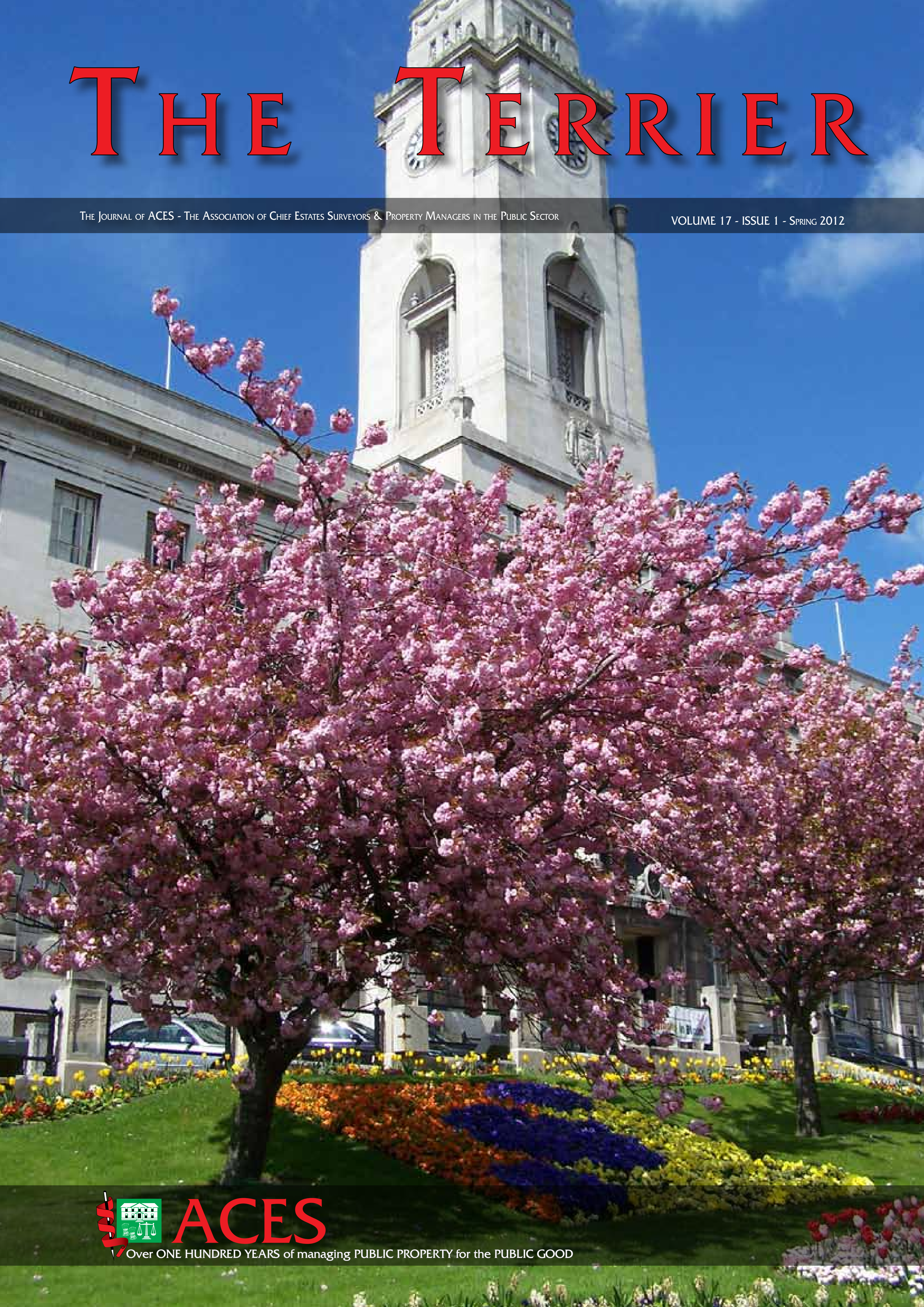
The Terrier

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

Volume 17 - Issue 1 - Spring 2012



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 17 - ISSUE 1 - SPRING 2012

WELCOME TO THE SPRING 2012 EDITION OF THE TERRIER

Betty Albon

This is my first venture into the new world of publishing and it has been a very steep learning curve. All credit firstly to Colin Bradford, ACES Editor for many years, who developed our publications into award winning professional journals. Secondly, a big thank you to Tim Foster who kept The Terrier going after Colin had to withdraw. Tim appeared to take it all in his stride. Having now experienced the ups – and especially the downs – of getting copy on time, coordinating the advertisements from our sponsors, and organising over 30 authors with over 30,000 words, photographs and diagrams, this was no mean task, so well done Tim. ACES as a front line organisation would have lost ground were it not for Tim's efforts.

Finally, I send a very big thank you to Bert Marshall. He has helped me beyond measure in getting this edition 'put to bed'. Bert has vetted all the articles featured here and there's not been a murmur of complaint when I've sent him yet more drafts to read.

I'm hoping that as Editor, I will encourage more members to contribute articles. I can see from reading the news of branch secretaries that there is a lot going on around the country. I would also like to see ACES specialist co-ordinators featuring more too (I'm reminded of the expression about "blood out of a stone"...). I wish to encourage our friends working in the private and public sectors to continue positively to support The Terrier. Your articles provide excellent advice and information that can often point us in the right direction.

