the application of sound principles and best practice in property management, also develop and co-ordinate the effective management of local authority property and of property services in the interests of the community and local government generally.

ACES is a member of FPS as part of our overall agenda to promote ACES to other appropriate public sector property areas and also to government. ACES currently holds the position of president of the organisation and is represented by Heather Mc Manus and Richard Wynne.

The quarterly meeting of FPS took place on the 7 June at CIPFA's London offices.

The 7 June meeting included items on the procurement of school buildings, Education Funding Authority school asset management and the proposed Local Authority Transparency Code. This latter item is of most relevance to ACES. Both ACES and FPS have submitted responses to DCLG.

The current position from DCLG on the Transparency Code seems to be that:

- They are still considering slight changes to the proposed Code but these are not available for discussion as they have not been discussed or agreed with ministers.
- They are still doing some work around estimating the compliance costs and speaking to colleagues at the Government Property Unit and Homes and Communities Agency about possible offers to host on their databases local authority data.
- Government has accepted recommendation 58 of the Heseltine Review (that all surplus and derelict public sector land should be registered on ePIMS) and Ministers will be encouraging local authoritiess to put all of their data there.
- The Government response to the consultation on the Transparency Code should certainly be out by 6 September.

Pertinent to the above, the next FPS quarterly meeting is on the 6 September and we are hopeful of a DCLG representative being present both to answer questions and to update on the current position with regard to the proposed Code.

PUBLIC SECTOR HUBS DO THEY OFFER LOCAL AUTHORITIES "HOLISTIC VALUE" FOR MONEY?

Stephanie Thorne

Stephanie Thorne has been the Estates Officer at Tewkesbury Borough Council since 2005. She is responsible for the day to day management of the council's land and property portfolio. She has helped develop a public service centre at the council offices. Current tenants include Gloucestershire Police, Gloucestershire County Council, Citizens Advice Bureau and Gloucestershire Registration Service. She is looking forward to welcoming 'Job Centre Plus' to the hub in Summer/Autumn 2013.

This is the first of 2 articles featuring a précis of a dissertation submitted as part of a surveying degree. It looks at public service hubs and the rationale behind them, as well as proposing ways to broaden their development and perceptions of value for money. "While there is evidence to support the fact that public sector hubs can improve efficiencies in the economic, social and environmental arenas for local authorities, the majority of authorities are only demonstrating vfm in terms of the financial benefits that can be achieved from working and locating in partnership." Stephanie has recently become a member of ACES.

Background

Stephanie has recently completed her MSc in Surveying at the College of Estates Management/University of Reading. As part of her final year of studies she has looked at the development of public sector hubs/ service centres and analysed whether their implementation in local authorities was value for money.

Abstract

Local authorities are under great pressure to make financial savings in exceedingly austere times and have been encouraged by central government to deliver savings through the rationalisation of the asset portfolio. The research undertaken sought to ascertain whether responding to this by co-locating staff at administrative centres with other public sector and voluntary sector bodies demonstrated value for money for the local authorities. The researcher sought to prove that value for money from the service centres was achievable not just in the traditional financial sense, but also through the environmental and social benefits that could be realised from this way of working.

Hypothesis & Objectives

Given the drive by central government to forge ahead with partnership working specifically through asset rationalisation and shared office accommodation, the research sought to understand the rationale behind the implementation of public sector hubs, in the context of a global recession. As central government is behind the initiative and must be both transparent and accountable in its decision making process (providing an audit trail and demonstrate value for money) so it followed that public sector bodies at local level should be able to verify the reasoning behind their development or involvement in public sector hubs. The research hypothesis was:

'Local government public sector hubs are value for money because of the economic, social and environmental benefits that are realised from their implementation'

Several objectives were developed to examine critically the subject area and ideally to assist in proving the researcher's hypothesis.

- To examine the concepts of 'public sector hub' and 'value for money' in the context of local government;
- To identify the benefits, opportunities, barriers and threats to implementing public sector hubs in local authority locations;
- To establish what level of support there is for their implementation within the public sector;
- To examine whether or not value for money is currently being measured prior to, during and post implementation;

- To reflect on the concept of public sector hubs and consider how local authorities can clearly demonstrate value for money holistically and;

- To ascertain appropriate further research to be undertaken with regard to mandatory implementation of public sector hubs.

The research approach

Stephanie wanted to find out what the general understanding of public sector hubs was across local authorities. She utilised her CIPFA property network membership to send out a questionnaire to her target audience and received a 20 per cent response rate. The objectives outlined were broken down into a series of open and closed questions which enabled her to gather responses from many different organisations at different stages of co-location. The data obtained was graphically represented within the research and conclusions were drawn in conjunction with other primary and secondary data.

West Suffolk House, Bury St Edmunds

Two case study hub locations were selected from the sample questionnaires. The case studies were:

- West Suffolk House, a new build public sector hub joint venture between St. Edmundsbury Borough Council and Suffolk County Council;

- Shire Hall, a legacy build HQ of Gloucestershire County Council which is being re-racked to accommodate staff from its outlying offices and arm's length services.

Interviews were conducted between the researcher and officers instrumental in the development and subsequent running of the hubs. This included members of the respective property teams, staff and tenants. Interview transcripts were included within the research appendices and categorised common themes and shared experiences (both good and bad) from the implementation of hubs.

Secondary data documents used within the research included the government's 'Leaner and Greener' reports, the result of a parliamentary inquiry into how local authorities can deliver increased workforce productivity by improving the way they manage their portfolio. The report cited that a reduction in space requirements across the portfolio could bring in potential running cost savings of £7 billion per year and anticipated sustainability savings of £180 - £200 per square meter p.a. The papers advocated that the only way in which such savings could be achieved was by working in partnership with similar bodies to create hubs.

Conclusions

The researcher found that hubs are by no means a 'new' entity. Some authorities have been working in partnership and in shared locations for years. Wiltshire and Norfolk County Councils, Birmingham City Council and Camden Borough Council were early pioneers of this way of working. Some local authorities in fact were on their second or third office rationalisation in a bid to create more office accommodation to let to third parties. The general perception was that a public sector hub involved public sector and voluntary services in a single location with one front door, delivering essential services to the community. A minority of organisations suggested that hubs might not be limited to public and voluntary sector services, but might also include private organisations.

Throughout the data analysis process, it became apparent that there were many reasons to implement public sector hubs as they can bring significant benefits to the parties involved. This included a more efficient customer service, significant financial savings and the opportunity to implement culture change within the organisation. However, whilst the benefits and opportunities were recognised across social, environmental and financial levels, it was found that ultimately the financial savings directed the decision to develop the hub.

While some authorities could demonstrate that they were actively undertaking value for money exercises to demonstrate best practice and transparency, others could not confirm the value for money method they utilised or even if one had been carried out at all.

In summary, good works have been undertaken by local authorities to promote best use of assets and there are instances of benefits being achieved which included improved partnership working, better customer service and the opportunity to generate greater efficiencies. There was evidence of support from local authority chief executives, senior management and Members when implementing public sector hubs.

It became evident that staff were extremely influential in creating a barrier to hub implementation and steps should be taken by authorities to involve them from conception through to implementation. The data collated suggested that local authorities do consider environmental and social elements when demonstrating value for money, but the main drivers for implementation are the financial benefits. What was concerning was that there was evidence to suggest that value for money is not embedded within organisations and officers requested greater prescription and leadership from central government as to their expectations and data capturing practices for vfm.

Recommendations

A number of recommendations were made by the researcher, including:

- Deliver one estate for one public

Local authorities often believe that they are individual when in reality they are not.

The services they provide, the organisations' ethos and funding mechanisms are usually the same or similar. This should make implementing public hubs straightforward, when in fact they are not because organisations often believe that they are different from one another. Central government must therefore reiterate the need for local authorities to work together when delivering their services as essentially each organisation is targeting the same customer, regardless of its location.

- Name and Shame

Aspiration cannot be mandatory. However, authorities can be coerced into taking part in improving their performance and rationalising their estate if there is increased pressure on authorities to perform. Naming and shaming poor performing local authorities may encourage them to action some of the rationalisation processes. For example introducing maximum square footage per employee, assessing income achieved from rental verses revenue spent. All could steer authorities towards public sector hubs and achieving all or some of the benefits outlined in the paper.

- Private Sector Partners

The research suggested public sector organisations are already working together with other public sector and voluntary sector organisations in public sector hubs. The next logical step is to involve private sector partners that blend with the existing organisations and bring in a commercial rent.

- Hub management and governance

Hub developers should decide early on in the process whether they will develop the hub solo or in partnership with other authorities on a 50:50 basis. There are benefits to being the sole owner (landlord) and having partners as tenants, but there is also comfort in having an equal partnership in the process from conception to implementation. Issues around governance should be addressed from the outset to ensure Members in joint partnerships work under the same type of governance e.g. Cabinet or Committee. Equally, thought should be given to the amount of delegated authority passed on to officers working on the ground to enable them to progress the project without the need to keep returning to Cabinet or Committee at each development stage.

- Value for money best practice

Public sector staff should be appropriately educated to understand the term 'value for money' and the need to demonstrate value for money in terms of financial, social and economic benefits. Assistance should be given to demonstrate how vfm exercises can be undertaken in-house and why there is a requirement for this to be done.

- Public sector hub standard approach

From the case studies identified, there appeared to be a stepped approach to implementing public sector hubs that could potentially become standardised across local authorities:

Step 1: Consolidate local authority staff to headquarters building enabling disposal of surplus accommodation

Step 2: Co-locate with other organisations either as a landlord/tenant relationship or in 50:50 partnership in existing property or new build

Step 3: Re-visit the office rationalisation process to see if additional accommodation could be vacated (by floor etc) and additional partners brought in to generate additional income.

Further work would be needed to investigate whether this approach could be implemented across all tiers of government and whether or not this 3 step approach offers best value to the authority.

The proposed recommendations require inward investment from central government into the concept of public sector hubs and their further development across the UK. Whilst the research proved that there is an appetite amongst property officers, chief executives and Members at local level to do so, central government must act by taking a firmer stance to drive through this change. The utilisation of prescriptive methods may encourage those that have yet to rationalise to do so and preferably sooner rather than later. Local authorities may then be able to enjoy quick financial rewards and significant social and environmental 'added benefits.'

As a result, the researcher proposed the need for further work to be undertaken by central government to embed the culture of value for money within local authorities and encouraged that value should be assessed in terms of the social, environmental and economic benefits that can be achieved. Officers concurred with this by requesting greater prescription from central government in terms of the shared approach they should take to demonstrate and record value for money, particularly with the demise of the Audit Commission in autumn 2012.

The overall conclusions drawn from the research suggest while there is evidence to support the fact that public sector hubs can improve efficiencies in the

Terminology

Public Sector Hub/Service Centre

A centre within a region or network where government controlled activity (local government, health, police, education) and increasingly, voluntary and private sector services, preside at a centralised or shared office/building/campus due to the economic savings, service improvements and environmental benefits that may be achieved.

Value for Money

A term generally used to describe a commitment to ensure that optimum results are obtained from the money spent. In terms of the UK government, this reflects a concern for transparency and accountability in the expenditure of public funds and achieving the maximum benefit from the resources available.

economic, social and environmental arenas for local authorities, the majority of authorities are only demonstrating vfm in terms of the financial benefits that can be achieved from working and locating in partnership. At present there is no formulised method for capturing the social and environmental benefits other than including statements within a written business case. Furthermore, the ultimate driver for hub implementation appears to focus on the financial savings and rewards. The social and environmental benefits are viewed as added benefits and therefore fail to steer hub developments. The researcher therefore found limited evidence to prove the proposed hypothesis under the present circumstances.

Key Benefits

- Customer can expect an improved experience from visiting a multi-service centre at one site
- Services remain intact rather than closed
- Communication improves between and across government tiers
- Financial savings and capital receipts can be gained through space efficiencies and disposal of surplus assets
- Economies of scale and efficiencies in procurement of goods and services
- Reduction in carbon emissions where buildings are closed
- Operational costs may be reduced where they are shared or paid for proportionally by users
- Hub development may provide an opportunity for authorities to adapt to modern ways of working and flexible arrangements
- Relocation of staff may allow different teams to work together and pool their knowledge to provide a better service for the public

COLLABORATIVE ASSET MANAGEMENT IN LOCAL GOVERNMENT: WHAT MAKES IT WORK?

Fiona Johnson

Fiona Johnson has recently completed a Masters Degree in Real Estate at Kingston University. She is currently working in asset management for a city based corporate real estate firm and is working towards her RICS membership. Fiona.Johnson@telerealtrillium.com

This is the second of 2 articles featuring a précis of a dissertation submitted as part of a surveying degree. It looks at cross public sector partnership working in local government and highlights the important factors required for successful partnership working. "Some of the most important factors for the success of cross public sector collaboration are simple ones. At the heart of partnership working is the human factor. Build on your relationships, engage key organisational players and recruit a champion with enough clout to lead the partnership to success."

Background to the research

The siloed nature of public sector asset management and the inefficiencies it brings are well documented. In response to this and the need to achieve financial savings, increasing attention has been focused on the adoption of collaborative, area based approaches to the asset management of local government property to combine such savings with improved service delivery . This article presents the key findings from interview research undertaken in summer 2012 investigating the extent to which there has been progression of cross public sector partnership working in local government. In reporting some significant areas of success, it explores the reasons why there have been achievements realised by some partnerships and it identifies both the issues which need to be overcome to make it work and how this has happened.

The existing literature reveals that property asset management has traditionally been the responsibility of the individual departments within local government who occupy or own the property. Each service directorate is constrained by organisational and administrative boundaries that have little significance to the end user (Barber, B. (2011). A Problem Shared. PPP Journal, Issue 73, July 2011). This has resulted in the duplication of asset management within a locality, reducing the opportunity for scale economies and service efficiencies to be derived (Westminster Sustainable Business Forum (2011). Leaner and Greener: Delivering Effective Estate Management. Policy Connect: London). As such, increasing encouragement has been received from government and professional bodies to manage property collectively across local areas to reduce costs and improve service delivery.

However, despite such encouragements, previous research has reported only modest take-up of collaborative opportunities with it being ad-hoc rather than strategic in nature. Furthermore, this has become a rich area of debate due to the challenges it has brought. More recently government initiatives, including the work of the Westminster Sustainable Business Forum and the Capital and Asset Pathfinders has injected new pace into partnership working. The research now reported sought to provide a more current view on what was working and why, in order to uncover aspects of best practice to be taken forward.

The responses from a short questionnaire administered to ACES professionals revealed that most were engaged in a degree of area based collaborative working with other authorities and public bodies. As well as being involved in activities such as property and service sharing, they participated in the sharing of information and best practice. However, 17 follow up interviews drawn from questionnaire respondents' uncovered mixed sentiment on the success of collaboration initiatives. There was a strong view that tangible benefits such as savings and capital receipts were difficult to report as many projects are still in the implementation phase. In addition, most partnerships had not developed processes to quantify the tangible benefits. This is key - as if there are no success criteria developed, it will be hard both to evaluate and disseminate good practice. Furthermore, the changing circumstances of the wider public sector have clouded some achievements of some partnerships. Nevertheless, over half of interviewees were able to detail tangible benefits achieved through their partnership working, with reduced floor area and better space utilisation being cited as success measures.

Whilst some success had measurable benefits, it was the view of respondents that the biggest successes were the less measurable outcomes such as better service delivery through the co-location of related services. This 'one front door' approach for customers was providing better access to services, breaking down silos and reducing the duplication of resources.

What was also apparent was the as yet untapped potential of partnerships with a strong desire to push initiatives forward. The remainder of this article will focus on the important factors required for successful partnership working within the local authority context.

Relationships, leadership and communication

The study provided support for the 2009 study by Paul Over of the importance of the human aspect in partnership working. It is no surprise that strong relationships are paramount in all stages of the process and were considered essential to build trust in a bid to overcome the silo mentality often considered to be ingrained in the public sector. Partnerships who reported achievements had a history of working together in some capacity and these professionals had the desire and commitment to a 'one public sector estate'.

Emphasis was placed on the importance of leadership at senior level. A 'champion' was vital to engage partners, add pace, sustain momentum and disseminate information. A consequence of losing the champion was highlighted by an interviewee from a unitary council where the partnership was effectively disbanded as no-one was driving it. A number of interviewees cited the need for one organisation to steer the partnership, yet a fine balance needed to be struck so other partners did not feel dominated.

Strong partnerships need representation from senior management to ensure that the wider aims of the organisation are embraced. A private sector consultant emphasised that stronger guidance was required about changes in the operational model of the organisation which would have an inevitable impact on property. This adds further support to the strategic asset management agenda, stressing that property needs to be managed in a way that supports key organisational goals and objectives.

Communication of partnership successes kept the focus of initiatives. It is vital for organisational learning; opportunity workshops to identify and explore ideas and projects represented good practice by some partnerships too. Genuine 2-way communication is also needed throughout a project to keep staff informed of changes, enable staff to voice concerns and provide reassurance.

Aligning Objectives

Adding support to earlier work, the difficulties in aligning the strategic objectives of the partners was the most frequently mentioned challenge. This is unsurprising considering each member partner was led by the objectives of their own organisation. Therefore when building a consensus for collaborative working, each partner's core objectives need to be incorporated into a mutually agreed framework. One successful mechanism reported was to hold a forum to discuss the core objectives of partners, and subsequently investing time to understand each organisation's objectives. From this a memorandum of understanding and a 10 year plan was devised to lay down a common set of objectives.

Other higher level challenges hinder the development of some partnerships. Conflicting political agendas at a local level was an issue, particularly in partnerships made up of 2 tier county/district authorities. Partnerships where there were a smaller number of district councils had fewer political tensions than those who had more. Furthermore, one council interviewed had a history of 'double-hatted' partners where the leader of a district council and the fire service were also county councillors. The politicians need to be engaged early in partnership working to allow synergies to develop.

The research provided some support for the earlier work by local government of the efficiencies that unitary councils can bring (Department for Communities and Local Government (2006). Strong and Prosperous Communities – The Local Government White Paper. DCLG, London). Local government re-organisation since the 1990s has sought to change some 2 tier authorities into unitary structures. Discussing the pros and cons of this policy is beyond the scope of this article but the study provided some support for this framework for partnerships where there were political tensions between the tiers. However, as stressed by one private sector interviewee, the current government has stopped further bids for unitary status and in the era of Localism there are doubts if this will be done. In the absence of further moves to single-tier, finding ways to collaborate across tiers becomes all the more important.

The study highlighted the problems that changes in high level public sector strategy can have on asset management. The current Health Reports detailed the abolition of the 10 strategic health authorities and 150 primary care trusts by 2013 (Department of Health (2010). Equity and Excellence: Liberating the NHS. The Stationery Office: London). At the time of the research, it was announced the NHS property company, NHS Property Services Ltd, would become operational by April 2013 and would take over the ownership and management of a large part of the NHS estate. These changes were highlighted by a number of interviewees as barriers to engaging the health sector in discussions. One participant from the NHS Foundation Trust highlighted that although they have held discussions with a local authority for collaborative working, nothing can be pursued until all the uncertainties surrounding the workings of the health sector are clarified.

Formal vs. informal

Once partners have bought into the

initiative, establishing the appropriate level of control the partnership would exert over organisations' assets was viewed as important. The study highlighted that limited progress has been made in establishing formal governance structures. Approximately half the interviewees stressed the need for an informal mechanism, based around a local strategic forum to allow a creative and flexible platform to undertake collaboration. The other half preferred a more formal strategic partnership board to enable greater control over each organisation's assets. This reinforced the earlier assertion by the Westminster Sustainable Business Forum that the level of governance needs to be appropriate to suit the locality. There is no 'one size fits all' solution.

Respondents appreciated that pooling assets into a single area based property vehicle was not a viable option at the current time, although one advanced partnership was focusing on smaller, local vehicles or on a project by project basis. The main barrier preventing the creation of such a vehicle was reported to be liability for SDLT which compromised financial viability. Participants were unanimous in their assertion that the issue is not currently being address by the Treasury. However, despite this, the reluctance of partners to give up the legal control of their assets and the absence of a mechanism for apportioning costs benefits were deemed to be stronger barriers.

Aligning Budgets

The current structure of service directorates being in receipt of ring fenced funding has led to services being delivered in isolation. However, in line with the government's Localism agenda, a new Whole Place Community Budget approach was announced by DCLG (Department for Communities and Local Government (2011). Community Budgets Prospectus). In 2012 there were 5 pilot schemes proposed for the year aiming to pool local budgets to derive savings, cut red tape and deliver better services. At the time of research it was too early to assess the extent this initiative would have on collaboration initiatives but interviewees were optimistic that it was a step in the right direction. It would be useful to monitor this moving forward.

Resources

Lending support to earlier findings, a pragmatic approach for the collection of good quality data that can be standardised for comparability was vital to realise opportunities and to map areas for activity. However, data gathering is an arduous task and interviewees stressed the shortage of people's time to commit to this activity. The work of the DCLG and the LGA in the Capital and Asset Pathfinders initiative has proved invaluable in assisting in this task and to provide further project management guidance. This guidance needs to be continued where possible.

There is a role for the private sector in public sector collaboration. A number of interviewees sought expertise from private sector property companies in an advisory capacity to highlight potential opportunities and to assist in the development of concise business plans. In some cases advice was provided on a non-committal basis and has given credibility to initiatives.

An obvious, but important point raised, is the availability of funding to deliver projects. An interviewee from a county council stressed that it would have been difficult to deliver a particular high profile project without the c£5 million government grant. However, with the Regional Improvement Efficiency Partnerships having had the last of their funding allocated by DCLG, unless another initiative is put in place there will be no more [Ed – see article on CSR by John Connell in this edition with reference to the Transformation Fund]. In the era of Localism and the rolling back of central government involvement, it could be argued that funding will not be forthcoming. Subsequently, partnerships will need to seek out alternative sources of finance and may lead to consideration of partnerships with the private sector.

In summary, partnership successes can be attributed to a plethora of factors. There are, and are always likely to be, a number of high level obstacles related to the workings of the wider public sector which are beyond the control of the individual council or public body. However, there are a number of ways to move partnerships forward. Some of the most important factors for the success of cross public sector collaboration are simple ones. At the heart of partnership working is the human factor. Build on your relationships, engage key organisational players and recruit a champion with enough clout to lead the partnership to success. As the old saying goes – "where there's a will there's a way." But first there needs to be the will.

THE ENERGY ACT 2011 ARE YOU PREPARED?

Philip Webb

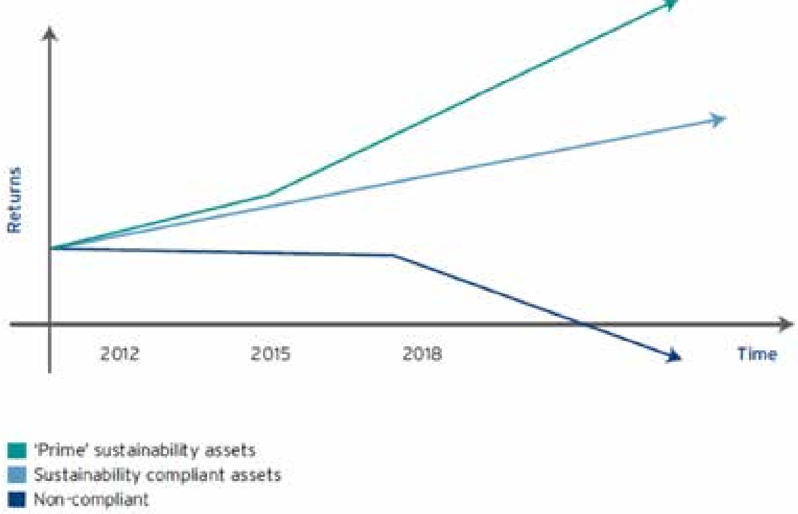
Senior Director philip.webb@dtz.com

This is the first of 2 articles kindly provided by DTZ and continues the theme of facilities management, energy performance and sustainability.

On 18 October 2011 the Energy Bill became the Energy Act. The Act is one of the government's key tools to reach the UK carbon reduction target of 80% by 2050, and includes provision to ensure that from April 2018 it will be unlawful to rent out a business premise with an EPC rating below E.

This is a significant issue for both investors and occupiers alike. Occupational costs are rising whilst property markets are flat to negative. The proportion of occupation costs relating to energy will increase steadily over the next few years meaning that investment returns are reduced, making property obsolescence more likely for non-compliant buildings.

SUSTAINABILITY – PERFORMANCE TRENDS



Below is a graph of the anticipated performance of properties which are considered to be prime sustainability assets, sustainability compliant assets and those which are non-compliant. It is anticipated that non-compliant premises will reduce in value and those with high sustainability performance credentials will increase in value in comparison to the remainder of the market.

So how does this affect public sector occupiers?

DTZ has arranged over 2,000 EPCs over the last couple of years in a range of sectors. Of those analysed in the public sector, 38% had an EPC value of less than E and therefore in their current condition would be non-compliant. Fortunately, there are provisions for listed buildings to be exempted from this ruling but those premises within a conservation area do need to comply.

Importantly, where public sector occupiers are looking to rationalise their estate, the value that can be achieved from the sale or letting of vacated premises would be reduced if the EPC rating is less than E. In addition, public sector occupiers who occupy premises under a long term lease would not be able to sub-let a building or parts of their building after 2018, if the EPC rating is less than E.

So what course of action should we take?

It is important to obtain EPC certificates for all buildings which are targeted for disposal or sub-letting as part of a rationalisation programme. With each EPC report is a recommendations report which can put forward ideas for improving the EPC rating. It would be appropriate to instigate a more detailed energy review and a feasibility study to identify the likely costs and payback periods for undertaking various works to improve the EPC rating of non-compliant buildings. The owners/occupiers can then instigate works as appropriate to improve the EPC rating thereby retaining the value of the asset.

Alternatively, those premises which have an unviable solution for improving the EPC value, need to be considered for alternative use and/or disposal. If this is delayed this value would diminish as some premises move towards obsolescence in 2018 due to their poor EPC rating. It may also be in the interest of owners to improve the EPC rating of buildings generally in order to improve their desirability in the market and maximise values accordingly.

How accurate is my EPC?

The guidelines are that EPC certificates need to be renewed as a minimum every 10 years. However, the assessment of an EPC rating is more subjective than, for example, agreeing the floor area of a building. Where detailed information is missing for a particular building an EPC assessor will need to make assumptions and adopt a default position which could give a lower and possibly inaccurate rating.

It may be appropriate to challenge the EPC rating to ensure that the assessor has carried out their inspection and assessment thoroughly, using the appropriate criteria, rather than investing in improvements which may be ill advised or unnecessary. Accurate EPCs and commercial recommendations are essential in order to develop estate strategies and maintain the values of buildings.

Who is responsible for the upgrade?

The new Energy Act will no doubt raise a range of questions in relation to responsibility whether it is the landlord's or the tenant's; whether it is recoverable under the service charge or under dilapidations. Generally, the responsibility to upgrade will be with the party who is trying to achieve the letting. It is unlikely to be the responsibility of tenants to bring an EPC rating to an approved standard at the end of the term, unless it is an explicit requirement of the lease.

However, if the tenant is responsible for repair or replacement of fabric or building services then they would need to comply with modern standards in relation to insulation and energy efficiency as will be expected of a reasonable owner or tenant in accordance with dilapidations law. These repairs or replacements may increase the EPC rating as a consequence.

It is also likely that the tenant will wish to make its own improvements to help reduce the cost of running the building and also to improve the opportunities to sub-let after April 2018.

Action is required now

The Act comes into effect in April 2018 but the influence on advice and property decisions has already started.

DTZ is conversant with the requirements of the Energy Act and know how this will affect the investors, occupiers and also the professional services in valuation, rent reviews, building surveying and agency.

This article was featured in DTZ's **The Authority** Summer 2013. The Editor thanks DTZ for allowing its publication.

SUSTAINABILITY CHECKLIST

Paul Brown

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This is the second of 2 articles kindly provided by DTZ and continues the theme of facilities management, energy performance and sustainability.

DTZ is pleased to provide the following checklist to help you prepare for the implications of the Energy Act 2011.

Energy

- **Reduce energy costs** — Energy costs are an area where occupiers can still make significant savings. Energy costs are rising and it is anticipated that the cost of energy will double within the next 5-10 years.

- **Take advantage of 'The Green Deal' and other government incentives** — A number of government backed allowances are available to support organisations to install energy efficient plant and equipment. Enhanced Capital Allowances provide 100% tax allowance in the first year, for approved equipment, whilst the 'Green Deal' financing scheme allows for capital investment to be repaid through energy bills. The Renewable Heat Incentive also offers tariffs to those who install renewable heating sources into their buildings to help reduce energy bills.

- **Commission an energy survey** — Energy savings of 5-10% can typically be achieved through making quick and low-cost changes to the way you operate your business. An energy survey can provide a more detailed and calculated assessment of energy efficiency measures to help you plan and finance longer term alterations to plant and equipment.

Energy compliance

- **Make sure you have an EPC** — If you intend to let surplus space or sell your properties, you require an Energy Performance Certificate (EPC). These documents rate the energy performance of your building from A-G, and the rating must be included in any materials produced to market the property. An EPC is valid for 10 years.

- **Improve energy performance** — In the UK, from April 2018, you will not be able to let space that does not meet the minimum EPC rating. The minimum threshold is likely to be set at E, so any property rated F or G will be un-lettable unless you take 'approved' steps to improve energy performance.

- **Display a copy of your EPC** — If you occupy any building or area that is over 500 sq m, and where members of the public have access, you are required to prominently display a copy of your EPC, where you have one.

- **Check your air-conditioning** — In the UK, all air-conditioning systems over 12KW are required to be independently checked by a qualified inspector, at least every 5 years. Records of these checks are stored on a national register.

- **Check for F gases** — Air-conditioning and some fire suppression systems may contain gases (called F Gases) that contribute to global warming. All systems that contain F gases must be assessed and checked to ensure that gases are not allowed to leak into the atmosphere.

Carbon management

- **Monitor your electricity consumption** — In the UK, organisations that consume more than 6,000MWh of electricity, through half-hourly meters, are required to calculate the amount of carbon generated from the use of electricity and gas used for heating. An annual report has to be submitted to the authorities summarising the amount of carbon that has been emitted and allowances purchased to cover these. The cost of allowances is currently set at £12 per tonne of carbon, which rises to £16 per tonne from 2014.

- **Report greenhouse gas emissions** — All UK based companies which are listed on the main market at the London Stock Exchange are obliged to report greenhouse gas (GHG) emissions as part of their director's report within their annual report and accounts. The report will need to include Scope 1 (direct emissions, such as use of company vehicles) and Scope 2 (indirect emissions from purchased energy) emissions.

Waste

- **Re-use/recycle** — A waste hierarchy has been established, which businesses need to apply to their activities. The principles are designed to encourage companies to choose other options, such as re-use or recycling, ahead of disposal into landfill sites.

- **Manage your waste appropriately** — The cost of sending waste to landfill continues to increase. Due to a scarcity of disposal sites, the government has imposed a landfill tax to trigger a reduction in the amount of waste being dumped in the ground. The tax is currently £72 per tonne rising to £80 per tonne in 2014. VAT is also charged on this amount. Occupiers can make significant savings by managing their waste effectively.

- **Choose the right waste management provider** — Opting for waste management providers that utilise MRFs (Materials Recovery Facilities) can help you achieve a 90% recycling rate. The residual waste can also sometimes be used to generate energy through incineration (waste from energy), leading to 100% recovery.

Improvement programmes

- **Implement a management system or improvement programme** — When supported by senior executives, such a programme can help to drive significant and long term benefits to occupiers. Not only will the programme help to deliver ongoing improvements in performance, it will also demonstrate your commitment to these issues to your stakeholders, including customers, business partners and employees. These systems can also be certified to international standards, such as ISO14001, providing universal awareness of your intentions.

This article was featured in DTZ's **The Authority** Summer 2013. The Editor thanks DTZ for allowing its publication.

MAKING SUSTAINABILITY PAY

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In the light of the government aiming for 90% of all new public and commercial buildings to be heated by renewable energy by 2020, Daniel and Cullum take a closer look at some sustainable solutions for schools. Can this ambitious target be met?

London Mayor Boris Johnson suggested in June this year that schools could be doing more to save money. Estimating that £32m could be cut from school budgets in the capital by installing energy-saving equipment, the Mayor has launched a programme to encourage governing bodies to slash carbon emissions and cut costs. Interest-free loans are now on offer for energy efficient improvements, with the money saved from fuel bills to be used to repay the finance.

Where schools already have a planned preventative maintenance programme in place, retro-fitting of boilers, insulation and other energy efficient measures should be tied in with the existing schedule to deliver further cost savings. There is little point in carrying out external redecoration to doors and windows one year if more energy efficient replacements are fitted the next, or upgrading the boiler if other items such as old windows are not replaced, so that only some of the savings are made.

The government's Renewable Heat Incentive (RHI), which launched in November 2011 for non-domestic buildings, will also have an impact on schools. An estimated 80% of energy use in public and community buildings such as schools is accounted for by demand for hot water and space heating. Biomass heating specialists HWEnergy were recently quoted (source www.greenenergy net.com) saying that by 2020, around 12% of our heat demand will be delivered by renewables. With an average secondary school using around 1,500,000kWh of heat each year, it would be reasonable to expect that the RHI – which offers financial returns for users generating their own hot water and heat – will prove popular with the cash-strapped education sector. The benefit to users of the RHI tariff depends on the kind of renewable heat systems chosen and the amount of heat and hot water that is generated. For public buildings such as schools, the annual subsidy provided by the scheme lasts for 20 years which means that users could earn enough money from the tariffs to pay off their installation costs in 5-10 years. Government sources promise returns of up to 12% a year.

Only certain technologies are eligible for the RHI. These include renewable systems such as solar thermal (not photovoltaic) panels, ground and water-source heat pumps, biomass and biomethane systems. Looking ahead, it is hoped that the financial benefits on offer to public buildings via the RHI will inform future design decisions, driving construction of greener buildings in both the public and private sectors.

However, renewables such as those being promoted by the RHI are not the only way to generate energy efficient school buildings. One school which has been built to very high standards of sustainability is Preston Manor in Wembley, London, completed in 2012 and shortlisted for 2 RICS Awards – for design & innovation and infrastructure.

Preston Manor Lower School in Wembley, London, following completion

Watts group was instructed by Brent Council to manage the £8.5m design and build of the school, from feasibility to completion in just over 12 months, in order to fulfil the urgent need for additional school places in the borough. The aim was to deliver an all-through educational facility on an existing school site that was both flexible and adaptable, providing a sustainable asset to the community within a very short timescale.

Watts procured the contractor using a 2-stage process via the Improvement and Efficiency Social Enterprise (IESE) Framework, and fast-tracked the design process. An innovative construction methodology, Cross Laminated Timber (CLT), was used as the main construction material in order to speed up construction, deploying standardised, pre-fabricated components wherever possible.

Following completion, Preston Manor was awarded a BREEAM rating of 'excellent' in recognition of the building's high environmental performance. The project was also recognised at the British Council for School Environments (BSEC) Best of British Schools Awards 2012, receiving an Excellence in Design for Innovation award. The design was based around careful positioning on the site to allow the building to maximise passive design ideals, including natural ventilation and daylight. Along with high levels of insulation, the school also has solar panels and an extensive green roof, while modern methods of construction further enhanced the project's green credentials.

However, it is important to remember that where sustainable construction is concerned, the build is only the beginning. Many buildings designed to be carbon neutral, or at least to minimise energy use, fail to perform as expected. This is frequently due to 2 key factors:

- The way in which occupants use the building; and
- Lack of knowledge on the part of facilities managers.

There is a steep learning curve associated with sustainable buildings. Occupiers must be persuaded to change their habits by, for example, not trying to override light switches manually that are linked to a light sensitive PIR. In turn, facilities managers must be fully informed in order to optimise energy efficiency via correct use of the building management system.

The latter proved an issue on 2 other projects for the Borough of Brent that Watts has been involved in, where extensions were added to existing schools at Newfield and Brentfield. At both sites, the new buildings were constructed to a higher standard of energy efficiency than the existing parts but at Brentfield in particular, in the first month after handover, energy bills were higher than before – and higher than could have been expected simply by adding capacity for the extension. Two issues came to light that were thought to be the problem:

- The building management system was not set up correctly; and
- On-site staff were not fully aware of how to use it. We believe that training and a review of the system has led to these issues being addressed and we are now awaiting feedback.

School extensions may also mean living with the legacy of an existing building where all the energy efficiency issues have not been satisfactorily addressed, despite the new Part L regulations asking for consequential improvements. These are not always realised because either the proposed extension is too small for Part L to apply, or because the consequential improvements are not clear. There are ways that a case can be put forward that supposedly meets the requirements, but does not necessarily achieve the sentiment of Part L. With money so tight in the education sector, if and when the Part L consequential improvements are factored in and applied, the business case for an extension can be dramatically altered and may no longer be viable. This therefore needs to be a key factor when reviewing the budget in the early stages.