I also hope to forge even stronger links with other professional property organisations and cover topical issues of national importance. For example, this edition includes a series of pieces on the Portas Review and I am pleased that RICS, DCLG, BCSC have all responded to my invitation to contribute.

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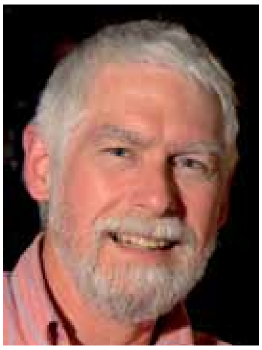
So, please all continue to send me articles of your good work. If you have any suggestions about how I might improve The Terrier, I will be pleased to hear from you. Contact me at dbalbon@btopenworld or editor@aces.org.uk

Betty Albon
Editor, ACES Terrier

COVER PHOTO - Barnsley Town Hall in Spring

ACES COUNCIL MEETING NOTES, 20 JANUARY 2012

Andrew Wearmouth,
Member of ACES Council



Andrew was Valuer and Estates Surveyor at St Albans City and District Council from October 1989 to January 2010.

He is currently a member of ACES Council and was ACES RICS Liaison Officer until 2011.

Matters Discussed

ACES Council met on 20 January 2012; 22 members were present; it was first Council meeting for Heather McManus since becoming President in November. The following matters were discussed.

1. ACES Fellowship. There are only 2 medals left to present to new Honorary Fellows, but they have the ACES old title on them, "... in local government". Colin Bradford is to submit a report to the next Council on the costs of making a new Fellowship medal and a new ACES plaque.

2. COPROP. The President of COPROP is to be invited to the ACES spring conference.

3. Financial Report. After a successful year total reserves are up from £50k to £74k. However, there is a need to keep great flexibility and available funds for conferences as these can have huge cash flow implications. Paul Over, past President, is to make a £250 donation to his favoured Charity out of the surplus made from his Presidential Conference.

4. The Terrier. Betty Albon is to take over the role of Publications Officer, producing The Terrier and editing Asset. The need for hard copies of these publications was discussed, and the consensus was that hard copies get passed around and left "on coffee tables" for people to read. However electronic versions can also reach a wide audience, so for the time being both will continue. The Secretary will ask members how they wish to receive future editions of publications (Hard copy, PDF or both).

5. The Treasurer. Ian Doolan, the Honorary Treasurer is considering stepping down. He has prepared a Job Description (JD), and as a succession plan for the post of Honorary Secretary's post was being considered, it was agreed that the opportunity should be taken to reconsider the JD of both jobs. After some discussion about possible responsibility changes it was agreed that the JDs should be considered by Lee Dawson, Ian Hay and Jim Ross, past Presidents with knowledge of "the system", who will prepare a scoping paper looking at the various options available including, (after consultation with Ian Doolan, Colin Bradford and Tim Foster), how to provide support from the centre for organising future Spring conferences. The scoping paper will be circulated to all Council members for comment before being considered by the President, Senior Vice, Junior Vice and Immediate Past Presidents who will then submit a report to Council on the 20th April 2012.

6. Promotional Material. Tom Fleming (Senior vice-President) said that conference sponsors had various promotional items and that he felt ACES should do the same, for example jute bags and pens. He will report to next Council on the costs of producing promotional material for conferences with samples where possible.

7. Valuation report. Betty Albon reported a major success in the current consultation on valuation methods. Social Housing was intended to be Discounted Cash Flow, but following the ACES submission, put forward independently thanks to a good response from ACES members, CIPFA appears ready to reconsider. The President commented that there is a growing belief that CIPFA requirements for the valuation of local government property are getting too onerous and too pointless – numbers for numbers' sake.

8. Development and Regeneration. There was discussion about the new CILs and S106 running side by side, as it appears that some authorities are getting both payments.

9. Rating report. Andrew Wild said that John Loxley had succeeded in getting business rates on a public toilet reduced from £2,750 to £600, although he was disappointed as he was hoping for nil. Anyone wanting the papers can contact Andrew.

10. Performance Management. Malcolm Williams and Betty Albon sit on this Committee, with RICS and CIPFA. It meets in Birmingham, so, given the difficulty of the journey each time, Betty will now be a corresponding member, leaving attendance to Malcolm, who works close by. It was agreed that this involvement is worthwhile, because

there had been some success in drawing up PIs (for example).

11. Corporate Asset Management. There is another weighty publication from the RICS (see article in this The Terrier).

12. Sustainability. Malcolm Williams is to send a web page link to the Secretary.

13. CLG/ACES Working Party. Heather McManus and Betty Albon - who both report that these meetings are very useful - attend with other ACES officers and CLG are taking on board their contributions.

14. FPS. This year the ACES President is also President of FPS. It is a good umbrella organisation, and the President will seek RICS finance to counter any perceived unbalanced effect and will raise the possible role for RICS at the next joint RICS/ACES meeting.