With gas and electricity bills forecast to keep rising and budget constraints and increasing environmental legislation adding to the fiscal burden, it is important for schools to reduce energy consumption. To help them benchmark their performance and identify opportunities to reduce their carbon footprint and save money by cutting their energy bills, schools are now being invited to take part in the ENER-G Schools National Energy Management Survey at: www.energ.co.uk/education-energy-survey. The survey is anonymous, but schools have an option to request an individual feedback report and review of actions they could take to save money and reduce their carbon footprint.

DELIVERING URBAN REGENERATION IN AN AGE OF AUSTERITY

Lee Pugalis and David McGuinness

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"The 2010 General Election has proved to be an important juncture in the history of English urban regeneration." This hard-hitting analysis suggests that under the guise of 'localism', the coalition government has provided "a meagre toolkit of instruments" – including the New Homes Bonus, Tax Incremental Finance and Enterprise Zones – they are little more than a mishmash of measures cobbled together under the label of regeneration. "We are now entering a new stark and divisive era of spatially based urban policy, with the gap between winners and losers seeming to widen almost inexorably."

Backdrop

An age of austerity presents considerable challenges for those plying their trade in policy sectors traditionally associated with the pursuit of urban regeneration. Delivering urban regeneration objectives and implementing urban visions has altered dramatically over recent years. Still reeling from the effects of the 2007-08 credit crunch and a global economic downturn, it was apparent that the favoured (housing-led) model of regeneration – predicated on continually rising land values, and the wide availability and easy access to relatively cheap credit – was no longer financially viable. A change in the orientation and practice of regeneration was thus apparent well in advance of the 2010 General Election. Nevertheless, the election has proved to be an important juncture in the history of English urban regeneration.

Upon accession to office, as the economic rule book was being rewritten, the coalition government proposed a 'new model' to rebalance the economy of England. In broad terms, 'regeneration' viewed as a key public policy goal was replaced by the dual narratives of 'localism' and 'economic growth', closely aligned with the political imperative to reduce the public budget deficit. In terms of regeneration, funding was slashed by around two-thirds of the resources committed under the previous spending round. Indeed, the funding situation is actually much worse. Cuts to regeneration resources have been much more drastic when considering that new 'regeneration' resources include initiatives, such as infrastructure enhancements, primarily focused on delivering economic growth. For example, £750m for 'High Speed 2', approximately £7.5bn for Crossrail, £4.5bn for new affordable homes, £1.4bn for a Regional Growth Fund (RGF) (subsequently increased to £2.4bn), and £500m investment to transform the Olympic Park in London have been glibly brigaded as 'regeneration investments' by government. It is conceivable that some of these investments may wield regeneration benefits, especially for property holders, but it is inconceivable that these are initiatives that have regeneration as their core mission.

It is against this backdrop that this article analyses the English urban regeneration situation during austere times (for a full version of this paper see: Pugalis, L. and McGuinness, D. (2013) 'From a framework to a toolkit: regeneration in an age of austerity', Journal of Urban Regeneration and Renewal, 6 (4), pp. 339-353). It explores whether the shift towards 'austerity-era regeneration' is largely due to weathering the economic storm or the exploits of political marginalisation. The preliminary insights are derived from interviews with those engaged in the pursuit of regeneration goals, including regeneration practitioners but also those operating in a voluntary capacity.

Labour's regeneration "framework"

In 2008, Labour issued the consultation document; Transforming places; changing lives-a framework for regeneration, which exuded the tensions between neoliberal and neocommunitarian objectives; failing to marry the pursuit of increasing economic prosperity with that of reducing social inequality. Nevertheless, it aimed to confront the root causes of deprivation in order to improve social justice by tackling the underlying economic challenges which were perceived to be preventing places from reaching their full potential. Increased emphasis was placed on the principle of helping people to help themselves by developing enterprising places to reduce worklessness.

The dense 159 page framework laid out an agenda for improving the coordination and prioritisation of regeneration investment (i.e. value-for-money), including placing a statutory duty on all upper-tier local authorities to produce Economic Assessments, although enhanced local authority delivery powers were more opaque and conditional. The argument underpinning the framework was that direct investment in deprived neighbourhoods can often be expensive compared to the economic uplift it generates, whereas reinforcing economic opportunities in central locations provides better value and greater success. In this sense, the framework, which was produced prior to the full impacts of the credit crunch and recession became apparent, and underpinned by pre-credit crunch regeneration logics, demonstrates the increasing importance attached to the economics of regeneration and growth objectives. Nevertheless, the social and environmental strands of regeneration, often referred to as 'holistic regeneration' since the 1990s, remained part of the package, but their status had arguably been downgraded.

The Coalition's regeneration "toolkit"

With the installation of the coalition government, it quickly became apparent that Labour's regeneration framework did not fit with their 'economic growth' and 'localism' crusade. Indeed, it is noteworthy that the Local growth White Paper published in 2010, the National Planning Policy Framework 2012 and subsequent policy announcements relating to City Deals, rarely mentions 'regeneration', which is in stark contrast to the political attention that regeneration as a policy field received under Labour. The term 'regeneration', as is also the case with 'regions/regionalism', has been largely omitted from the coalition's vocabulary and more importantly this narrative void has had a direct impact on regeneration programmes, as ministers have refrained from establishing any bespoke regeneration initiatives. A Work Foundation report published in 2012 had as its headline that '…for the first time in 40 years England has no Area Based Regeneration Initiatives' (ABIs). Thus, it has been widely observed that the most deprived areas of England are now bereft of targeted forms of urban regeneration support. This is distinct from the past 4 decades of accumulated regeneration experience and practice. For a time it appeared that urban regeneration had vanished from Whitehall's policy radar.

Arguably, it was a result of the House of Commons Communities and Local Government Committee's decision to launch an inquiry into regeneration that prompted the coalition to hastily produce Regeneration to enable growth: What Government is doing in support of community-led regeneration. This toolkit is limited to a few pages of text and some appendices. Of central concern, the toolkit offered no definition of regeneration. The toolkit was updated in 2012, but continues to be exclusively framed by economic logics. In contrast, over recent months the Scottish Government and Welsh Assembly have each published regeneration strategies that are framed by more holistic definitions of regeneration that seek to tackle economic, physical and social issues, especially where there is little or no market demand. England, it would appear, is curiously out of sync with the rest of Britain. This has prompted us to argue that the coalition government has dismissed decades of accumulated regeneration practice and knowledge, to in effect start from 'year zero'. It is a prime example of 'throwing the baby out with the bathwater'.

Regeneration under austere conditions

From 2010/11 onwards England has been bereft of a genuine regeneration strategy and dedicated resources. Under the guise of 'localism', the coalition has instead provided a meagre toolkit of instruments – including the New Homes Bonus, Tax Incremental Finance and Enterprise Zones – they are little more than a mishmash of measures cobbled together under the label of regeneration. More so, the toolkit is replete with incentives, tools and policies that convey a myopic mantra of 'economic growth at any costs'. In some respects this can be considered an acceleration and deepening of the economic logics which drove the third term Labour governments' regeneration framework. Of concern to the House of Commons Communities and Local Government Committee, regeneration practitioners and many others with experience of delivering regeneration schemes, the toolkit is overly reliant on instruments launched in the 1980s that appear to rely implicitly on the much maligned 'trickle down' theory. It is unclear how localist community-led regeneration can be reconciled with top-down policies, such as Enterprise Zones, and centrally administered resources, such as the Regional Growth Fund (RGF). Indeed, Lord Heseltine, the Chair of the RGF Independent Advisory Panel, has been resolute that the £2.4bn RGF 'is not about regeneration'. The coalition has refused to define 'regeneration', claiming that 'it is not for government to define what regeneration is, what it should look like or what measures should be used to drive it'.

The withering of regeneration as a public policy priority

The withering of regeneration as a public policy priority has been accompanied by a loss of skills, tacit knowledge and expertise. Views from the coalface suggest that the present 'austerity-era regeneration' approach is a retrograde step, where some short-term 'savings' are anticipated to result in longer-term costs. Some key implications include:

- Loss of skills, programmes and infrastructure – evaporation of a whole regional tier
- Depleted pool of tacit knowledge – local and regional know how
- Loss of momentum – regeneration of places can take decades of sustained action
- Removal of life support for some communities – ABIs, and targeted grant funding
- Creation of a downward spiral of managed decline, decay and dereliction

For example, independent audits of the abolition of organisations, such as the Regional Development Agencies, have been critical of the costs. More recently, Lord Heseltine, as part of his review of local growth at the bequest of the Prime Minister, suggested the reinvention of parts of the recently abolished regional administrative infrastructure. There is also concern that institutional voids have emerged between local authorities and national government, and local authorities and communities, which the emaciated Local Enterprise Partnerships (LEPs) and fledgling Neighbourhood Plans are presently ill equipped to fill [Ed – see 2012 Autumn Terrier for Lee's article on LEPs].

Interviewees also indicate that the preference for economic opportunism (over socio-economic need) is likely to result in some longer-term spatial implications:

- Incentives will favour places of opportunity over places of need
- Loan-based system of funding (as opposed to grant-based system) favours more vibrant places, which can be confident of being able to repay the loan
- The private sector is unable to plug all the holes generated by a retreating public sector
- The market will always go where it perceives returns to be highest and/or risks that are lowest
- Some neighbourhoods (especially in the north) may be consigned to a future of managed decline

Communities in the north where 'regeneration' is frozen and demolition remains incomplete as finance has dried up (© David McGuinness)

Challenging communities to 'sink or swim' is likely to enable more affluent places with economic potential and penalise those places traditionally provided with additional regeneration support. Despite the toolkit's use of the phrase 'community-led regeneration', there appears to be a chasm, which continues to widen between such bottom-up initiatives and the top-down economic growth incentives. The coalition's approach to regeneration has been to treat it as a non-policy; an unaffordable luxury in times of extreme austerity.

Delivering urban regeneration in austere conditions is not so novel for those living in and working in places that have 'benefited' from successive waves of ABIs. For these communities and individuals, state funded regeneration initiatives were more a form of state life support; a necessity rather than a luxury. Some defining principles remain valid:

- Public sector support is essential for supporting the regeneration of the most deprived communities
- Long-term commitment to communities needs to be maintained
- Clear vision and integration of diverse policies
- Succession strategies are crucial

- Local ownership and leadership with support from professionals through locally-tailored partnership arrangements

- Seed corn funding for grassroots initiatives

Key lessons

The research indicates that the redistributive character of English regeneration appears to have given way to an implicit and explicit policy emphasis based on 'picking winners' and incentivising local authorities and communities to 'go for economic growth'. Such incentives favour private-oriented objectives in a highly unbalanced way. This criticism can be traced back over several years and even decades, but the single-minded pursuit of economic growth witnessed over recent times marks out the present urban regeneration landscape from previous eras. We are now entering a new stark and divisive era of spatially based urban policy, with the gap between winners and losers seeming to widen almost inexorably.

While space does not permit the analysis of counter-regeneration strategies, views from the coalface indicate the complexity of locally-derived regeneration practice and the difficulty in developing progressive alternatives. Two quotes from respondents to our interviews illustrate the constraints felt by practitioners:

'We are genuinely hearing the message that the government does recognise the individual characteristics of places and there is an increased autonomy within place, but sometimes increased autonomy has come with reduced resources, …it has felt like it has come down to us to make decisions where we cut investment rather than where we can make investment.' (Local authority regeneration practitioner)

'At the end of the day you only get regeneration outputs when money is spent, jobs are created or bricks are laid. For me it is about actual delivery and I can't see where the delivery mechanism is going to be [in England]' (Private sector regeneration consultant)

Future directions

In the lead up to the 2015 General Election, there is likely to be a wave of new urban experiments. These may offer the opportunity to showcase new ideas and hopefully propose more efficacious outcomes. However, financial austerity will still undoubtedly be the dominant fiscal paradigm, therefore, area based regeneration initiatives at the grassroots level are likely to be piecemeal and small scale at best. There is little likelihood of the announcement of a plethora of needs based central government initiatives with significant dedicated budgets; as we saw after the election of the New Labour government in 1997.

Moving forward, the delivery of the EU Common Strategic Framework Funds in England in 2014-20 will be amalgamated into an 'EU Growth Programme' and notionally allocated to LEP areas. However, regeneration is not anticipated to feature prominently as it does not feature as one of the government's 'top' policy priorities although employment, skills and social exclusion do, which may offer some important openings for regeneration-related projects. The significance of this development is that match-funding, as per EU criteria, will be required to access resources from the EU Growth Programme. Consequently, resources that have the potential to be used for regeneration interventions will face further competition from alternative schemes focussed on economic growth. The spatial implications are potentially considerable in terms of privileging some geographies, sectors, interest groups and socio-economic classes and excluding others.

As a nation we are entering unchartered waters in terms of regeneration policy. In the past, governments have on a small scale openly stated that some communities are no longer viable and residents must relocate in search of more robust labour markets and more resilient places (for instance the much maligned Category D villages policy in the Durham coalfields in the 1960s and 1970s). Global economic forces and the mobility of industry reliant on low skilled labour forces are once again calling into question the rationale for some communities' existence. Behind closed doors policymakers may well be questioning whether some communities have a role and a viable stake in the 21st century or whether they are dwindling relics of a bygone industrial age, beyond resuscitation? Political think-tanks have questioned whether nation states can continue to prop up these communities or in the global struggle to retain capital and wealth creating enterprises; must states focus all their energies on underpinning and maintaining the position of successful, entrepreneurial and resilient places?

Such debates can rapidly descend into rational choice economic arguments about 'picking winners' based on economic resilience, skilled labour markets, demand for land and levels of entrepreneurial activity. However, we must also consider the lives, kinship networks, history and identities which these communities represent. There is no simple answer to the fate of declining communities and shrinking cities in former industrial heartlands. As a nation, we must face up to these issues and conduct a rationale and measured debate about how to move forward. However, it cannot be an effective use of human capital, if we simply transfer communities to palliative care. There must be a place in the future for hope, diversification and regeneration. We argue that a case must be made for regenerating places and creating new rationales for being. Governments must put strategies in place for the upswing in the global economy, which will undoubtedly come. There is too much at stake, to simply batten down the hatches and focus on a small group of winning places (London and the Core Cities), whilst consigning significant swathes of the country to a painful and divisive era of managed decline.

PLANNING – ALL CHANGE!

Caroline Bywater and Saskia Molekamp

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This article outlines the many and varied changes to the planning regime, many of which have recently commenced. They include a range of measures aimed at facilitating economic development, some of which are temporary until 2016. Further possible proposed reforms to CIL are also explained. "Time will tell what effect these simplifications and relaxations have on local authority resources and the rate of new developments coming forward."

As ever, the planning system has been all go during the first half of 2013. The past month has been a particularly busy one with changes being brought in through a number of legislative provisions. Such changes cover the full range of planning topics, from applications and obligations to listed buildings and highways.

Many of the changes are aimed at simplifying the application process and reducing the administration burden on applicants and local planning authorities. Others have been made in a bid to free up stalled developments that may have been stuck on viability grounds – all familiar themes in recent years!

Coupled with the reduced time period for filing for judicial review applications against planning decisions, which came into force on 1 July, there is a lot to get our heads round. We have highlighted most of the changes below.

Simplifying submissions

The following changes to the application process (primarily design and access statements and validation) are hot off the press, having come into force on 25 June 2013 via some further Town and Country Planning (Development Management Procedure)(England) Order 2010 (DMPO) Amendment Regulation.

Design and Access Statements (DAS) are now only required for applications relating to "major developments" or developments of new dwellings or buildings with a floorspace greater than 100sq m in a conservation area or world heritage site. An application is for 'major development' where it involves working with minerals, waste development or on a site likely to house 10 or more residential dwellings, buildings of 1,000sq m or more, or of 1 hectare or more.

The required content of a DAS has also been amended to remove the need to explain the principles and concepts applied to scale, layout and appearance and to explain how access features will be maintained.

Changes have also been made to the validation regime. From 25 June, applicants need only supply particulars or evidence required by the local planning authority (LPA) which the applicant deems are both reasonable having regard to the nature and scale of the development, and about a matter which will be of material consideration in determining the application.

If the LPA requires information which

the applicant deems unnecessary, the applicant will be able to submit a notice specifying which particulars or evidence it does not deem necessary, setting out its reasoning and requesting that the LPA waive that requirement. If the LPA confirms that it will still require the particulars or evidence, the application can proceed as a "non-validated application". The applicant has a right of appeal if the LPA fails to determine such an application within the specified time period.

These amendments come hot on the heels of other recent DMPO amendments, which reduced the level of information required in relation to outline applications.

Varying viability

Some of the most publicised provisions of the Growth and Infrastructure Act 2013 (GAIA) deal with modifying affordable housing provisions in s106 agreements. These provisions came into force on 26 April 2013.

DCLG has also published some guidance on these new provisions - in particular in relation to the viability evidence required to support an application for review. No particular methodology for viability assessment is prescribed, either in the guidance or the legislation. An "open book" approach is strongly preferred (although not essential) and the starting point will be to review the viability assessment which informed the original grant of planning permission (assuming there was such an assessment). The assessment submitted to justify a review should follow the same methodology as was used in the original application - with any changes properly justified and explained. All other obligations (ie non affordable housing obligations) will remain unchanged - so the updated viability assessment must assume them and focus only on affordable housing.

On a first application, the new provisions oblige the LPA to agree to such modifications as are necessary to make the development viable. Greater flexibility is given on second or subsequent applications.

Where an application to review goes to appeal, the Inspector can only allow a reduced affordable housing requirement for a 3 year period. After that, the requirement reverts to the previously agreed obligations, save for parts of the development already commenced. The guidance suggests that a LPA may want to time limit any modifications it is minded to make.

Lightening the load for listed buildings

The Enterprise and Regulatory Reform Act 2013 introduces a number of helpful measures to reduce listed building applications and save resources in relation to the restoration and management of listed buildings. The new measures are outlined below but the full detail can be found in Part 5 of the Act.

LPAs will be able to grant prior listed building consent by issuing Listed Building Consent Orders. Such an order can describe the types of works and buildings to which it applies and make the consent subject to conditions. Separate provision is made for Local Listed Building Consent Orders, which will grant consent in respect of works to all or particular types of buildings in just the area of an LPA (or part of that area).

The grant of prior listed building consent will also be possible under Heritage Partnership Agreements (HPAs). LPAs will be able to enter into an agreement with the owner of a listed building to grant consent for the alteration and extension of that building as well as agree a raft of other matters relating to the building's management, maintenance and funding. The parties to an HPA may include the Historic Buildings and Monuments Commission for England, the Secretary of State, an occupier of the building, someone involved in its management or in fact anyone else who appears to the LPA as having special knowledge or interest in the building or heritage buildings more generally.