15. LGA. President is to propose some kind of ACES involvement with LGA.

16. Consultations. Branches are asked to remind members of the importance of responding to requests for comments on matters on which ACES has been consulted.

17. RICS. The RICS has offered some concessions to the public sector on Valuer Registration and the President is to ensure this is on the agenda of the next RICS/ACES meeting. Also the RICS is considering training matters, and is asking ACES for guidance with regard to the public sector. It was agreed that ACES should respond positively and seek to lead, as this is where the expertise lies.

18. Membership. Colin Bradford is to redraft the trifold brochure to include the new criteria for membership. Also ACES will instigate a campaign to increase membership from other public sector bodies. For example membership has now been granted to a lecturer at a University, the first member from academia, thus opening up a whole new area of potential membership, both in lecturers and in campus surveyors.

19. Annual Meeting Cardiff. The Secretary will ask the Welsh branch to book the Marble Room for the 2013 Annual meeting.

20. Conferences. For some years there has been concern about the load placed on Branches to organise a Spring Conference and a suggestion that in future help could be available from the Centre; Spring 2013 will be the first trial. The Secretary is to put in motion the bookings and organisation for the Spring conference to be held at Aston University in 2013. The 2012 Presidential Conference will be in Lancaster on 20/21 September, and the Annual Meeting will be in London on 9 November.

Andrew Wearmouth,
Member of ACES Council

MEMBERSHIP

Tim Foster, ACES Secretary

I list below the changes in membership approved between 1st November 2011 and 15th April 2012.

New members approved

18 new applications were approved during this period.

George	Church	London Borough of Barnet
Richard	Combes	Borough of St Edmundsbury
Steve	Dinnick	Rhondda, Cynon, Taff Council
Steve	Dolby	Derbyshire County Council
Simon	Dougall	Northampton Borough Council
David	Evans	London Borough of Barking & Dagenham
David	Fletcher	Northampton Borough Council
Row	Gornall	Wyre Borough Council
Barbara	Green	Copeland Borough Council
Paul	Greenhalgh	Northumbria University
Alex	Holland	Bury Metropolitan Borough Council
Suzy	Jeffrey	Lancashire County Council
Paul	Kettrick	West Lothian Council
Andrew	Leah	Burnley Borough Council
Diane	Phillips	Woking Borough Council
Janet	Placido	East Lothian Council
Nick	Quinsey	Nottingham City Council
Michelle	Thompson	Thurrock Borough Council

Transfer from full to past membership

5 members transferred to past membership during the period. These were Kevin Aspin, Keith Beamer, Andrew Cripps, John Miller and Bob Perry

Transfer to Honorary membership

Council nominated Bob Perry as an Honorary Member of the Association

Resignations

There were 17 resignations during this period. These were Malcolm Burgess, Steve Durbar, John Ferguson, Francis Howcutt, Chris Lloyd, Fran Mahon, Linda Mawby, Alan Murant, Oke Okpobrisi, Chris Pittman, Chris Silverthorne, John Southern, Vanessa Tabner, Andrew Voss, David Waite, Peter Welvaert and John Windsor.

Unfortunately during this period both Ken Blessley and Tony Ives died and their obituaries are contained elsewhere in this edition of The Terrier

Membership as at 15th April 2012

- Full 214
- Additional 85
- Honorary 5
- Past 76
- Total 410

Tim Foster
ACES Secretary

KENNETH BLESSLEY CBE MA FRICS

William Marshall FRICS
Honorary Member

Andrew Blessley, the son of Kenneth, has emailed ACES with the news that his father died on 10th April this year. I did not know him personally but I recall vividly that in my early days in ACES, and its predecessor organisations, almost every member seemed to know him personally and indeed many had worked for the GLC and knew him as "the Boss". He was always referred to as "Ken Blessley" or just "Ken" and always in a very respectful manner. Clearly he made a big impression on those surveyors who he led, trained or had professional contact with.

Ken wrote a personal introduction to the ALAVES section of the ACES publication "A Century Surveyed" some of which is reproduced below and from reading between the lines I reckon he would have been in his late 90s (98?) when he died.

These are Ken's own words of introduction written in 2009.

"I had some misgivings in agreeing to partake in this exercise as I had really withdrawn from all professional activity some twenty years back and although my recall is still quite good, I have to accept that with 95 on the clock next month there are inevitably some blurred areas.

I'll start with an unnecessary personal note. I was fortunate in many ways in my early local authority days as there was much activity for estates surveyors, especially with the GLC. At its peak, the departmental team, which I headed as Controller, totalled 1500 staff, 300 professionally qualified, in seven offices, 3 in the centre, 4 suburban. A kind report on my retirement in 1977 recorded that in my 12 years there, the Council had increased its land holding by 8000 acres at a cost of £450,000,000 and had advanced £650,000,000 on mortgage (contemporary values), and we had no computers.

All of which probably sounds somewhat pompous and arrogant, but it may help to illustrate the developing professional status enjoyed by estates surveyors in those days, hopefully still maintained in current different times"

Elsewhere in this issue you will find Part 1 of Ken's own History of ALAVES, which deals with the period from 1949 to 1977, the founding of the association and its development. It took characters like Ken and a few others, with vision and drive, to launch such a venture and we present-day members all have a lot to thank them for.

He attended his first ALAVES meeting in London in 1955, was President of the Association in 1963 and 1973 and attended his last (and ALAVES last) meeting in November 1986 immediately prior to the merger with CLAVA and the setting up of LAVA.

A remarkable record of achievement that is unlikely to be bettered.

William Marshall FRICS
Honorary Member

ALAVES

THE ASSOCIATION OF LOCAL AUTHORITY VALUERS AND ESTATE SURVEYORS

1949-1986

Kenneth Blessley CBE MA ED FRICS,
President of ALAVES in 1963 and 1973,

As adapted by Richard Allen

PART ONE 1949-1977

In The Beginning

The basic justification for forming the Association was the Local Government Act 1948, with the consequential transfer of rating functions from local authorities to the Inland Revenue. Prior to this there had been two societies – the County Borough Valuers and Metropolitan Borough Valuers Association and the County Valuers Association – both principally interested and concerned in rating matters. There were those who saw the need to establish a different kind of body covering a wider field of professional activity. The main driver initially was William Rothwell of Sheffield Corporation. The real beginning was probably the 13 June 1949 when five 'convenors' got together at RICS headquarters to discuss what action should, or could be taken. Rothwell subsequently wrote a circular letter to all those who were potentially considered as being interested in forming such a new Association. The outcome was the first OGM held on 19 June 1949, also held at the RICS.

Minutes of the OGM meeting showed that: -

- Rothwell was appointed Chairman
- An Association of Local Authority Valuers and Estate Surveyors be formed
- Housing managers be excluded
- Membership be limited to Principal Officers and Deputies
- The constitution be drafted by a sub-committee of 7 members

The second OGM on 30 November 1949 approved the constitution and an annual subscription of 2 guineas. 22 founder members were named and Rothwell was appointed the first President.

Five Formative Years: 1950-1954

This period was when the future pattern of meetings was established. In 1950 four OGMs were held, divided between

Middlesex County Hall and the RICS. Membership had reached 29 mainly from County Councils, with Borough representation in the early years very thin. First business transacted was a paper delivered by the Secretary of the Association, on Development Charges and the 1947 Act. Other papers were read on rating matters hung over from the 1948 Act and there was the start of an ongoing debate lasting for many years on salaries of valuers.

Business transacted at early meetings was mainly member's enquiries such as the rating of municipal car parks, fees on abortive negotiations and the relationship of controlled rents to capital values.

In 1952, after lengthy consideration of its ongoing relationship with NALGO regarding the status of valuers, plus the problem of Section 120 of the Local Government Act 1948 and its effect on the recognition of the Association by Local authorities, it was agreed that recognition of the Association was more important than negotiating salaries. It was therefore decided that in future the Association would not involve itself in such activities and so it withdrew from the NJC.

In 1953 an Association badge was purchased for £90.

By 1953 membership had remained static at 34 but for the first time there was a representative from a new town - Stevenage.

There was no lack of volunteers to present papers at the first meetings and it was suggested that new members should 'read their way in' to the Association.

A Decade of Growth: 1955-1964

By 1957 membership had risen to 50. It then remained static owing to retirement, resignation or sadly death, but rose to 70 by 1964.

There was a high level of 'back bench' activity in the constant flow of questions and queries. So a special procedure was evolved whereby the query was pre-circulated, discussed, and the answer and comments summarised by the Hon Secretary for distribution with the minutes. One such question raised for the first time was the introduction of rent reviews in ground leases-proposed for every 21 years. There was little support for reasons of encouraging inflationary tendencies, problems of mortgage finance and complications over taxation. The volume of business was extraordinarily wide with a number of outstanding papers and queries, concentration on central area development, compensation legislation and the valuer in local government.

There was an interesting exchange of views at a meeting in 1955 about publicity, which at the time was apparently to be shunned. For example papers were of domestic concern and should not be reproduced. But 18 months later the press were welcomed as guests at the annual lunch. And at the1956 AGM there was for the first time a full report by the Executive Committee on the year's activities; a practice followed thereafter.

There were enjoyable summer meetings with the increasing emphasis on the social side. The average attendance was within credible limits, so the OGM retained something of the atmosphere of a quarterly dining club – friendly and intimate but still with a strong technical base. Although in subsequent years the Association's strength grew significantly, it never regained the feeling of the early 60s.

The London Government Act and Beyond: 1965-1972

During this period there was a steady increase in membership to 121, with the 100 mark being passed in 1968. No fewer than 21 of the increase were based in London, almost all in London Boroughs due to the London reorganisation. This eventually led to the formation of the London Borough Valuers Branch. The Association started to introduce a wider spread of speakers, increased its activities in outside activities like Borner and the Royal Commission on Local Government in England, which was to prove to be a dominant issue in the years that immediately followed.

A repeated item on agendas of the executive committee was the wooing of CLAVA. But it was mainly a one sided affair with the outcome of meetings always reported as 'CLAVA was unable to accept our view'.