HPAs will hopefully bring more certainty for the ongoing management of listed buildings and save costs. The new provisions contain some checks to assuage heritage concerns, such as the requirement for periodic review of the HPA and the ability to impose conditions on the consent granted. Whilst such checks are necessary, parties will need to bear overall efficiency aims in mind when agreeing the detail of HPAs, particularly if there is input from a number of interested parties.

As another means of reducing individual applications, the Act introduces into the listed building arena the concept of Certificates of Lawfulness, which will confirm that specific works do not require listed building consent if the LPA determines that the works will not affect the character of the building as a building of special architectural or historical interest. Listed building entries are also to become more precise by specifically excluding certain structures, objects and features of a listed building that are lacking architectural merit, meaning that works relating to them will not require listed building consent.

Certificates of Immunity (guaranteeing that a building will not be listed for at least 5 years) can now be applied for prior to the grant of planning permission. Previously an applicant had to wait until planning permission had been granted before applying, so this measure may help to manage financial risk when planning a development.

In addition, reduced requirements for design and access statements for the development of listed buildings have also been introduced.

The changes to Certificate of Immunity applications, design and access statements and listed building entries came into force on 25 June 2013. The listed building consent orders and HPAs will take longer as they are reliant on secondary legislation.

Clearing the way for conversions

Another step towards decreasing regulatory burden is the introduction of new permitted development (PD) rights by the Town and Country Planning (General Permitted Development) (Amendment) Order 2013, the most significant of which are explained below. These came into force on 30 May 2013.

As a boost to the rural economy, planning permission will not be required to convert agricultural buildings to a range of other business uses. Each of the business uses will be 'flexible', meaning that changes to one of the other flexible business uses are also permitted. No more than 500sq m per agricultural unit can benefit from the permitted change of use and the right will only apply to buildings that have been in agricultural use since 3 July 2012 or otherwise for at least 10 years. Where the cumulative floor space is over 150sq m, an application must be made to the LPA for a determination as to whether prior approval by the LPA is required. This prior approval process is explained in more detail below.

One of the more controversial new PD rights is the ability to convert offices into flats. This temporary right expires on 30 May 2016 and is subject to the prior approval process. Many authorities applied to be exempt from this new right but only 17 succeeded, 10 of which are within London boroughs. The other 7 exempt areas are the Vale of the White Horse in Oxfordshire, Stevenage, Ashford, Sevenoaks, East Hampshire and Manchester. Whilst it is recognised that the UK housing shortage must be addressed, there is widespread feeling that this new PD right is not an appropriate method for providing new houses. Key concerns range from the harm to business growth, and the appropriateness of office space and local infrastructure for new housing, to uncertainty over what LPAs must have regard to when approving applications.

In an attempt to boost the free schools agenda, the new PD rights also include the change of use from B1 (business), C1 (hotels), C2 (residential institutions), C2A (secure residential institutions) and D2 (assembly and leisure) to a state funded school (and ancillary uses). Applications will be subject to the prior approval process. In order to plug the gap pending the grant of a consent, PD rights will also include the change of use of any building and land within its curtilage to a state funded school for a single academic year, after which the site will revert to its previous lawful use. This right can only be used once in relation to a site.

With the aim of helping new and start-up businesses, the Order introduces the right to change the use of a building between various business use types for a temporary period of up to 2 years. During those 2 years, the use can be changed to any other of the flexible business uses before then reverting to its previous lawful use. A maximum of 150sq m of floorspace in the building can benefit from this right.

House extensions of up to 8m in length (or 6m for non-detached houses), will now be included as permitted development, which is double the length previously permitted. These temporary rights expire on 30 May 2016 and developers taking advantage of them must notify the LPA in advance. The LPA will in turn notify neighbours and, if an owner or occupier from an adjoining premises objects to the extension, the LPA must consider the impact on the amenity of all adjoining premises in deciding whether the extension should go ahead.

In some instances, taking advantage of the new PD rights will require an application to the LPA to determine whether the LPA's prior approval is required in relation to impacts on transport and noise and to the risks of contamination or flooding. Depending on the facts of the particular application, the LPA may be required to consult the Environment Agency and transport consultees but must in all cases notify adjoining owners and occupiers of the application site. The LPA has 56 days from receipt of the application to complete the prior approval process - if the applicant is not notified of a decision within that time then they are free to start the development.

Speeding up a stopping up

The Growth and Infrastructure Act also offers some help in cases where developments are held up pending stopping up or diversion orders – such procedures are often lengthy, taking several months if not longer.

Until last month, it was necessary to obtain planning consent before such an order could be requested under planning legislation (there may have been other routes available, but these were generally seen as more cumbersome). As of 25 June, an application to make a stopping up or diversion order can be made at the same time as the planning application, or during the application process. The planning application must show a development which requires the stopping up or diversion. The order cannot be confirmed until after the planning consent is granted, but it is certainly a welcome move away from the 2-step process.

Sorting out CIL

This is a slight anomaly in this article, as it does not relate to a recent change, but as we write, CLG is analysing responses to its consultation on further proposes reforms, which ran until 28 May (we have already seen 3 sets of amendments in the last 2 years). While it remains to be seen which will be taken forward, it is worth flagging up some of the proposals, as follows:

1. allowing differential rates to be set for different scales of development (as well as use and location as now). This will allow the approach of different rates eg for small retail vs large retail, small office development vs large. This may be helpful for larger developments, subject to concerns that the differential rates could be used to attract larger retail superstores etc., but State Aid will have to be avoided and the test will still be one of viability so if there is a differential rate based on scale, the viability evidence will have to back that up.

2. the inclusion of the Regulation 123 list (ie the list of infrastructure which CIL will fund in the relevant area) in the evidence submitted to examination. This is not to remove the flexibility about how CIL can be spent, but so that it is clear what types of infrastructure s106 contributions will not be collected for. Future revisions to the list would need to be subject to "proportionate" consultation.

3. the date after which the collection of s106 contributions will be further

limited is to be moved from April 2014 to April 2015, to help promote holding up CIL charges alongside local plan reviews.

4. treating s278 agreements in the same way as s106 agreements for some of the purposes of Reg 123 so that s278 agreements should not be used for highway schemes which are included in the Reg 123 list, to avoid double-charging.

5. paying CIL "in kind" is currently only available for land transfers but the proposal is that this be extended to include on/off site infrastructure at the charging authority's discretion, and provided the authority has published a policy to this effect on its website. This seems to be an implicit acceptance of the concerns raised by developers as to the lack of guarantee as to the actual delivery of essential infrastructure. There may be procurement issues here so one of the consultation questions is around whether the in kind contribution should be limited to the capital value limits in the EU Procurement Regulations.

6. greater flexibility in the exceptional circumstances relief.

7. changes relating to phased developments, commencement of development and the removal of vacancy test (applicable in the case of CIL set off for current floorspace).

The target date for new Regulations and guidance resulting from that consultation is November this year.

Time will tell what effect these simplifications and relaxations have on local authority resources and the rate of new developments coming forward.

IMPACT OF NPPF ON ASSET MANAGEMENT A NEW FOCUS ON ENABLING DEVELOPMENT

Andrew Jones

This article sprang from a presentation given by Andrew at the meeting of South east ACES Branch in June 2013. He is encouraging us to be much more proactive with our property assets under the NPPF regime. "The local authority is currently the only available champion for promoting growth through development and the asset plan has to rise to meet this challenge or risk the authority as a whole as being seen as part of the problem not part of the solution."

Andrew is a Chartered Surveyor with over 20 years post qualification experience and has worked extensively with a wide range of public bodies, government agencies and local authorities. Andrew is currently involved in delivering significant changes in the financial management of client assets and in delivering efficiencies to corporate use of assets, in response to the current financial climate.

Andrew has specialist expertise in the financial management of consortium based regeneration projects and in all aspects of property development including analysis of s106 payment potential and development appraisal. andrew@bps-surveyors.co.uk

The National Planning Policy Framework (NPPF) became adopted planning policy in March 2012. Its contents must be taken into account by local planning authorities in the preparation of Local and Neighbourhood Plans. It is also a material consideration in determining planning applications. It represented a significant simplification of the previous system of planning policy circulars and statements and has in large part retained many of their key policy themes.

The primary change brought into being by the NPPF is the presumption in favour of sustainable development that is now the basis for every plan and planning decision.

The NPPF contains a lengthy definition of sustainability but can be summarised as follows:

Economic Role

LPAs are expected to ensure that sufficient land of the right type is available in the right places and at the right time to support growth. This represents a challenge to LPAs seeking to limit expansion and control development as growth is seen as the paramount objective.

Social Role

LPAs should also allocate sufficient land to ensure the supply of housing and local services required to meet present and future demand.

Environmental Role

LPAs should seek to protect and enhance our natural built and historic environments, reflecting low carbon targets. What is not clear is where the balance should be struck between the growth agenda and protection of say the greenbelt.

It is clear, however, the present government's agenda is heavily reliant upon new development as the key agent for economic growth. Eric Pickles has threatened to strip LPAs of the planning powers regarding some councils as "living in an economic la la land". This is because he sees delay in the planning process and insistence on delivery of non-economic packages of planning obligations as well as "politicised" decisions as an active barrier to growth.

In April 2013 he brought in new statutory guidance in respect of s106 Agreements which is intended to remove previous time limits for developers to appeal existing s106 Agreements where it can be shown that the level of affordable housing provision is preventing development.

It is clear that this new guidance is seeking to remove perceived obstacles imposed by LPAs. The shortage of affordable housing will have to be addressed in other ways it seems. Most recently the Chancellor has hinted at new powers for local authorities to borrow to fund the delivery of affordable housing. There are also new proposals to incentivise local authorities through greater financial freedoms to continue to sell land and other built assets to provide a land supply for development.

The current planning system is however in many respects less user friendly than the previous one when it comes to promoting development. If land is not identified for development within either the Core Strategy or the Land Allocations Plan, then the only remaining planning tools are through the creation of an Area Action Plan or Neighbourhood Development Plan. Both these documents are intended to cover more than single sites and take some considerable expense and time to deliver. There is no longer the scope to bring forward an adopted planning brief for a specific site. Therefore it is vital that if the council is to fulfil its role as enabler and maximise the potential of its assets, its estates function must be fully engaged in the formulation of these key planning documents.

It is also clear from the emphasis of the NPPF that councils need to plan for growth to remain in tune with central government thinking. This means that there is a need to promote council land for development and to intervene actively in land assembly through use of CPO and direct investment. There is a need to look well beyond current council ownerships in formulating the asset plan and to engage with the community on a much broader level in setting the asset strategy and council development priorities.

There is no longer a pressing need for a clear separation between the planning and estates function. Both functions need to engage closely with the community and developers to see how councils can effectively intervene to assist in bringing forward development and with it generate economic growth.

It is now essential that key planning documents are "viability" tested. However, too many of these exercises are undertaken solely by external organisations where the emphasis is upon securing Planning Inspectorate approval rather than considering holistic solutions to bring forward development and improvements to local infrastructure. Estates departments need to be actively engaged in these assessments, as for example CIL will have long term implications for development viability and can help channel development interest from one location to another.

Asset Management should have a clear focus on development and should seek to utilise all of an authority's available tools including capital reserves, New Homes Bonus and other funding streams, prudential borrowing, existing assets, community land and assets, s106 contributions, CPO powers, the power of wellbeing and of course the democratic mandate held by local authorities.

The asset management plan should work with the Local Plan development timescales and be dovetailed in terms of setting strategic development goals and planning for active intervention. This is especially important for town centres where the combination of major cut backs in retail spending on goods and services allied to the growth of internet sales is leaving large swathes of voids and dereliction in all but the strongest trading locations.

Asset plans need to look beyond the microcosm of individual assets to grapple with the need to find a sustainable future in reshaping our town centres for tomorrow.

Local authorities have many options for intervention including direct development and investment in infrastructure. Councils have access to ready sources of cheap finance and can accept less commercial terms by way of a return on investment as its need for profit can be tempered by other benefits. There is considerable scope for joint ventures but this is also a minefield for the unwary when it comes to procurement and State Aid, but these are not factors that prevent progress: they are simply issues to overcome along the way.

Councils can assist in land assembly by using CPO powers, providing development finance, forward purchasing development and by providing direct investment. These are valuable tools in the current market.

The Asset plan should be a genuine public document. It provides another platform for promoting intervention and co-operation with the private sector and unlike planning documents, has the opportunity to focus on actual delivery. It is also an opportunity for Members to re-engage with property and the benefits an active property strategy can bring to their communities. This outcome can only be achieved through closer integration of the planning and estates functions and a more comprehensive use of council resources in delivering the plans priorities.

The local authority is currently the only available champion for promoting growth through development and the asset plan has to rise to meet this challenge or risk the authority as a whole as being seen as part of the problem not part of the solution.

BUILT FOR RENT URBAN VILLAGES

JACKIE SADEK

Jackie has over 20 years' experience in property development, managing large-scale urban regeneration projects and public-private sector partnerships. She is expert in stakeholder engagement and in forming land ownership partnerships to bring forward difficult sites, including securing funding for local economic benefits arising from the development process. She formed UK Regeneration at the end of 2010.

As Chief Executive of UKR, Jackie is establishing UKR as the true voice for new models of regeneration in the UK. jackie.sadek@ukregeneration.org.uk

This is a follow up article to the one featured in 2012/13 Winter Terrier. "With two pilot schemes running in parallel in Nottingham and Derby, UKR has a busy summer schedule of planning applications, design finessing and – we have to admit – proselytising to local authorities nationwide that the time to move on build-for-rent is now."

The Midlands: surprise market leader in built-for-rent urban villages

I am big on actions speaking louder than words. This may surprise readers who know me only for my conference speeches and blogs, but it is true. Over the last 2-3 years UKR has had council after council come to us and say how keen they are on our model to regenerate major tracts of inner city land into high quality, build-to-rent, desirable homes...but can they please let someone else build the first one?

Well, we now have both Nottingham and Derby pinning their housing flags to the UKR mast and speaking more loudly with their actions than any number of committees and white papers ever could.

Planning applications for both projects are due in the autumn, so Team UKR is burning the midnight oil to get facts, figures, designs and all else pinned down. We have worked so closely with both councils that we must get this right from the start.

Between them, UKR's Derby and Nottingham pilots will deliver around 500 homes – a steady but careful start for a project that will see UKR projects blossoming across the country within a few short years.

Derby – foundations for the Nightingale Quarter

The wrecking ball is set to swing on the former Derby Hospitals NHS Trust site which will be known as the Nightingale Quarter, thanks to Florence Nightingale's strong connections with the hospital. UKR hopes to receive initial funding for the development from the Homes and Communities Agency (HCA) and work will begin within weeks on this 300-home urban village.

The design will retain the site's well known 'pepper pot' towers, forming a key visual reference point for the homes, retail, dining and other amenities. The hospital was always a local landmark and that's the way we like our developments: local, symbolic, recognisable, meaningful and popular. The towers add greatly to the character of the area and Nightingales is an exemplar site for UKR's urban village developments planned for key locations across the UK.

The speed with which we are moving in Derby has taken many by surprise, including us! It is being achieved with such alacrity because our partners in Derby - the Council, the NHS - are so speedy at delivering on their promises. We had aimed to start on site in November and to deliver the first of bespoke build-for-rental homes to a new generation of home-makers by October 2015, but we should be ahead of schedule.

Nottingham – Sandfields

Along the A52 in Nottingham UKR is developing Sandfields, a £30m urban project for which we have signed the land deal with Nottingham City Council for a further pilot village of 200 homes on the site of the former Sandfield School in Lenton.

Working with Nottingham City Council we'll create 200 new homes at Sandfields that will meet local needs and contribute to the local economy first and foremost. And because they will be designed from the outset to be let, not owned, we will capture efficiencies in construction, management and maintenance.

Sandfields and Nightingales will be the blueprints for UKR's private sector-led housing regeneration campaign across UK cities and towns.

The homes at Nightingales and Sandfields will be high quality, built to

Sandfields, Lenton – block plan

Full colour proposal site

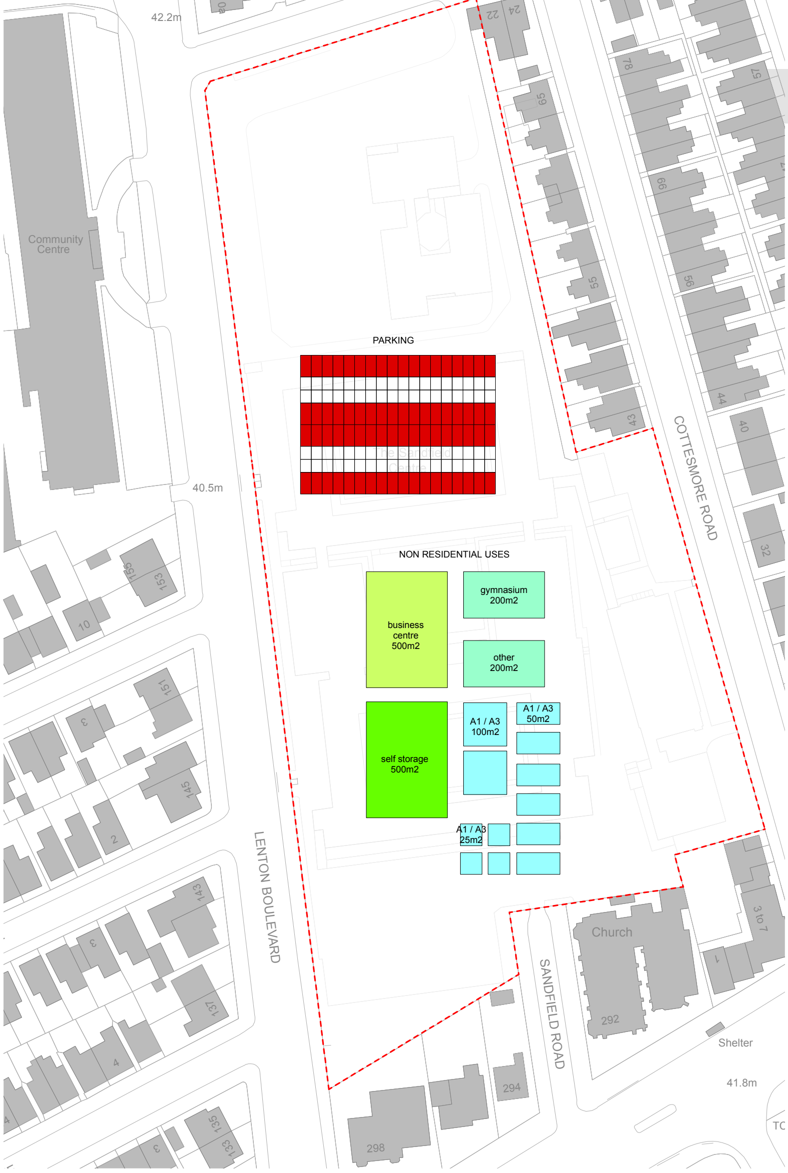
generous space standards and designed to establish renting as an aspiration and positive choice, not a second best option for those who cannot afford to buy. A mix of convenience shopping, niche boutiques and small local operators will be blended with the homes to make a vibrant place to live.

Nottingham City Councillor leader Jon Collins and deputy leader Graham Chapman, are 2 of the reasons we're moving ahead with Nottingham alongside Derby. Councillor Collins enthuses:

"Nottingham City Council is excited to be able to announce the agreement of this land deal with UKR. We having been working closely with UKR and look forward to seeing 200 new homes for Nottingham residents developed on this site."

The UKR model – with 20 sites in the pipeline

The UKR model is to build private homes for long-term rent, offering a flexible and positive alternative to



Non-residential uses

those who don't want to commit to home ownership. We will develop infill city centre sites, providing mixed-use 'villages' designed to meet local peoples' needs, supporting, complementing and enhancing existing services. Each development will need to be commercially-sustainable in its own right, in order to drive the model throughout the UK.

UKR now has in place plans for its first 20 developments across the UK that will radically change the landscape of the housing rental market. We are creating places where people will want to live and put down roots.

Of course, the Nottingham deal has taken time to get right because, quite simply, no-one has done it this way before. We're addressing the housing problem with fresh eyes, starting from scratch. We have been working quietly with Nottingham people, distilling the needs of the communities, interest groups and individuals into a radical solution. We have to get it right from the outset, so it works for the local community and for our backers, because we're going to be doing this for some time into the future.

In reality, UKR is regenerating regeneration because the old models no longer work and we need to find new ones quickly. Regeneration must move into the private sector and not look for public subsidy. UKR is tackling problem areas by developing places where real people will want to live in real homes and put down roots, with a livable mixture of homes and local services. Our designs will lift the spirits of all those that live or work in them. UKR developments will stitch parts of our cities back together and - crucially - we put community values at the heart of everything we do, which is why the plans have been so well-received in Lenton.

Derby and Nottingham running in parallel is a turning point for the UK's rented homes market: it's happening and it's happening now.

We are evangelical in our fervour for better housing for people who want to rent. The public sector has not been able to sustain housing for some time and the private sector's moribund efforts have failed to deliver: we need a more human and creative approach to building and renting homes.

By designing the entire proposition for letting from the outset, our urban villages will stimulate economic growth by including commercial and community facilities within the development, meeting local needs and contributing to the local economy.

UKR will create desirable, modern, purpose-built living spaces that provide a flexible and positive alternative to people who don't want to commit to home ownership. UKR is determined that its innovative approach to delivering new homes with multiple units under sole ownership and management is set to change the way housing is delivered and managed in the UK.

Flat layout

ROGUE BIDDER

Kevin Joyce

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

Selling land and buildings is difficult enough in today's market. In his article, Kevin neatly categorises types of rogue bidder – which we all know – and suggests ways to minimise these risks through the preparation of carefully worded sales documentation.

Local government surveyors, when instructed to make property asset disposals, are generally required not just to realise the best consideration reasonably attainable but to complete the disposals in the shortest timeframes possible. Some disposals might be made unconditionally, whereas others might have conditions attached to them, with a disposal typically being conditional on planning approval either for a property extension or conversion, or a site's redevelopment.

Members are seldom impressed should they be led to believe that a particular size of capital receipt is going to be realised from an asset's sale and then, for whatever reason, the sale falls through even when this occurs through no fault of the officers involved. This can prove particularly challenging to manage should the best offer received be submitted by what turns out to be a rogue bidder.

Officers can though, in the marketing of the assets, take some steps to discourage bidders from submitting offers with little intention of honouring either the terms of disposal set out by a council or the details included in their offers. Types of rogue bid to be mindful of could include the following:

The Moving Goalposts Bid

This is a bid where a recommended preferred purchaser has the capacity to acquire an asset, including funding capacity, but has the covert intention of moving the goalposts, either periodically or continually, involving downward offer revisions or other contractual changes invariably beneficial to the bidder, between the period from Committee or Cabinet acceptance of an offer and exchange of contracts.

The Man of Straw Bid

Here the preferred purchaser is a man of straw who does not have funding in place to make the purchase, but has the intention to drag out the acquisition to provide sufficient time to hawk a council's bid acceptance around the property and funding markets in order to find a joint venture development partner and/or debt funding source. The man of straw is looking to conjure up from nothing a position for himself in a transaction.

The Best Endeavours Bid

With this bid, the preferred purchaser has a best endeavours funding commitment only. The funding source may well not have seen the full disposal terms set out by the council or included in the preferred purchaser's offer, and so may baulk at them subsequently.

The Technically Deficient Bid

There could be several variants to this bid. The preferred purchaser may have made optimistically modest assumptions about building repair, restoration, conversion or other costs, which require a downwards offer revision for an offer to remain viable following a council's acceptance.

With offers conditional on some form of planning for development, unexpected density assumptions, 'unforeseen' increases in new build or abnormal development costs, flawed commercial market assumptions about post-completion letting voids, or under-estimated affordable housing or other s106 obligations in residential schemes, in particular can reduce development land value appraisal figures quite dramatically.

The Smart Alec Bid

This is a bid where a preferred purchaser submits an escalating bid or otherwise links his offer with that of any other offers received.

What do we do?

To minimise the likelihood of a rogue bid or bids being submitted, the Invitation to Bid details in the Seller's Pack could usefully include a requirement for all bidders to confirm specifically in their bids:

- That the offer is their best and final fixed sum unconditional financial offer, subject to contract, for the purchase of the property (for unconditional disposals)

- Whether the offer is being submitted on the basis of preferred purchaser only, or also on the basis of alternative purchaser in the event of a preferred purchaser failing for whatever reason to complete the purchase on the agreed terms and timescales

- That the bidder has inspected the property and the offer has fully taken into account any requirement for expenditure on repairs or restoration, or extra-ordinary expenditure

- That the bidder accepts the Sale Contract (attached to the Seller's Pack) as drafted

- That the bidder has the financial capacity to conclude an acquisition on the terms offered, the funds are available to enable a swift exchange of contracts to take place, the funding source has had sight of the Seller's Pack including the draft Sale Contract, is conversant with the terms of the offer being submitted, and has confirmed their support of the bid being made on these terms

To further discourage any temptation to shroud an offer in a veil of smoke and mirrors, a bidder could be required to include in their bid both a concise summary of who they are, their background and experience, and their proposed plans for the property, as well as full direct contact details of their funding source.

And just to leave no room for doubt about a council's resolve, the Seller's Pack could specify that offers which are made conditionally (for unconditional disposals) or are in any way based on other offers submitted will not be entertained in any circumstance, with the bidder additionally being required to confirm their clear understanding that:

- If selected as the council's preferred purchaser, or alternative purchaser in the event of the preferred purchaser failing to complete for any reason, progression of their interest would be entirely at their own risk and costs, with there being no liability on the council for abortive costs arising from any failure to complete

- The council would reserve the right to withdraw from a proposed disposal, and either revert to the alternative purchaser, re-market or retain the property, should it form the view that the preferred purchaser is acting unreasonably following acceptance of their offer

- The council would reserve the right to make direct enquiries of their funding source for clarification of each and every aspect of the proposed financing package underpinning an offer

I first applied the practice of encouraging bidders to make both preferred and alternative purchaser offers, a procedure developed by the PFI Treasury Taskforce in the 1990s, to local government asset disposals in 2001, following first hand experiences of the machinations involved in managing rogue bids.

The presence of the alternative purchaser in the background, preferably up to exchange of contracts, can provide a strong incentive for a preferred purchaser to dismiss quickly any nebulous thoughts of changing an offer, following a Committee or Cabinet acceptance, in the belief that other competing bidders have moved on to other acquisition prospects.

VALUATION OF AFFORDABLE HOUSING LAND AN UPDATE

Charles Solomon

Charles Solomon has worked for DVS, Valuation Office Agency for over 20 years, and prior to that was a property developer. Until partial retirement in 2012, he was head of the Development Valuation team, concentrating on development viability and urban regeneration. Charles has been on a number of RICS Guidance Notes steering committees. He is currently Chair for the revision of GN Valuation of Affordable Housing Land. He is the trainer for RICS on courses "Valuation of affordable housing land" and "Financial viability in planning". He works closely with policy teams at DCLG and HCA, as well as local planning authorities throughout the UK. Charles is Secretary of ACES South East Branch. charles.e.solomon@voa.gsi.gov.uk

This article advises on the methodology needed to value affordable housing land, in the light of recent changes in planning guidance, affordable housing tenure and reduced grant funding. The valuation will generally require some cash flow assessment and for a scheme to be viable, cross subsidy with market housing.

Introduction

The methodology behind the valuation of land for affordable housing has much in common with a conventional valuation of development land. A development scheme may range from one that is 100% affordable housing to one where affordable housing is an element of a larger mixed tenure residential or mixed use development. Increasingly, Registered Providers are coming forward as the lead developer in schemes, and, in most instances, they may be in direct competition with market housing developers for suitable sites. This article considers only the approach to the valuation of the land for the affordable housing element of a development scheme. In particular, it looks at recent government led changes in affordable housing tenures, planning guidance and grant funding that have had a fundamental impact on valuation methodology.

There are 2 approaches to the valuation of development land for affordable housing:

- comparison with the sale price of land for comparable development.
- assessment of the value of the completed scheme and deduction of the costs of development (including developer's profit) to arrive at the underlying land value- the residual method.

Development land valuation typically relies on both techniques with the comparable method being used more as a 'reality check'. The degree to which either or both are used depends upon the nature of the development being considered, the certainty about the costs and factors that relate to affordable housing, and the complexity of the issues involved. An example of variations to this is Rural Exception Sites, where the comparison approach is more typical.

Planning Guidance

In 2012 the Government introduced, in England, National Planning Policy Framework (NPPF), which replaced previous planning policy documents. It emphasises deliverability and the provision of competitive returns to willing land owners and developers to enable sustainable development to come forward. The definition of what is a competitive return is not provided, but RICS Guidance Note "Financial Viability in Planning" considers that, for land value, this is the Market Value subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations and disregards that which is contrary to the development plan.

NPPF s54 states:

"In rural areas, ... through rural exception sites ... consider whether allowing some market housing would facilitate the provision of significant additional affordable housing to meet local needs."

How should all this be interpreted for affordable housing land valuation? First, and foremost, the influence of Local Plan policies needs to be understood. Financial viability and scheme deliverability are key considerations. Cross subsidy through development of some market housing will almost invariably be required in higher value urban areas. All these factors create considerable risk and uncertainty for developers (whether RPs or market) in assessing development land value. Competitive returns for a landowner need to incentivise the release of land for development now rather than retention in hopes of higher land values in the future.

Affordable Housing tenure changes

NPPF defines affordable housing as:

"Affordable housing: Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision."

Affordable rented housing (AR) was introduced in 2010 and is let to households who are eligible for social rented housing. AR is subject to rent controls that require a rent of no more than 80% of the local market rent (MR). In practice, in most parts of England, AR rent levels are considerably lower than 80% of MR, particularly for larger (family sized) housing. Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the affordable housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing. Social rented housing (SR) is let at guideline target rents determined through the national rent regime (Target Rents).

The government's preference is to see new affordable housing being a mix of Affordable Rent and Intermediate tenures. However, it is up to local authorities to determine tenure policies in their communities, and in some areas, Social Rented tenure is still preferred.

Grant Funding

<u>Affordable Homes Programme</u>

There is less grant funding available in the current economic climate than in recent years. The emphasis in providing affordable housing is likely to look to minimise grant funding where possible, and to ensure that the grant provides as many new affordable homes as is possible, in locations where there is maximum demand and need. During the period 2011-15, HCA is investing £4.5bn in affordable housing through the Affordable Homes Programme. The majority of the homes built will be made available as Affordable Rent with some for affordable home ownership, supported housing and in some circumstances, social rent. HCA provides regularly updated information on its web site on the levels of funding granted for qualifying schemes. HCA expectation is that s106 schemes can be delivered at nil grant input.

<u>Publicly owned land</u>

HCA expects Registered Providers carrying out developments on land owned by the public sector should aim to minimise other forms of subsidy such as HCA grant funding. Where a public body is unwilling or unable to transfer the land for free or for a nominal capital receipt, then it should be willing to share in the risks of development, with the deferred value to be realised over the lifetime of a project.

Valuing affordable housing

There are 3 main components that make up the gross development value for affordable housing which are:

- The rent and capital receipts from affordable units.
- Proceeds that may be reinvested from staircasing receipts, right to acquire or external subsidies.
- Any internal registered provider subsidy or cross subsidy by including market housing in the scheme.

Dealing with each in turn, the gross rents need to be calculated and from these, costs deducted in order to arrive at the net income. The cost that might be deducted would include management costs, repair and maintenance, allowance for voids and bad debts and an annual sinking fund and finally, any unrecoverable service charge.

The next step is to capitalise the net income by the appropriate discount rate, which will reflect numerous factors such as future rental growth or condition of the portfolio, cost of borrowing, sustainability of the existing rental income and so on. This is usually assessed by RPs on a discounted cash flow (DCF) basis. It is worth noting that the DCF valuation method generates a result that is highly sensitive to the variable assumptions.

It is essential to carry out a careful comparison check when doing a DCF based valuation of affordable housing values. There is usually good market evidence available to experienced affordable housing valuers on what RPs will pay for all usual tenure types. RPs are not just taking account of the return on capital. They are looking at their overall business performance, meeting their policy objectives, and seek to meet tenant demand. As such, they will in many cases exceed the value that a DCF approach may show as the Existing Use Value-Social Housing (EUV-SH). Additional finance may be available through internal subsidy.

The final element- external grant funding may come from a number of sources, the most usual being HCA grant allocation. Some local authorities utilise New Homes Bonus- particularly where their preferred policy is to continue with the Social Rented tenure in new housing provision.

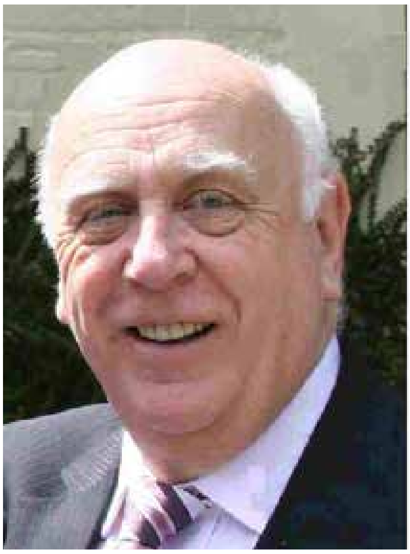
Having established the development value of the affordable housing, the development costs need to be assessed. RPs usually work with a developer on a design and build package. This has the advantage of simplifying and de-risking this part of the development as well as avoiding VAT liability. There is no liability for CIL payments on affordable housing, although there may be s106 planning obligations to allow for. A planning obligation must be:

- Necessary to make the development acceptable in planning terms;
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

The resultant residual land value may be at a sufficient level to meet the landowner's competitive return needs. This then can be seen as a viable affordable housing land value. It may, however, be insufficient, and in which case the RP developer will need to consider a scheme which includes an element of market housing cross subsidy. In urban areas with relatively high values in current use this is quite typical. The land value in these circumstances are dictated by factors not related to affordable housing land value but the specific site factors and competition from market housing developers.

Market housing cross subsidy is also usually the case in rural exception policy sites, where grant funding would not usually be available. In these cases land value is likely to be considerably lower than a similar site with no planning restraints, but still needs to be at a sufficient level to ensure land supply, that is, where the landowner assesses that it is worthwhile to sell. There is a fairly consistent level of market evidence for these sites, typically reported as ranging between £5,000- £15,000 per plot.

In summary, affordable housing land value is usually arrived at through a residual land valuation assessment. Affordable Rented housing is now the most usual tenure, along with Intermediate tenures- notably New Build HomeBuy. Important influences will be the level of external grant funding available or market housing cross subsidy. In the latter case, agreement will need to be reached with the local planning authority on the amount of market housing required to make the scheme viable and deliverable.



CPO – A TALE OF TWO ASSETS

Stan Edwards

Stan Edwards is a Director of Evocati Consultancy specialising in CPO process and is also visiting lecturer in retail planning and development at Cardiff University. He was formerly Vice-Chairman of the Compulsory Purchase Association. He worked on town centre retail and project managing CPOs over 40 years in Cwmbran, Land Authority for Wales and the Welsh Development Agency. In recent years he contributed input to the Hastings Pier CPO. stan.edwards@evocati.co.uk

We increasingly come across the need to save community, cultural and heritage property assets. The purposes and characteristics of the asset will determine the CPO power and the process to bring it within the domain of public ownership control. Stan Edwards looks at Hastings Pier and London Road Fire Station, Manchester, both Listed Buildings, each impacted by CPOs under different powers with different outcomes. There is best practice to be derived from both but will the promoters of future schemes take heed?

It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, ... Charles Dickens – A tale of two cities.

Within the last few years there have been 2 CPOs where investigations will provide a lamp unto the feet for others. One followed the rules to the letter with a positive outcome and the other did not, with a negative result. Admittedly Hastings Pier (the Pier) and London Road Fire Station (LRFS) had differing characteristics and circumstances but both were Grade II Listed Buildings and perceived as being in need of being acquired compulsorily by state empowered authorities.

First things first

Knowing the shenanigans of some authorities, throughout the UK, it is essential to repeatedly set out first principles:

General principles of law – statutory authority

The courts will seek to ensure that the use of statutory authority for taking a person's land and the destruction of his proprietary rights requires most careful scrutiny. This includes, in the interpretation of statutes, a presumption against an intention to interfere with vested property rights extending to least interfering with those rights. The courts impose a strict construction on statutes expropriating private property so that rights of compulsory acquisition are for a dedicated specific purpose. Last, no citizen is to be deprived of his land by a public authority unless expressly authorised by Parliament and decisively in the public interest. Government guidance follows the same vein.

Circular 06/04

The Circular provides obvious guidelines for CPOs:

<u>1. Purpose and Power</u>

Normally the scope of the intended works and their purpose will appear from the formal resolutions or documents of the acquiring authority. That purpose then determines the most specific power (Act) which influences the decision making of the confirming Minister. Authorities should use the most specific power for that purpose only using a general power where unavoidable. The acquiring authority has to decide how best to justify its proposals under a particular power and defend them.