The Effects of Local Government Reorganisation: 1972-1977

The most dramatic aspect of this period was the effect of the Local Government Act 1972 which hit the Association hard in the two years 1973–1975. A trickle of retirements became a flood; soon to be overtaken by an influx of new members from far away places with strange sounding names. Some members resigned, with the disappearance of their pre-1974 authority, and promptly joined in a new capacity. A few had to accept lower status as a result of amalgamation of authorities. But a good number opted to retire at an early age and pursue their professional careers elsewhere. An analysis of the 'profit and loss' account shows that in these 5 years there were over 80 new members and 55 departures, though many remained as honorary members, a new status introduced for the first time.

Total membership climbed, subject to these exits and entrances, from 129 to 170, of whom 46 were on the honorary list. This meant that despite reorganisation there were only 15 more operational local government members in 1977 compared with 1972. The attendance at meetings also did not change much with a low of 35 and high just under 70.

Summer Meetings: 1953-1977

The first meeting was a held in Bristol, a comparatively modest affair with the Lord Mayor as guest and a tour of Avonmouth Docks as a centrepiece. The next year was Taunton, with one significant change – ladies (to be politically correct today we would refer to wives and partners) were invited. Future meetings were held at various venues around the country such as Sheffield, Cheltenham, Ascot, a damp Manchester and in 1976 Durham, the furthest northern trip. Although later on spring meetings were introduced, a popular event in its own particular way, the summer gathering with its friendly, almost family atmosphere, somewhat of a reunion, meant a great deal to the band of loyal supporters including of course the ladies, whose attendance added immeasurably to the pleasure.

At the 1963 meeting the Chairman of the Middlesex County Council entertained members to dinner at Hendon Hall Hotel, which was, incidentally, the first time dinner jackets were decreed. One of the guests was an attractive blonde in her early thirties, an intelligent and vivacious conversationalist. This was the MP for Finchley, a certain Margaret Thatcher.

Conclusion

During this 29-year period 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.

Richard Allen

TONY IVES

It was with great sadness that the North East and Scottish Branches received the news that Tony Ives passed away in March 2012.

He contributed greatly to the work of the association at all levels and was a very active member at both branch and national level over many years. He was North East Branch Chair in 1999 - 2001, a member of the North East Branch Executive and a regular contributor of Terrier articles. Tony always played an active role in branch meetings and was often at the heart of the debate on a variety of topics, always displaying his wicked sense of humour. He also played an active role in the affairs of the Scottish Branch and finally settled with his wife in Fife.

After a long and varied career in public sector property management and regeneration, on retirement he worked as a consultant and set up his own surveying business based in Northumberland, which took him all over the UK. Tony was a strong activist against Northumberlandia, a giant sculpture being carved into the Northumberland landscape near to Cramilington, made from the overburden from the Shotton open cast mine, and established a local opposition group, SCRAM.

Tony built up many friendships with ACES colleagues and will be sadly missed by all who knew him.

THE FUTURE OF OUR HIGH STREETS THE PORTAS REVIEW

Betty Albon FRICS, Editor, The Terrier

In December 2011 Mary Portas produced her independent review into the state of our high streets and town centres. Mary Portas believes that our high streets are at crisis point and urgent action is required. There has been significant response to the Portas review, which reinforces this view. For this reason, there follows below a number of reports and statements from leading organisations.

ACES has been invited by the DCLG to sit on the Retail Property Taskforce, an initiative proposed by the British Council of Shopping Centres (BCSC). Many retailers are failing against demand from out of town centres and Internet shopping. Falling capital values and rents has resulted in investment values of shops often less than the level of debt and a reluctance of owners to invest further. The vitality of our high streets is under pressure.

The Taskforce will include a range of public and private sector stakeholders. Our role in the public sector is absolutely crucial and central to influencing the vitality of our town centres, through all our services of landowner and landlord, planning and economic development.

Reproduced below are: -

- Summary of the 28 recommendations of the Portas Review
- Summary of the government's response to the Portas review
- BCSC's response (in full)
- RICS' response (in full)

Use http://www.communities.gov.uk/corporate/?view=Gsearch+results&query=portas+review to access the Portas Review, the Government's response and other recent government releases relating to the Portas recommendations can be downloaded from

Information from the British Council of Shopping Centres can be found at http://www.bcsc.org.uk

ACES Editor acknowledges the help received from

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Edward Cooke, Director of Policy and Public Affairs, BCSC edward.cooke@bcsc.org.uk

Betty Albon FRICS
Editor, The Terrier

THE PORTAS REVIEW

An independent review into the future of our high streets, December 2011

Summary of recommendations

1. Put in place a "Town Team": a visionary, strategic and strong operational management team for high streets
2. Empower successful Business Improvement Districts to take on more responsibilities and powers and become "Super-BIDs"
3. Legislate to allow landlords to become high street investors by contributing to their Business Improvement District
4. Establish a new "National Market Day" where budding shopkeepers can try their hand at operating a low-cost retail business
5. Make it easier for people to become market traders by removing unnecessary regulations so that anyone can trade on the high street unless there is a valid reason why not
6. Government should consider whether business rates can better support small businesses and independent retailers
7. Local authorities should use their new discretionary powers to give business rate concessions to new local businesses
8. Make business rates work for business by reviewing the use of the RPI with a view to changing the calculation to CPI
9. Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table
10. Town Teams should focus on making high streets accessible, attractive and safe