<u>2. A compelling case in the public interest and justification</u>

A CPO should only be made where there is a compelling case in the public interest demonstrating the purposes sufficiently justify interfering with the human rights of those with an interest in the land affected and where there is clear evidence that the public benefit will outweigh the private loss. The confirming Minister has to be able to take a balanced view between the intentions of the acquiring authority and the concerns of those whose interest is in the CPO land. A comprehensive justification strengthens the case.

<u>3. Resource implications and impediments to implementation</u>

In preparing its justification, sufficient information is to be provided about the resource implications of acquiring the land and implementing the scheme. The confirming Minister would expect to be reassured that it was anticipated that adequate funding would be available for the whole process and in demonstrating a reasonable prospect of the scheme going ahead and not blocked by any impediments to implementation.

The above is a précis only of extracts from Paras.14 -22 of 06/04 and the whole circular is to be considered.

Listed Buildings (LBs)

The Listing of buildings helps us acknowledge and understand our shared history, marking their cultural and heritage features and bringing them under the consideration of the planning system regarding their future. LBs may not be demolished, extended, or altered without special permission from the local planning authority (through consultation with the relevant central government agency). Owners are, in circumstances, compelled to repair and maintain LBs and can face criminal prosecution in failing to do so or by performing unauthorised alterations.

Specific CPO power - Listed Buildings in need of repair

Section 47 of the Planning (Listed Buildings and Conservation Areas) Act 1990 (Listed Buildings Act – LBA)

Local and central authorities have powers to compulsory acquire a listed building if necessary for its long-term preservation. The building must be in some disrepair and the owner shown to be unwilling or unable to carry out the repairs himself and demonstrate that the building will be better off in the ownership of the authority or somebody else that the authority intends to hand it to.

Appendix K of Circular 06/04 sets out the sections of the LBA that relate to the CPO of a listed building in need of repair; service on the owner of a repairs notice; and inclusion in the order of a direction for minimum compensation.

English Heritage (EH) advises that a repairs notice should be considered in cases where protracted failure by an owner to keep a listed building in reasonable care places the building at risk, which is so neglected that the need for permanent repair has accumulated. **A repairs notice should be intended to secure works for the long term preservation** and should <u>not amount to restoration.</u>

At least 2 months before making an Order the acquiring authority must serve a repairs notice on the owner under s48 LBA specifying those works considered reasonably necessary for the proper preservation of the building - the first step. If, after 2 months, it appears that reasonable steps are not being taken, the authority can begin compulsory purchase proceedings to acquire the building. When a CPO made under s47 LBA is submitted to the Secretary of State for Culture, Media and Sport (DCMS) for confirmation, a copy of the repairs notice must be included.

The Magistrates /Crown Court

Any person having an interest in a building to be compulsorily purchased may, within 28 days after the service of the CPO notice, apply to a magistrates' court (appeal Crown Court) for an order in 2 ways:

1. Section 47 (4) LBA - staying further proceedings on the CPO if the court is satisfied that reasonable steps have been taken for properly preserving the building.

2. Under s50 LBA –where the authority has included in the CPO as submitted for confirmation a 'direction for minimum compensation' in that the authority is satisfied that the building has been deliberately allowed to fall into disrepair for the purpose of justifying its demolition and the development or redevelopment of the site/s.

The s47 (4) application could stay the CPO proceedings. The s50 application does not but the court may decide whether such direction is included in the CPO.

A local authority should notify the DCMS immediately they become aware of any application to a magistrates' court. Appendix K suggests it may be necessary to hold the order in abeyance until such time as the court has considered the application."

Section 53 Management of listed buildings acquired under this Act

Where an authority acquires any building or other land they may make such arrangements as to its management, use or disposal as they consider appropriate for the purpose of its preservation, being thought fit as to the management, custody or use of the building or land. (NB Hastings)

Case study 1 - It was the best of times – Hastings Pier

<u>The empowering statute</u>
Planning (Listed Buildings and Conservation Areas) Act 1990. Section 47

<u>The Order</u>
The Hastings Borough Council (Hastings Pier) Compulsory Purchase Order 2012

<u>Time Line</u>
Meaningful meetings between Trust and Hastings BC started in January 2009
Order made on 19 March 2012
Confirmed 11 September 2012

<u>The Building</u>
The pier, designed by Eugenius Birch was opened in 1872 and seen as an innovative design and was well used. Within the last 10 years the cumulative effect of the elements, and lastly a fire, have taken their toll finally restricting access. The owners, Ravenclaw Investments, an offshore enterprise, failed to respond to appeals from Hastings Borough Council (HBC) to repair and deterioration led to future uncertainty.

The Hastings Pier & White Rock Trust (HPWRT) was established opposing a clearance option which would involve local money. It raised funds for their

long term goal to acquire the pier and form a not-for-profit company to renovate, reopen and revitalise the pier as a community owned asset. In 2009 HPWRT petitioned the Council urgently to advance a CPO. It was estimated that repairs would cost to even double £24million so as to restore the attraction. EH was supportive of the proposals.

Whereas HPWRT had passion and a will to succeed, the CPO advisors recognised that the relationship between HPWRT and the Council had to be formalised to demonstrate a reasonable prospect that the scheme would proceed. HBC was concerned that it would get saddled with an unbudgeted liability. The CPO process was followed to the letter and productive iterative meetings between HPWRT and HBC facilitated a structured cross contingency partnership for a CPO in that there was a small window to obtain Heritage Lottery and other funding.

HPWRT's project involved the heritage-led transformation restoring redeveloping elements of the pier. A commercial programme involved the establishment of the People's Pier Company, a community-shareholder owned management company.

Power and Possession

Ravenclaw Investments, who had ignored a repairs notice and fine, were seemingly not in a position to fund the multi–million pound repair. The LBA CPO power was therefore the specific way forward.HPWRT was eventually satisfied that the T& CPA1990 should not be used in there being no specific regeneration background. The fire in October 2010 caused severe damage but it remained a LBA CPO in that the EH assessment confirmed that the heritage value of the substructure remained. HPWRT, in making a submission to the Heritage Lottery Fund (HLF) to restore and renovate, faced a funding/order sequencing problem in CPO terms. HLF could not finally confirm funding until ownership and the promotion of a CPO requires certainty in terms of funding. This would leave the Minister to decide as to whether there was a reasonable prospect that the scheme would proceed. The DCMS is aware of the issue and accept that it is a view to be taken. EH provided a grant towards emergency works followed by a HLF Stage 1 development grant. A Stage 2 award was made after confirmation of the CPO.

HBC dealt with the issues of the Hastings Pier Act 1985 and subsequently dissolved Hastings Pier Limited plus pertinent maritime characteristics and regulations. HBC obtained a confirmed CPO having had no appeal to the magistrates' court, no lasting objection and no Public Inquiry. The secret was cross-contingencies between the parties and a credible plan.

Case study 2 - It was the worst of times – London Road Fire Station

The empowering statute

Section 226(1)(a) of the Town & Country Planning Act 1990

The Order

City of Manchester (Former London Road Fire Station) Compulsory Purchase Order 2010

Time Line

Order made on 3 August 2010
Inquiry 12th 19 April 2011
Inspectors Report 1 November 2011
Decision letter 28 November 2011

The Building

The London Road Fire Station (LRFS) is in central Manchester opposite Piccadilly Station and within an area defined in a number of regeneration/conservation area initiatives. The building dates from 1901-1906 constructed in Edwardian Baroque style as a fire and police station which also contained, amongst other things, a Bank and Coroner's Court. It was added to the EH 'at risk' register in 1998 in category 'E' and reclassified in 2002 to remain at 'C' in 2010 (a building in slow decay; no solution agreed-poor, part occupied).

The LRFS was sold on closure as a fire station in 1986 and at the date of the CPO, elements of the Britannia Group (BH or Britannia) had owned the building around 26 years with increasing dereliction setting in.

The CPO

On review of the CPO from the Inspector's report there had been much wrangling over time between Manchester City Council (MCC) and the BH group owner. In 2005 Britannia asked if a CPO was likely, which led to much posturing. Eventually MCC became frustrated in not being able to pin-down BH's proposals to develop the LRFS as a hotel. The decision to make the CPO in July 2010 was preceded by an 'in principle' decision in 2009. MCC specifically warned that it would take into account the lack of BH signing an **Implementation Agreement** in making a final decision as to whether to make a CPO. It seems that in the absence of such it was the final straw.

The CPO general power of s226(1)(a) of the Town & Country Planning Act 1990 was appropriate for the

regeneration purpose, rather than the LBA. MCC correctly thought it would facilitate development, redevelopment or improvement. Apparently the LBA conditions had not reached the 'tipping point' for s47 LBA CPO powers to be used, provided that there was a development timetable. The Inspector noted that although the LRFS shows clear signs of distress and decay, in places, it did not appear to be at the point where there was any danger of widespread structural failure. A Repairs Notice under the LBA would have generated works necessary for the preservation of the building that might not have secured redevelopment or a sustainable new use and involve a financial outlay in the region of £6-8m. It may have represented a powerful incentive to BH to redevelop to include works required by the Repairs Notice; it is always a judgment-call. The LBA approach could have been considered but the intention was that preservation was secondary to and could be secured through the prime purpose - regeneration.

Characteristics

The CPO was unusual in that a scheme for the redevelopment of the LRFS as a regeneration–driven, conservation-conscious, 4 star hotel, as favoured by MCC had been put forward by the Objector. BH, at the time of the CPO Inquiry, put forward that the MCC had failed to address Circular 06/04 and that Britannia was to be allowed a fair opportunity to implement the permission and building consent granted by MCC a month after the CPO was made! Britannia had stated that it had the commitment, resources and experience to redevelop the LRFS as a 4 star hotel to secure the preservation and re use of the building. MCC had no signed up developer or operator, no scheme and BH advanced that this in itself would create delay and uncertainty to the very objectives MCC purported to pursue in proceeding with the CPO.

The decision

The Inspector decided that apart from Britannia's proposal, there was no evidence of the prospect that MCC's proposal would proceed. He concluded that the financial viability of the CPO scheme had not been demonstrated and appeared questionable at best. The only party with stated resources and scheme was Britannia. MCC had Argent's Letter of Intent but it was no more binding than BH's letter put to the Inquiry!

Epilogue

Irritating to all is that, subsequent to the CPO decision, Britannia Hotels advised that they are unable to proceed with the development of the hotel. Future statements on their ability to perform will no doubt be held in this light.

The way forward – purpose defines power

It seems that MCC was right regarding BH and wrong in its approach to the CPO. Perhaps the selection of the T&CPA 1990 power was influenced by a concern that BH would have appealed to the magistrates' court if the LBA had been pursed and the CPO stopped in its tracks. That would have meant a massive expenditure for BH to undertake repairs as explained above. However, the CPO was stopped in its tracks not because of the power but the lack of a compelling case in the public interest and no reasonable prospect its scheme would proceed. Perhaps, with a bit of thought and will, a rescue package for the building along the lines of that for Hastings Pier, using the arguments of s53 LBA would have been the way.

The Localism Act 2011 (which provides for the registration of assets of community value) does not confer CPO powers but the government inserted Appendix KA 'Exercise of compulsory purchase powers at the request of the community' into Circular 06/04. This provided that authorities may receive and consider requests from the community, particularly voluntary and community organisations, to use CPO powers to acquire community assets that are in danger of being lost. Finance is to be an important factor and local authorities must demonstrate funding of the total cost of the scheme either internally, or with a partial or full contribution from the requesting organisation. Appendix KA points to requirements to demonstrate a compelling case in the public interest. The approach aligns with s53 LBA and the cross-contingency route take by the HPWRT/HBC.

A community in Manchester has created the "Friends of London Road Fire Station" Trust (FOLRFST) and MCC has much more resources to help a Trust than did Hastings BC. So, MCC could run another CPO but with an augmented focus and purpose towards preservation and restoration through regeneration, in the context of embracing the community management approach (through FOLRFST). This route has much to commend it The T&CPA (including perhaps community asset registration) is still a possible approach eliminating BH making a successful application in the magistrate's court. The community approach would bring an enhanced sustainable development dimension and demonstrate the qualification under s226(1A) in terms of the economic, social and environmental well being.

The greater consideration in respect of LRFS is not only its ongoing preservation but a meaningful restoration programme involving lasting care, management and even conditional disposal in a mixed use scheme that may include a hotel. The community orientated approach in Appendix KA was not formally available to MCC in 2010. The regeneration purpose was easily challenged because MCC came empty handed to the CPO in terms of the scheme and lessons will have been learned. There has to be a necessary, well considered business and management plan outlined as indicated in s53 or Appendix KA.

The community/regeneration orientated CPO approach may be a lever for BH to sell knowing that they are sitting on a deteriorating asset. It will also be interesting to see how MCC engage with FOLRFST!

These must be pointers for the acquisition of other community assets of all types.

There are far far better CPOs to do than we have ever done……

HOW DO YOU DEMONSTRATE VALUE FOR MONEY OF THE PROPERTY SERVICE?

Susan Robinson and Chris Brain

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With the ever increasing pressure and challenges a local authority property service is under, it is essential that the true cost of running the service is known and understood. So how would we begin to demonstrate value for money? Susan and Chris give surveyors 9 key areas of activity where data should be available.

If you were asked 'Does your property service provide value for money?' I would expect you to answer 'yes'. If you were then asked to demonstrate how you know this what would your response be? Many local authorities believe that their property service does offer value for money but when it comes to demonstrating this there is little understanding of how this can be done and very little evidence to support the assertion.

With the ever increasing pressure and challenges a local authority property department is under, it is essential that the true cost of running the service is known and understood. Not knowing the costs and overheads associated with the service leaves it vulnerable to challenges to resource cuts or outsourcing. We know from members of our network that requests to consider outsourcing the property service are not uncommon.

So how would we begin to demonstrate value for money? What sort of information should we have and how difficult will this be to collate?

There are probably 9 key areas of activity where data should be available:

- Strategic asset management and management of data
- Acquisitions and disposals
- Asset valuations
- Design and construction including project management
- Condition surveys
- Management of maintenance including compliance
- Energy management
- Manage of investment property (where applicable)
- Management of tenanted non residential property (non-investment)

Before moving on to look at what sort of data should be available in these areas, there is some basic information on the service that is required:

- How many staff are employed within the property service?
- Are these full time/part time?
- What are the salary costs for staff?

- Are they all directly employed or are some agency staff?

- What are the costs for the agency staff?

- What are the authority's over-heads/on-costs?

If you believe that you have all of the above information readily accessible then in our experience you are ahead of the majority of authorities. If you are now feeling slightly smug, now ask yourself do you know how much time each member of staff spends on each of the 9 key areas of activity? So let's consider briefly what we would expect to be included in each of these areas, and some of the challenges.

1. <u>Strategic asset management</u>

What is the total number of land and property assets owned, leased or managed by the authority?

This always sounds like such an easy question and the information is available in most authorities but actually collating it can be very time consuming. Can we really claim that we are delivering value for money if we cannot readily answer this most basic question?

Moving on, do you know how much time staff are spending on strategic asset management and management of data such as the terrier? Have you an asset management plan or contributed to other corporate documentation relating to property assets such as the capital strategy or medium term financial plan, capital and maintenance programmes, property performance reports, disposal strategies or services asset management plans? How much time has been spent on these areas?

And if your organisation is truly operating in a strategic way, there will often be people contributing to strategic activities that actually might regard themselves as 'day to day operational' people. You need to make sure that their contribution and activity is fully captured.

What is the cost of staff time and cost overhead in procuring property related surveys?

2. <u>Acquisition and disposal (non-investment property only)</u>

What does it cost you to dispose of or acquire a building? How do the costs of in-house transactions compare with those that are 'put out to agents'? Costs should include (where relevant) instructing agents to deal with the transaction, preparation of planning applications, instructing legal services, procurement any property surveys required, negotiation of acquisition/ disposal price, management of the disposal tender process through to legal completion.

3. <u>Property valuations</u>

Whether carrying out asset valuations in house or procuring through external contractor, the costs should be known. Costs should include liaising with finance on valuation requirements, co-ordination and management of valuation programmes, procurement of external valuations and supporting external valuers' with data provision as well as undertaking in-house valuations, including associated site visits, research and investigations, preparation of valuation reports, etc. Any time spent supporting finance with implementation of accounting standards should also be included.

4. <u>Design and construction including project management</u>

This is one of the areas that authorities find most difficult to collate data on, partly perhaps due to the fact that much of this service has been outsourced or there are often agency staff in place. In many cases authorities are not fully aware of the costs of the outsourced service. This area might include costs for carrying out feasibility studies, business case and option appraisals, any client side project management, design of projects, project management and CDM plus structural, mechanical and electrical professional service areas for project work.

5. <u>Condition surveys</u>

What is the cost of managing and carrying out of all surveys relating to building assets i.e., building condition surveys, mechanical and electrical surveys, etc? This is one of the areas that authorities find easier to collate data on, perhaps because condition surveys are often procured externally and it is a clearly definable task. But again, if you are looking to compare your in-house service with an outsourced cost, without the data, how would you know which is the most cost effective, and thus best value for money?

6. <u>Management of maintenance including compliance</u>

Where maintenance and minor works projects are carried out, what are the costs of managing these projects? Any cost should include works ordering, procurement of term contracts, help desk facility, servicing and inspection, emergency call out, management of contractors and invoicing.

7. <u>Energy management</u>

In many authorities, energy management does not sit within property services. However the cost of energy management is a key aspect of understanding the cost of running the property estate. Areas of activity under this heading might include development, coordination and implementation of strategies and policies to reduce energy consumption, providing advice and training on energy efficiency, negotiating with contractors and managing energy supply contracts and monitoring energy performance and usage.

One needs to be careful here not to double-count, or at least to be very clear under which heading different activities are to sit in your value for money exercise. For example, is developing a carbon strategy to be included within strategic asset management or within energy management?

8. <u>Management of tenanted non residential property - Investment property</u>

How many buildings are contained within the investment portfolio? What is the cost of managing these properties?

What rate of return is obtained from the investment portfolio? To be able to answer this question, information on the cost of granting a new lease, renewing an existing lease, carrying out a rent review, giving landlord's consent, managing service charges and other estate management activities will be required. Information on rent arrears and the costs of managing the rent arrears will also need to be included. This information is critical in understanding how do the costs of managing the portfolio in house compare with outsourcing the service area.

9. Management of tenanted non residential property – Non investment property

How many properties are leased in? How many are leased out? What is the cost of managing these properties? Does the cost of managing leased out properties exceed the income generated from them? To be able to answer this question information on the cost of granting a new lease, renewing an existing lease, carrying out a rent review, giving landlord's consent, managing service charges and other related estate management activities will be required. Information on rent arrears and the costs of managing the rent arrears will also need to be included. This information is critical in understanding how do the costs of managing the portfolio in house compare with outsourcing the service area?

After reading the above do you feel that you could provide all this information, in every area of activity?

In our experience of carrying out value for money reviews within local authorities most struggle to provide this level of detail with any degree of accuracy.

In many authorities there is little understanding of the corporate overheads that are carried by the property service and although some authorities do have very detailed time recording systems which allows data to be extrapolated, many do not have any structured method of recording time spent on individual projects/cases or even areas of work.

Obviously collation and analysis of the data in these 9 key areas is only the first step to demonstrating whether 'value for money' is provided from the service and it only provides a high level indication of how the service is performing. However, it does facilitate comparison with the cost of external service provision and helps to answer the question of whether the service activity should be retained in-house or outsourced.

For those wanting to go further than simply answering the 'outsourcing' question, the next step is to identify where there are any 'differences' in service cost and efficiency against industry benchmarks, e.g., other local authorities. This requires quite a bit more work, as different organisations can define activities and costs in completely different ways. Having a consistent methodology, as part of a benchmarking club or VFM exercise is a critical element of pursuing that path. And it often helps to have some independent scrutiny or verification of data to ensure that any comparison is relevant and appropriate.

For those of you that want to go a step further then process benchmarking should be considered. Are you double handling data or paper work? Do you have inefficient processes which have unnecessary steps or even steps that are carried out in the wrong sequence? Can the efficiency and cost of the service be improved through process benchmarking?

COMMUNITY OWNERSHIP FORUM

The Editor has received a note from Locality concerning the demise of the Asset transfer Unit.

As you know, in recent years the community ownership agenda has been championed by the Asset Transfer Unit (ATU) - a DCLG funded service, managed by Locality. At the last meeting of the ATU Stakeholder Forum on 3 April, members agreed to establish a new Community Ownership Forum to facilitate networking and the exchange of ideas between key agencies involved in promoting community asset ownership, with an emphasis upon problem solving at the national level to benefit government and communities across the country.

A first meeting has been arranged in July which will focus on the following key themes:

- Empowering Communities: PROD, Community Asset Transfer, Meanwhile Use, Compulsory Purchase for Communities, Community Rights - where next?
- Spending Review 2013: How can we enable communities to work with local government to take ownership of assets against a backdrop of continued austerity.
- How can community ownership contribute to the revitalisation of our town centres?
- Enterprising Community Assets – business models, social finance and repurposing public assets.

The new Community Ownership Forum is likely to decide its priorities at this meeting. It is hoped to report development in a future edition of The Terrier.

The North East Branch recently held a training event which gave an insight into the APC process that was targeted at the public sector, to help candidates prepare to undertake the assessment and their counsellors and supervisors understand their obligations in supporting their staff through the process. This article gives some excellent, clear advice to all parties involved.

APC – ARE YOU READY?

JOHN READ

The North East Branch recently held a training event hosted by the City of York Council at their new council headquarters in the centre of York. The event, which provided 4.5 hours of continuing professional development, gave an insight into the APC process that was targeted at the public sector, with a view to helping candidates prepare to undertake the assessment and their counsellors and supervisors understand their obligations in supporting their staff through the process.

The session was led by David Varley the RICS Regional Training Advisor for the North East and Yorkshire & the Humber, supported by Bernard White, who has over 30 years' experience as an APC assessor, and Michael Walton as a recently qualified surveyor.

In the presentation, David outlined the context of the APC and how it played an important role in establishing and maintaining the high professional standards of the RICS. He also outlined the responsibilities of those supporting candidates and their duty to ensure that their staff are well prepared and ready to submit their applications for the APC.

The event, which was well attended with over 50 delegates, included a very thorough examination of the APC process and was conducted in workshop style with delegates encouraged to participate and ask questions along the way. Whilst not a comprehensive summary, some of the practical guidance given included:

Advice from the applicant's prospective

- Start thinking about preparing your critical analysis as early as possible and do not leave it too late.
- The 3,000 word limit is challenging so don't try and go for a really complex case and try to cover a more straightforward case thoroughly.
- Use your experience record to include specific examples of your work experience and use bullet points to highlight these.
- Consider your critical analysis as a report to a client or committee and apply the same standards of presentation they would expect.
- Get someone who has not seen your critical appraisal to do a final check.
- Try to present yourself confidently and professionally at the assessment.
- At the end of your assessment thank the assessors and shake their hands.

Advice from the assessor's prospective

- Use the online RICS guidance and templates to help you prepare for your APC, including online learning modules.
- Do not leave everything to the last

NE Branch APC Event – York. Presenters from left to right: David Varley (standing), Bernard White and Michael Watson (both seated).

minute and be meticulous in the submission of the whole of your submission.

- Help the assessors understand the experience you have gained by including reference to cases in your experience record.
- Pay attention to grammar and spelling in your critical analysis and all submission papers.
- Ensure that your submission is complete and that there are no inconsistencies in cross referencing etc.
- Ensure that all copies of your submission are properly bound up and do not submit loose papers.
- Choose a critical analysis case with something measurable at the end.

Advice for counsellors and supervisors

- Undertake regular reviews, at least every 3 months, with your candidates and ensure that you are helping them achieve the required level of competencies in their chosen pathways.
- Work with your candidates to ensure that they have a clear development plan.
- Understand the difference between competency levels and ensure that candidates have the experience to meet these levels, especially level 3 which requires candidates to demonstrate the ability to advise clients on options and provide reasoned advice.
- Don't just sign off their paper work, carefully check it and challenge your candidates on anything you are not satisfied with.
- Don't be afraid to delay your staff going for the APC if you think that they are not ready.

Your critical analysis case

- Follow the RICS guidance for the format of your critical analysis.
- Choose a case that is typical of your caseload.
- Ensure that it covers your key competencies.
- Ensure that you have your client's and other parties' consent.
- Do not include options which are not real options.

Your presentation

- Think about writing your presentation whilst you are preparing your critical analysis.
- The timing of your presentation is crucial; practice, practice and practice to ensure that you stay close to the 10 minute limit.
- Use prompts on the back of your slides to remind yourself to 'slow down', 'keep eye contact', 'relax' and 'stay calm'.
- Think about handing each assessor a concise one page fact sheet, with photos, to help them understand the case, key issues and your conclusions as this will help them in their assessment.
- Do not repeat your critical analysis verbatim when delivering your presentation.
- If you have little experience of giving presentations, practice in the work environment by delivering presentations to your colleagues on CPD events you have attended.

Ethics and Regulation

- You will be asked questions on these so try to think of examples of your work which demonstrate understanding.
- Understand and be prepared to explain your organisation's complaints procedure and hospitality and gifts policies.
- Be prepared to quote the 5 core values and think of examples of where you have come across them in your experience so that they become relevant to you.
- Ensure that you have a clear understanding of the rules of conduct for members and firms (even if you do not work for a firm).

The APC day

- Arrive early and consider an overnight stay on the night before.
- Dress smartly as if you were meeting a client or presenting at a committee.
- Don't waffle and don't be afraid of admitting that you do not have experience or knowledge (but no more than twice!).
- Think about which key competencies your critical appraisal covers before your interview.
- Your presentation sets the scene and a well delivered presentation sets you off on a good start to the assessment.
- You will be given the chance to have the last word and you can go back to any answers you did not fully cover.

The event was closed by the North East Branch Chair, Daniella Barrow who thanked David, Bernard, Michael and the City of York Council for their support in the organisation and delivery of the APC event. She also thanked all of the delegates and wished aspiring candidates every success in achieving MRICS status.

JOHN READ, NORTH EAST BRANCH PRESS OFFICER

The focus of the branch executive over the last few months has been to provide members with some good quality CPD. This has been achieved with 2 recent events. Firstly, an APC training event organised by Bernard White and Daniella Barrow which is the subject of a separate report in this issue.

The second event which was the summer branch meeting was hosted by Pinsent Masons at their Leeds City Centre offices. Brian Ablett, and Pinsent Masons worked together to provide 6 topics covering a wide range of subject themes based on those that had been suggested by branch members at previous meetings.

Brian acted as compere for the day and was in his element taking centre stage, microphone in hand, introducing the speakers. The following is a brief summary of the speakers and subjects covered:

Welcome to Leeds – James Larmuth, Land Securities

Land Securities has made significant investment into Leeds over the years and James gave an introduction into why the company had chosen to invest in Trinity Leeds. He also gave an overview of the scheme which opened in March 2013 and includes over a million square feet of retail, leisure and restaurant space.

A Shed Load of Changes – Bob Prichard, Leeds City Council

Bob is a specialist lawyer for Planning, CPO, transportation, highways and the environment. In his presentation, he outlined recent legislative changes included in the Growth and Infrastructure Act 2013 and changes to the Community Infrastructure Levy and set these in the context of the conflict between the Growth and Localism agendas.

Depreciated Replacement Cost – James McLearon, Valuation Office Agency

James outlined the DRC method of valuation and focussed on the Modern Equivalent Asset (MEA) and how the valuer should approach determining the most appropriate MEA. He used 3 different examples to illustrate his points and explained how you should reflect capital expenditure and obsolescence in the valuation.

Viability in Planning, a Private Sector View – Stephen Miles, DTZ

Stephen gave a brief overview of the local residential and commercial property markets and covered the policy background to viability in planning and the Community Infrastructure Levy and the role they played local plan making. He covered the market pressures and other factors affecting viability and outlined some of the typical assumptions made in viability appraisals.

Legal Update, Property and Planning Focus – Jonathan Riley, Pinsent Masons

After a hearty lunch buffet, kindly provided by the hosts, Jonathan took the graveyard slot and gave a lively presentation covering heritage reforms affecting listed buildings and conservation areas. He also outlined the implications for HS2, some recent High Court updates and some of the issues around the subject of 'Fracking', leaving delegates with 'Shale Gas Toolkit' a bit of extra reading to add to their CPD hours.

This is not about Property – Robert Hardy & Stephen Bromwich, Local Futures

Robert and Stephen gave a presentation about how public sector organisations could capture information about the assets of other public sector organisations in their area and the importance of partnership working in the public sector. Using some local examples, they gave an overview of the various economic, social and environmental indicators that could be captured and mapped to provide a high-level analysis of an area and tell a 'story of place' which could help decision makers in determining the strategic direction of the public estate.

With over 100 delegates attending the 2 events and at less than £30 each, they provided some quality and cost effective CPD for ACES members and work colleagues. The delegates who attended the Leeds CPD day were asked to put forward ideas for future topics and speakers and the branch executive will be working at putting together another event in the future. For those of you who missed out on Leeds, (there was a reserve list), it is not too late to put forward any ideas for future topics. All you need do is contact the branch secretary or a branch executive member.

The next branch meeting is to be held in York on 25 October 2013.

BOB PERRY, NORTH WEST BRANCH SECRETARY

The South West Branch held its summer meeting in Totnes on a gloriously sunny day in early June. Our host was Stephen Forsey of South Hams District Council. As well as the excellent attendance from Branch members we were delighted to welcome our President, Tom Fleming, who had travelled all the way down from Glasgow to be with us. An added incentive for members to be present was a training event covering the Localism Act and its implications for local authorities.

Our Chairman, Tim Mander, steered us through the usual domestic business items, with Alison Fisk, our Treasurer, reporting that we held a balance of approximately £1,600, which she thought was the minimum level at which we should feel comfortable. Bob Perry reported on the business transacted at the April meeting of the Council. He also raised the issue of the Branch's policy on the venues for future meetings. The South West region is a huge area, stretching from Tewkesbury in North Gloucestershire down to the Isles of Scilly and then along to Christchurch in Dorset, and taking in rural counties like Cornwall alongside urban centres such as Bristol and Plymouth. With such a large area there is always a risk that a meeting held in a geographical extremity will tend to be avoided by members from the other farthest-flung parts of the Branch's territory. On the other hand, so diverse an area lent itself to meetings held right across its territory as it enables those who did attend to see the projects which colleagues were working on in possibly a completely different professional context from their own. Tom was able to give us a national perspective based upon the knowledge which he had gleaned during his Presidential travels. The consensus view was that the Branch already tried to reflect both views, by always holding its AGM in as central a location as it could find, while travelling to other parts of the South West for its two other meetings. Accordingly it was decided to make no change to this policy, and indeed the spring meeting will be held on 14 March at a venue to be confirmed in Cornwall.

Amongst the usual eclectic mix of matters raised as being of professional interest, we considered some changes about to be introduced to the practice of bailiffs who will apparently henceforth have to give notice of their intention to visit premises to distain upon property – it was felt that this would effectively negate their ability to do their work is tenants in arrears had the time to remove such property before the bailiffs called. Members also reported on their experience of recording CPD online, and we also agreed that current salary levels made it very difficult for employing bodies to recruit new members of staff, particularly in areas where house prices were pushed higher by the second homes market.

Once our formal meeting had ended we were joined by colleagues who were particularly involved with the implementation of the localism agenda. Peter Jones from Locality gave us a very useful introduction on the present state of play and on some of the issues which this had raised, and following lunch we divided into 2 groups. Peter Scarlett from Dorset County Council facilitated one discussion based upon a case which his authority had dealt with and which looked at the outcome where a Neighbourhood Development Order had been made. At the same time, James Stubbs from NPS considered the issues raised in a case which involved a property which Somerset County Council wished to sell in order both to avoid ongoing maintenance costs and to raise a capital receipt but which the community locally wished to see retained in community use. Both cases raised some interesting points for discussion, and these were debated further in the plenary session which followed. Tim then closed the meeting with thanks to everyone for their attendance, and more refreshments followed before members dispersed. We next meet in November at Wellington, Somerset.

DUNCAN BLACKIE, EASTERN BRANCH SECRETARY

The branch meeting was held on 5 July in the Council Chamber of St Albans City and District Council. Vice Chairman, Brian Prettyman, welcomed the national President Thomas Fleming, ACES members & visitors - 31 in total, plus guests and speakers. The attendance was 50% up on previous meetings, mainly because of the cost-effective CPD on offer, and because members took the opportunity of inviting colleagues from their authorities.

The agenda for the meeting was deliberately kept short and provided the President with a platform to address the branch. Thomas, who had travelled from Glasgow that morning, confessed to being rather stunned by the sunny weather, which, of course, is normal in the south east. Thomas then regained his composure and expanded on his themes:

- Working with RICS – He has enjoyed a very positive working relationship with RICS CEO Sean Tompkins [a Geordie, so almost a Scotsman] and his lieutenants. Thomas encouraged us to engage with the RICS but cautioned 'don't mention fees and don't ask what has the RICS ever done for us?' [Ed – see RICS feature in this Terrier]

- Succession planning within ACES national level – Our "national treasure", Ian Doolan, currently 'on tour' with The Lions, is retiring after many years of ACES duties and is expected to be succeeded by Willie Martin, who is currently shadowing Ian. Good luck to him, then.

- Better PR – Fox International has been commissioned to help with marketing for ACES. Toby Fox, who is well known within London circles, will also assist with the London Conference, planned for 2014.

- ACES Presidential Conference in Clydebank on 19/20 September 2013 – We heard how prime real estate, the Beardmore Hotel and Jubilee hospital, came into public sector ownership having been acquired for £1 as a distressed asset by NHS. Ever mindful of the need to ensure good utilisation of public assets, our President has secured use thereof for the Presidential Conference. Thomas gave a brief resume of the excellent line-up of speakers [Ed – see promotion page in this Terrier].

This was the first time that Eastern Branch had opted to include CPD presentations within the meeting and required a change in format. We had set out to provide members and guests with up to 4 hours formal CPD for a modest cost of £15, including buffet lunch. This was only possible because the branch had free use of St Albans Council Chamber, courtesy of our host, Debbi White, plus a range of excellent speakers who didn't charge for their services. The branch business was therefore speedily concluded in 45 minutes and presentations commenced at 11am.

First up was Anthony Walters of RICS who explained the changes to the rules of conduct with regard to CPD and ethical standards [Ed – see article in this Terrier]. Olly Freedman then presented a case study from Cardiff City Council on the use of KEL software for valuations and asset management, and was followed by Dmitiji Sirovica & Anthony Cross of Brown Jacobson, Solicitors, who provided us with a planning law update. After lunch, John Hoad, leader of St Albans spatial planning and design team gave a very clear explanation of the National Planning Policy Framework.

Finally, Richard Shwe, Head of Community Services, St Albans City and District Council explained how the £24m cost of developing Westminster Lodge Leisure Centre, which included £16m of prudential borrowing, has resulted in a viable leisure business. In fact, development of Westminster Lodge has prompted a renaissance in publicly funded leisure development around the borough, including a new tennis centre. Richard, who hails from the north east, explained that the Councils business model would be viable in a variety of socio economic settings, not just leafy St Albans.

The meeting was judged a success and Lambert Smith Hampton will assist in providing CPD at our annual general and branch meeting in Bury St Edmunds in November.

PAUL BROOKS, SOUTH EAST BRANCH CHAIR

A mix of site visits, CPD and branch business brought the South East Branch to Dorking on 17 June hosted by Mole Valley District Council.

First stop for those of a less nervous disposition and fit enough to delve into the depths of Dorking were the Dorking Caves. Although not currently open to the public, a tour had been arranged, with the aid of an offer of a bottle of the finest English sparkling wine from Denbies of Dorking, with Professor Richard Selley. Richard is a local geologist who ran tours of the caves until approximately 5 years ago when public tours ceased, save for Heritage Open Days. What ACES members did not appreciate was the extensive risk assessment that had to take place prior to the visit. As luck would have it Waitrose is in the process of demolishing its store opposite as part of a redevelopment. The surveyors amongst you may know sandstone caves and extensive ground works are not always the best of mixes. We had to check that no ground works were taking place prior to the tour, carry out a pre-tour inspection and ensure that no works took place during the tour – such are the benefits of being an ACES member!

Before we entered the caves (via a small door next to the war memorial) we had a health and safety briefing and outline of the history of the caves from Professor Selley which continued in the caves where the atmosphere (and emergency lighting) had been augmented by candles. The next risk assessment we have to do, if the caves are opened again for tours, is the rate of oxygen depletion following a number tours. No ACES members fainted (aside from being giddy with excitement at the wonder of the tour!) from lack of air though some were locked out (temporarily) for being late for the Professor.

Andrew Jones (second back) with SE Branch members

Professor Selley talked through the origins of the caves, which are connected to a series of well shafts and how the Mystery Chamber some 20m down was probably the equivalent of an underground folly that held dinners that almost rivalled those of the ACES Presidential Conference – plug for Tom there.