11. Government should include high street deregulation as part of their ongoing work on freeing up red tape

12. Address the restrictive aspects of the 'Use Class' system to make it easier to change the uses of key properties on the high street

13. Put betting shops into a separate 'Use Class' of their own

14. Make explicit a presumption in favour of town centre development in the wording of the National Planning Policy Framework

15. Introduce Secretary of State "exceptional sign off" for all new out-of-town developments and require all large new developments to have an "affordable shops" quota

16. Large retailers should support and mentor local businesses and independent retailers

17. Retailers should report on their support of local high streets in their annual report

18. Encourage a contract of care between landlords and their commercial tenants by promoting the leasing code and supporting the use of lease structures other than upward only rent reviews, especially for small businesses

19. Explore further disincentives to prevent landlords from leaving units vacant

20. Banks who own empty property on the high street should either administer these assets well or be required to sell them

21. Local authorities should make more proactive use of Compulsory Purchase Order powers to encourage the redevelopment of key high street retail space

22. Empower local authorities to step in when landlords are negligent with new "Empty Shop Management Orders"

23. Introduce a public register of high street landlords

24. Run a high profile campaign to get people involved in Neighbourhood Plans

25. Promote the inclusion of the High Street in Neighbourhood Plans

26. Developers should make a financial contribution to ensure that the local community has a strong voice in the planning system

27. Support imaginative community use of empty properties through Community Right to Buy, Meanwhile Use and a new "Community Right to Try"

28. Run a number of High Street Pilots to test proof of concept

HIGH STREETS AT THE HEART OF OUR COMMUNITIES

Government's Response to the Mary Portas Review

March 2012

This is a high level summary of the Government's response. The full document can be viewed at http://www.communities.gov.uk/documents/regeneration/pdf/2120019.pdf

The Government has addressed each of the 28 Portas Review recommendations as follows

1. Put in place a Town Team: a visionary, strategic and strong operational management team for high streets.

28. Run a number of High Street Pilots to test proof of concept

We fully support these recommendations. On 4 February 2012, we launched a competition to identify 12 pilot areas with the best ideas to breathe new life into their town centres, high streets and local areas. The pilot areas will build new relationships that will include local community groups and reflect local needs.

From the interest shown, we know there is a huge appetite to create Town Teams. We will, therefore, fund a further twelve pilots and evaluate all twenty four so they can share their learning and success can be replicated across the country. There will be a second round of bidding in 2012/13, with a closing date of 30 June. Unsuccessful round one bidders will be considered automatically.

2. Empower successful Business Improvement Districts to take on more responsibilities and powers and become "Super-BIDs".

3. Legislate to allow landlords to become high street investors by contributing to their Business Improvement District.

We welcome the focus on Business Improvement Districts as a force for good on the high street. We will invest £0.5million in ensuring that prospective new Business Improvement Districts can access loans to support their set-up.

On landlords' involvement, there are already examples where landlords are effectively engaged in Business Improvement District activity. We will build on this knowledge to explore how a property owner Business Improvement District could be delivered, with the support of the industry. We will also look at the model developed in Scotland to learn from their experience. We also intend to consult on regulations to speed up the development of cross-boundary and tourism Business Improvement Districts.

4. Establish a new "National Market Day" where budding shopkeepers can try their hand at operating a low-cost retail business.

5. Make it easier for people to become market traders by removing unnecessary regulations so that anyone can trade on the high street unless there is a valid reason why not.

We support both these recommendations. We are pleased the markets sector has announced a "Love Your Local Market" fortnight from 23 June to 8 July this year, to be launched by a National Markets Day on Saturday, 23 June. Having a dedicated fortnight goes even further than Mary Portas' recommendation, enabling the involvement of markets that only run on specific days. And we have encouraged councils to consider how they could help support markets during this special fortnight.

Local authorities should view markets as an integral part of the vision for their town centres and they should remove unnecessary barriers that may hinder or deter potential traders. The National Planning Policy Framework includes specific policies to retain, enhance and promote new markets in town centres. The Government plans to issue consultation on draft regulations to make it easier for street traders to set up and conduct legitimate business on the streets.

6. Government should consider whether business rates can better support small businesses and independent retailers.

7. Local authorities should use their new discretionary powers to give business rate concessions to new local businesses.

The Government recognises the importance of business rates to small businesses and independent retailers, which is why we have taken firm action by doubling the level of small business rate relief in England for two and a half years.

8. Make business rates work for business by reviewing the use of the Retail Price Index with a view to changing the calculation to Consumer Price Index.

We are committed to review the use of the Retail Price Index for business rates once our fiscal consolidation plans have been implemented and the duty increases inherent from the previous Government have come to an end.

9. Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table.

We agree parking charges can have a real impact on the success of the high street. We encourage local authorities to look closely at their parking provisions and charges, ensuring they deliver the best outcomes locally.

We encourage all local authorities to be transparent and publish parking costs.

10. Town Teams should focus on making high streets accessible, attractive and safe.

We support this recommendation.