Out in the stark daylight we headed for Dorking Rugby Club just down the road. As part of a community asset funding package, Mole Valley District Council had obtained sessions to use the function room with its views over Boxhill where the lycra-clad cyclists still huff and puff up the zig zag road to emulate their Olympic predecessors. Our own huffing and puffing was courtesy of ACES supporter Andrew Jones of BPS who had the post lunch spot and gave a heavily debated talk on the impact of the National Planning Policy Framework on Asset Management Planning [Ed – see article in this Terrier]. This included delving into the intricacies of development viability appraisals and sharing experiences of how the NPPF is impacting upon the work of attendees.

The main business of the meeting was identifying subjects that interested the Branch for training purposes, in accordance with the wishes of ACES Council. The meeting decided to submit details of subjects and suggested speakers to the Branch Secretary and to contact adjoining branches regarding the potential for joint events on the following topics:

- Procurement
- State Aid
- Restrictive Covenants and the use of s237 of the Town and Country Planning Act 1990
- Challenges within IFRS – including the componentisation of fully depreciated assets

There were also discussions on the community right to bid, Local Transparency of Property Data and the price of wheat (ok not really!).

It was agreed that we would be off to the fast developing town Horsham for the next meeting with a report on the President's Conference at Clydebank the week before.

RICHARD ALLEN, HEART OF ENGLAND BRANCH SECRETARY

The new Hinckley Hub, which had only opened on 24 June, was the venue for the Branch meeting held on 4 July. Apart from being Hinckley and Bosworth Council's main offices, the Hub is also part of Leicestershire County Council's 'Workwell' 'hub and spoke' office strategy as it forms one of the local hubs at the end of the 6 key 'spokes' linked to the main County Hall hub (2011/12 Winter Terrier p 40). The meeting was attended by 18 branch members, and welcomed Roger Kirk, a new member from Luton BC.

The morning session started with Simon Marks of E C Harris who gave a presentation on Regional Growth - unlocking the potential. He felt that currently mixed messages were being sent out about the state of the economy. However, he considered that the UK is a good place for international investment as it is a stable country with potential. He added that £700bn is sitting in balance sheets awaiting confidence to invest. In order to unlock the potential, as business practises are changing, so must the property they occupy, new housing is needed in the right places to help growth, local economies must plan growth to their industrial strengths and infrastructure is a crucial catalyst for regeneration. He explained that E C Harris is working with the CBI across UK regions to identify how potential can be unlocked to deliver much needed growth. A number of round table debates to a common format are being held which will inform a paper that will be going to government from the CBI.

Simon then looked at 2 case studies. The first was Herefordshire, Edgar Street Grid Regeneration and Skylon Park (Enterprise Zone). He said that regeneration was key to unlocking the potential in Hereford, but based on an economically viable master plan, rather than a visionary plan. Currently 50% of spend is made outside the Herefordshire area and there are issues in the Hereford town with flooding and traffic congestion. But the town's strength is its existing activities; food and drink production, the SAS base and security spin off businesses, good education and the quality of life. Herefordshire Council

Hinkley Hub


Hinkley Hub reception

is also looking at their service delivery and ways of work which is resulting in a smaller public estate and the delivery of key development sites.

Edgar Street in Hereford is a 100 acre mixed use town centre site that can serve the region. Development is being delivered through an arm's length delivery vehicle that is commercially focused. Its aim is to de-risk activity through undertaking off site flood alleviation, provision of a new link road and relocation of the cattle market to create shovel ready development opportunities for the private sector.

Achievements to date are the start of a £90m retail scheme on the former cattle market site, commencement of 800 residential units, a prospective enterprise zone based on what is already in Hereford and a good start on the move to a fit for purpose public estate.

The second case study was a town centre regeneration where the redevelopment of a run down 60s shopping centre and development of new council offices would be the catalyst for change.

In summary he said to succeed it is necessary to join up and integrate activity, create a case for investment, consider how to fund activity and be commercial in approach.

Prior to lunch Malcolm Evans, Head of Estates and Asset Management, gave a talk on the practicalities of setting up and moving to the new joint office Hinckley Hub, in which the meeting was being held. He explained that he was set the task of relocating the council to a fit for purpose building in 2000. His 2 key messages were don't do it without a good team and aim high by going for quality and achieving a facility in which everyone can be proud. The new hub is located in a refurbished Hosiery factory which is a key regeneration site in a gateway location close to the railway station and bus routes. It is held on a 35 year lease with the rent reviewed annually linked to the RPI. However, the freehold will be transferred to the Council at the end of the term, for £1. Hinckley and Bosworth Council have 218 staff in the building and there will be 77 Leicestershire County Council staff. Jobcentre Plus has 46 staff in the building and there are 16 shared workstations linked to specific local projects.

Matthew Zimija, Principal Building Surveyor at the Council then explained the design ethos which was to achieve a lean, clean and green building to a BREEAM excellent rating that has natural ventilation where possible. However, the Conference room where the meeting was being held had air conditioning as the Council aimed to let it out to generate revenue.

Significant efficiency savings will be achieved through sharing the cost, a single point of travel and flexible

Hinkley Hub moveable meeting pod

working. Co-location is documented through a licence agreement for workstations and an agreed occupiers' protocol manual which covers shared processes and procedures. (a copy of this manual has been made available to ACES).

Following the presentation, members were given a tour of the new building. Most notable was the very quiet the open plan working environment, which incorporated moveable meeting pods that looked as though they had come off the set of Star Trek.

The general branch business after lunch principally focused on the provision of CPD training for ACES members and their professional staff to meet the new RICS formal CPD requirements. It was evident from the discussion that very few authorities now pay RICS fees or fund CPD training unless it has been identified as a need at a performance review. Rather than the branch organising training it was agreed to take up the offer from the RICS regional office to work more closely with them and to support their proposal to organise affordable public sector focussed training through workshops to be held across the branch area.

Other topics discussed included disposals of non education properties to free schools, corporate landlord models and asset valuation programmes. It was also agreed to support Nottingham Trent University with a Public Sector Corporate Real Estate project for first degree students.

The next meeting and the Branch AGM on 31st October 2013 will be hosted by Central Bedfordshire Council at Chicksands, Bedfordshire.

THE HISTORY OF ALAVES The Association of Local Authority Valuers and Estate Surveyors

Kenneth Blessley CBE MA ED FRICS, President of ALAVES in 1963 and 1973, adapted by Richard Allen

The 2012 Spring Terrier recorded that long serving member Ken Blessley died on 10 April 2012. This edition contains the obituary of Arthur Tindall, the Treasurer of ALAVES and its last President.

Part 1 of this history, 1949-1977, was published in the 2012 Spring Terrier. It is fitting, then, to publish part 2 in this edition.

Resume

During the 29-year period 1947-1977, the Association developed in phases, from the early almost closed society, through the gradual increase in size leading to a fairly static situation in the early 60s, the London explosion after 1964 and then the extraordinary transformation as a result of the 1972 Act.

Meetings and Gatherings

From 1777, all AGMs were held in County Hall, as were the OGMs. These then switched to Caxton Hall. The 1978 January meeting was the first held jointly with CLAVA where the principal speaker gave a talk on the problems of farming on the urban fringe. The following year the January meeting was again shared with CLAVA, the main topic the urban fringe, with a paper by a lady (only recorded occasion in the history of the Association when this happened) from the Countryside Commission.

The commendably brief presidential address in 1985 produced something of a contrast in that it concentrated on certain contemporary issues of major significance rather than attempting the whole field of professional activity. The President referred in particular to members' involvement in the complete management of a property portfolio owned by a local authority and compared current responsibilities with those facing the founder members 35 years earlier.

Provincial and summer meetings covered 18 locations, Glasgow to Brighton, Mold to Norwich, including 3 in the Greater London area. Largest attendance for a provincial meeting was Southampton (50) and the lowest Glasgow (27) with an average of 42. Best attended were the summer meetings with the record 87 in 1979, a low of 50 in 1982, the average being 62. The Association was, of course, always delighted to welcome the ladies at these meetings (75 at the Mansion House) adding glamour and colour to what at times could have been rather dull proceedings [Ed - I will not comment on this].

The Mansion House dinner was probably the most impressive event but there were many other outstanding memories; the Mersey Tunnels, Humber Bridge, Thames Barrier, the RAF station, museums ranging from Beaulieu to Beamish, the contrast on water between the SS Great Britain and a horse drawn barge and the climatic extremes of equatorial heat in Chelmsford to the early monsoon in Newcastle.

Between 1950-1986 there were well over 150 papers on a diverse range of topics read at all the 169 OGMs. Almost 100 were produced and read by members of the Association. These business meetings received a selection of outstanding papers from informed people from the Audit Commission, D of E, British Rail and PSA. Guest speakers at the annual lunches provided a mixed bag of political and professional personalities although on very few occasions is there any memorable recollection of what they said. One note of interest is that Tim Foster, the current ACES Secretary, took over as ALAVES Secretary in 1983.

The Branches

The development of new branches was a significant factor during this period. The London Boroughs Branch had been established in 1968, to be joined by the Scottish and North Western Branches late in 1979, whilst South West England met formally for the first time a few months before dissolution. Each of the Branches had their own identity, which was developed successfully during this period.

RICS

The relationship with the RICS presented 2 contrasting pictures, what was said and what was done. Over the years there were statements of concern and support for the public sector chartered surveyor emanating from Great George Street demonstrated by2 Presidents, Paul Orchard-Lyle and Donald Troup. The Association welcomed the President and Secretary General at almost all annual lunches. But the high spot had to be the involvement of Dick Luff (Corporation of London), President in 1979. Four years later, he was appointed President of the Institution, still a unique double for ALAVES. Indeed, the only other local authority President was A G Harefield (Middlesex CC) in 1946 well before ALAVES was formed.

Valuation Office and Valuation Liaison Group

One of the most important items to be recalled in this period was the strengthening of the friendly links between local authority valuers and the valuation office. But it was not always like this. In the 1950s valuers had to operate under regulations imposed by the Manpower Reports, by which virtually every local authority land transaction had to have a supporting certificate from the District Valuer. A frustrating and time consuming process. Representations were made to the Ministry and eventually the Borner Committee was set up in the early 1970s. A qualified relaxation of the need for the DV's report was recommended by the committee in 1975 but further representations had to be made to the Ministry to finally get action on the proposals, not helped by an influential group in the VO backed by the DV, who feared a significant loss of work.

The next important development was the publication of Ministry Circular 18/80, which formally created the Valuation Liaison Group. Topics such as right to buy, small claims courts, enterprise zones, scale 5 fees and new legislation featured regularly in the minutes and two professional guidance notes were issued, the first on the Local Government Planning and Land Act and then the Disposal of Land.

CLAVA

The Country Land Agents Association (CLAA) was founded in 1908. Membership was restricted to all land agents appointed by smallholdings and allotment committees of counties and county boroughs. This seems to have remained the principal qualification for membership for 50 or more years, as evidenced by Middlesex (one of the largest counties in property terms) where representation was by its smallholdings officer to the exclusion of the County Valuer, who had responsibility as Land Agent for 16,000 acres of farmland. But in 1966 the title was changed to the County Land Agents and Valuers Association (CLAVA), no doubt reflecting the comparative decline in the Land Agency activity of its members.

10 of the 22 founder members of ALAVES were county officers. Almost from its foundation ALAVES was seeking to move towards some form of merger with the CLAA. At its second AGM in 1951 the President reported that discussions had not taken the matter further. Numerous attempts were made in future years to close the gap, always initiated by ALAVES. But despite the resistance from within CLAA, links were maintained which eventually resulted in an agreement in 1978 for 1 joint meeting a year. These continued until 1986. From this cooperation

there emerged in 1985 a joint working group, which looked for the first time at the prospects of some form of unification. As a result in July 1986 at an ALAVES meeting in Leicester a full draft constitution for a new Association was approved.

Remo Verrico, the first President of LAVA, the new unified Association, said in his inaugural speech, this result is a great achievement and he deservedly paid tribute to all those who had worked so hard over the years to bring it about.

Membership

During the 37 years life of ALAVES total numbers of members who joined, stayed or left were 359. For a brief period, between 1966-68, there was a lady member; otherwise ALAVES was a man only society.

Honours received by members were CBEs for C H Walker and K H Blessley and OBEs for W K Shepherd, A Jamieson and R F H Ross.

In 1980 the constitution was changed by the creation of 3 classes of membership. Honorary status was accorded by the Executive Committee to any member who in their opinion had either given extraordinary service to the Association or because of their professional standing (or both).

It was always hoped that there would be some degree of uniformity in the titles in the Association's field of activity but a scrutiny of the members in 1986 included about 100 variations which could be summarised under 3 headings;

- AUTHORITIES: County, Region, City, Borough, District

- POST: Director, Chief, Head, Principal, Deputy Director, Assistant Director, Deputy Controller, Assistant Controller, Senior Principal, Principal Assistant, Assistant Manager

- FUNCTION: Valuer/Valuation, Surveyor/Surveying, Land Agent, Property Services, Estates Management, Development, Industrial Development, Economic Development, Planning Education.

Subscriptions were £7pa in 1977 and rose to £18 in 1986. An alarming balance of just £56 in 1977 had increased to £5,122 by 1985 and the new combined Association received a launching dowry of £4,164. Of the 195 members in 1986, 178 were chartered surveyors; other societies represented were RVA and ISVA with 27 and 15 respectively.

In comparison with previous decades after 1977, new legislation in property terms had been limited, due to the policies of the labour government in power for most of the time. The main topics discussed at meetings between 1977 and 1986 were value for money, portfolio management, right to buy, housing policy, disposal of surplus land and computers. Compulsory purchase and compensation was rarely considered and the days of site assembly and acquisition in advance of requirements were gone. Unless a change of policy occurred under a different government it seemed unlikely that this situation would change in the foreseeable future.

Appendices

Attached to the original history are many appendices, now only of archive history interest, except perhaps for the list of speakers and guests at meetings or functions which are quite impressive. They include Government Ministers, Permanent under Secretaries, MPs, prominent names from Councils and New Towns, Statutory Undertakings, TV and big hitters from the property world. Names that stand out: Michael Heseltine, John Silkin, Graham Page, Peter Shore, Dame Evelyn Sharp, Lord Bernstein-Granada, Henry Wells, the Duke of Rutland.

THE SUFFOLK SCRIBBLER

Le Entente Cordiale

Apparently so many French footballers have ended up in Newcastle that the manager, Alan Pardew, is now often referred to as Alain De Pardew, pronounced Alain Depardieu. And possibly he has become a relation of Gerard Depardieu, the famous Belgian.

I cannot understand why so many French players have ended up in the north east. But, according to my football insider Kev, they are all attracted by the genteel and artistic environment of the area and the burgeoning café society of Tyneside and Wearside.

Whatever, it seems to work for Newcastle.

Faugéres

Continuing with the French theme, at one time I was very partial to Faugéres, a robust red wine from south west France. Years ago when I visited the country regularly it could be readily sourced from any big supermarket. However, more recently, I took to picking up my supplies on the way home in one of the industrial warehouse type establishments that cluster around Calais docks.

On my last visit, a few years ago now, I diligently searched my chosen warehouse but without success and so went to seek guidance from Le Patron. It is at times like this that the grammar school French, unused for 3 or4 decades, immediately resurfaces.

"Bonjour monsieur," I began, always a good opening, "avez vous du vin qui s'appelle Faugéres?" Realising he was being addressed by a fluent linguist he responded volubly in his own language to the effect that there had been a sudden run on this wine that had cleared out his stock and indeed, he showed me an empty space where the wine had been on display. Although I could understand his French quite well, I felt the need to revert to my own language in order to properly convey the disastrous effect of his news i.e. my favourite wine, unobtainable in England, always relied on stocking up here, possibly my last trip, etc etc.

He listened to my outburst with a very straight face then bowing his head slightly he looked me straight in the eye and said, "Je suis desollé monsieur" a reply which, in the circumstances, dealt with the situation in a completely acceptable manner.

Vin rouge

I have changed my campervan recently so there is no point, at the next national meeting, in looking for the snow covered silver one featured in this column in 2012 Spring Terrier. It is another unique Wheelhome, Fiat based, model similar to the silver one but slightly longer, wider and higher. It is coloured Fiat red; a real fire engine red.

I have christened the vehicle "vin rouge."

It is a 3 berth although there are only 2 seats for travelling. The picture shows the vehicle in "on site" mode and of course the roof hinges down for travelling. Inside there are 2 diesel fired hot plates for cooking, a fridge and a sink unit. There is also a secret feature that, I think, in future years, will become standard. I cannot say too much at this stage but the the next page picture gives the game away.

Trouble at t'Mill

I was recently given a most interesting book about the history of a local water mill. The original mill was built almost a thousand years ago, some years before the Norman Conquest, and its successor still stands on the same site today – as a working water mill.

The mill remained in continuous commercial use until the early 70s when the outgoing miller closed down in business and sought to make the most of his remaining asset, the mill building, by obtaining a planning consent for residential conversion.

At this point the Director of the local preservation society and the Borough Planning Officer jointly began to investigate ways and means of securing

the future preservation of the building as a working unit without denying the owner the opportunity to dispose satisfactorily of his asset. I was brought in, as the Suffolk County property man, to advise on valuation matters.

Looking back at my work diary of the time I see that the 3 of us met quite often over a period of 12 months in order to discuss the way forward. Eventually, after a lengthy Planning Enquiry, at which I gave evidence, an acceptable solution was found and ownership passed to the preservation society and the future of the working water mill was assured.

The reason for giving you all this detail is to highlight the different perspectives of the parties involved. Looking back I thought that the local preservation society Director, the Borough Planning Officer had played an important and possibly key role here and, to a certain extent, so had I.

However the book, written form the point of view of the people who worked on the practicalities of restoring the structure and mechanisms of the mill, see it otherwise. The thousand year history is well documented but the Director is only given one name check and a few lines; the Borough Planning Officer gets no name check and his authority's name is rendered incorrectly; and neither I, nor valuation matters, are mentioned at all!

It is probably a useful lesson to all of us in the public service to see that what we regard as key involvements are not so regarded by the wider public.

The book is a good read particularly on the technicalities of water mill operations and the milling process. For example it is very important to deliver the right amount of grain to the grindstones. Too little and friction could cause the stones to heat up and ignite the flour dust-laden atmosphere in the mill; too much will clog up the gap between the stones and then they will "grind to a halt."

And there is a delightful quote from a 16th century book on healthy living. At that time the milling process produced a heavy brown bread that had "much branne that fylleth the belly with excrements and shortly descendeth from the stomacke." As someone who can now only eat rye bread, which is very similar to the 16th century brown bread, I can only say that that quote rings very true 500 years on!

Knight Frank

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