The Government is committed to improving transport access and infrastructure.

11. Government should include high street deregulation as part of their ongoing work on freeing up red tape.

We welcome this recommendation. Local authorities should look at locally imposed red tape and byelaws that have an adverse impact on the high street. To support them, we will put in place a streamlined, deregulated process to reduce burdens on local authorities, including parish and town councils, making it easier to revoke out-of-date, archaic or unnecessary byelaws that hinder the effective operation of traders, businesses or markets.

12. Address the restrictive aspects of the 'Use Class' system to make it easier to change the uses of key properties on the high street.

13. Put betting shops into a separate 'use class' of their own.

Currently, anyone can convert space above a shop into a flat without planning permission. To encourage more people to live in town centres and promote regeneration we propose to double this, allowing conversions to two flats without permission.

14. Make explicit the presumption in favour of town centre development in the wording of the National Planning Policy Framework.

We support this recommendation. We are determined that the planning system does everything it can to ensure the viability and vitality of our town centres.

15. Introduce Secretary of State "exceptional sign off" for all new out-of-town developments and require all large new developments to have an "affordable shops" quota.

The Government supports affordability but we are concerned that to require all large new developments to have an "affordable shops" quota could increase the adverse impact of that development on town centres.

16. Large retailers should support and mentor local businesses and independent retailers.

We welcome this recommendation. The Department for Communities and Local Government is providing up to £306,000 match funding for the Enterprise Business Connectors scheme, run by Business in the Community, to help small businesses in disadvantaged communities survive and to thrive by encouraging partnerships with local large firms.

The National Skills Academy for Retail is also rolling out a national mentoring scheme for retail Small and Medium Enterprises.

> **17.** Retailers should report on their support of local high streets in their annual report.

We welcome this recommendation and encourage retailers to volunteer to report on their support of the local high street in their annual report.

> **18.** Encourage a contract of care between landlords and their commercial tenants by promoting the leasing code, and supporting the use of lease structures other than upward only rent reviews, especially for small businesses.

We support this recommendation and have written to all local authorities to encourage the formal take up of the Code and its terms, offering information and support to those signing up to the Code.

We are currently working on various options for disseminating the Code, targeting small businesses and landlords who could benefit most from the guidance offered by the Code. We have written to key industry players such as the British Property Federation, Royal Institute of Chartered Surveyors and the Law Society, to urge greater promotion of the Code. We are already discussing a dedicated awareness-raising event with the British Property Federation and The Royal Institute of Chartered Surveyors. The Royal Institute of Chartered Surveyors will also undertake a campaign to communicate the Code, and the need to abide by it, to its 60,000 members. And we will be working with the "Rightmove" property search website to provide information on the Code and Code related events through their commercial property pages.

> **19.** Explore further disincentives to prevent landlords from leaving units vacant.
>
> **20.** Banks who own empty property on the high street should either administer these assets well or be required to sell them.
>
> **21.** Local authorities should make more proactive use of Compulsory Purchase Order powers to encourage the redevelopment of key high street retail space.
>
> **22.** Empower local authorities to step in when landlords are negligent with new 'Empty Shop Management Orders'.
>
> **23.** Introduce a public register of high street landlords.

We recognise the importance of these recommendations. Empty properties can visibly bring down the attractiveness and prosperity of a high street but may reflect the changing nature of the high street. There are disincentives to leaving properties empty, in addition to loss of income and disrepair to the premises, and we do not want to add pressure to struggling businesses and prevent much-needed investment in the premises. Central and local government should lead by example with their vacant properties, and, on 23 January at the launch of the "Business in You" campaign, the Prime Minister announced a scheme to give short-term lets on empty and under-used parts of its estate for use by business start-ups. And the Government's "Giving White Paper" identified the potential for using its estate for the voluntary sector. Relate is trialling the use of rooms at the Department for Education.

Local authorities should be more proactive in using Section 215 of the Town and Country Planning Act 1990 which gives the planning authority power to take action to require land to be cleaned up when its condition adversely affects the amenity of the area. Under Section 219 they can undertake the clean up works and recover the costs from the landowner. Local authorities can already use their Compulsory Purchase Order powers on their own account or on behalf of a development partner, provided the powers are required to undertake a development scheme.

To support local authorities in their efforts to improve the look of their high streets, we will be allocating £10million as a High Street Innovation Fund to one hundred local authorities to help address the issues of riots and empty shops. We are encouraging authorities to use the wide range of tools available – such as business rate discounts, planning and meanwhile uses – to do this, for example funding business rate discounts for new start up businesses taking on empty properties. Local authorities should also work collaboratively with landlords to encourage them to contribute to supporting their new occupiers - this could involve match funding or providing other resources, and is in the landlord's interest if it means their empty property becomes occupied. If this grant funding could be matched by the local authority and the landlord, the business rate discount could deliver a new business to the high street, filling an empty building and increasing choice for the local community. With all parties contributing, this has the potential for a £10million fund to generate £30million support for new businesses.

The banks will want to consider how best to support the proposal to improve their approaches to empty property. We are considering how to bring together landlords, high street partners and investors to work on this issue. One such measure involves the establishment of an industry-led cross sector taskforce to look at a broad range of issues which have an impact on bringing commercial property into use or attracting investment to improve the prospects of high streets and town centres. We look forward to working with the task force on these key issues.

We urge local authorities to compile a public register of high street landlords which could help Town Teams develop a collaborative approach among relevant partners. It could also help to make property owner Business Improvement Districts a reality, which we are committed to exploring.

Local authorities already have significant powers and we are not convinced there is a demand for Empty Shop Management Orders. We will evaluate the success of the High Street Innovation Fund and consider what more is needed.

24. Run a high profile campaign to get people involved in Neighbourhood Plans.

25. Promote the inclusion of the High Street in Neighbourhood Plans.

We welcome these recommendations and can announce today that we will be providing funding of £1million for the development of high street Neighbourhood Plans as part of our neighbourhood planning programme.

26. Developers should make a financial contribution to ensure that the local community has a strong voice in the planning system.

We agree communities should have a stronger role in the planning system. Through the Localism Act, developers will now have a duty to consult communities before submitting planning applications in certain circumstances.

27. Support imaginative community use of empty properties through Community Right to Buy, Meanwhile Use and a new "Community Right to Try".

We welcome this recommendation and are delivering significant support for communities on this issue. Model Meanwhile Lease documents are already available online to encourage all landlords to make empty shops and other property available for temporary, "meanwhile", use. The Right to Reclaim Land and the Community Right to Bid are also available to help communities make positive use of vacant space. The Right to Reclaim Land makes information about land owned by public bodies more easily available and the new Community Right to Bid, to be introduced later this year, gives communities the opportunity to identify assets of community value. When put up for sale, the community will be given more time to prepare to bid for them and raise the finance. We will explore the impact of these important new tools first before considering a Community Right to Try.

More broadly, we are supporting the development of social enterprises, through a range of financial and other business support. They are part of the business community, contributing to our economic prosperity: they employ 800,000 people and generate 1.5% of Gross Domestic Product, pioneer new markets and business models, and develop skills. Importantly, they empower communities to take control through owning and running their local shops or pub; improve public services, by shaping service design through engaging communities and users, pioneering new approaches, reaching those in the community that other providers don't; and provide opportunities for greater social action and responsibility, for example by helping citizens volunteer, donate their own time and expertise, and by acting as powerful advocates for citizens.

BCSC RESPONSE TO THE PORTAS REVIEW: KEY PRIORITIES

Dear Minister,

As retail specialists we believe that our members are crucial to the ongoing and future success of town and city centres across the UK. They are the major investors, developers and operators of retail property and have been the driving force behind delivering urban renaissance over the past two decades, investing billions of pounds into town and city redevelopment, and in doing so have created tens of thousands of local jobs.

However, we currently face significant challenges in delivering retail-led regeneration, with 2012 seeing the lowest level of development from our sector for decades. Further, and indeed more importantly, there is a critical need to inject investment into those retail environments and existing shopping centres, especially in marginal locations, that are so important to individuals, communities and potential investors' perception of a place. In many cases these assets are effectively held by banks not inclined to invest further capital, thus compounding the rate of deterioration and the associated blight on the local neighbourhood.

At the outset, we agree and recognise that the retail landscape is going through a long term structural change, as highlighted by our own research into future vacancy rates in town centres. Our submission to The Portas Review attempted to find solutions that recalibrate our town centres by kick starting investment activity where it is clearly lacking, in order to deliver real social, environmental and economic benefits. We therefore welcome most of the Review recommendations.

The private sector needs to play a significant role in delivering this agenda, especially in the current economic environment with public finances severely constrained. To achieve this, the public sector, both centrally and locally, must set the right fiscal and regulatory framework to facilitate investment.

We have grouped our response to the recommendations as we believe a number sit naturally together. Our groupings are consistent with the key messages we presented to Mary Portas and BIS officials when we met them last October, and those positions subsequently taken forward in a dialogue with yourself and officials across Government.

<u>1. Securing investment in failing retail property (recommendations 20 to 23)</u>

- This is an area of considerable interest to BCSC, and was one of our key recommendations to Mary Portas.
- The UK shopping centre investment market, particularly secondary centres (which make up 90% of schemes), is one that has been particularly hit by current economic conditions.

- The fall in capital and income has meant that many secondary shopping centres, and high street shops, are in negative equity and the economic (as distinct from legal) ownership can often sit with the lender. Where debt exceeds value, many banks have left the asset with the borrower to either avoid taking the write down, and hope to see a value recovery, or placed it with an administrator.
- Town centres and shopping centres need constant investment and proactive management, including substantial new capital merely to maintain their appearance and retail offer through the retention of exiting retailers and other occupiers. Even more is required to turn them around, through for example improving the appearance, relevance and ultimately performance of a property by investing in its fabric, tenant incentives, short term lets, marketing, reconfiguring space etc.
- Critically for local communities neglected or under-managed assets undermine the overall perception, health and environment of a town centre. The issue is that the ability to finance the necessary investment is made impossible where the borrower has no economic interest in the asset to improve it and the banks do not want to lend more money having already made substantial losses on the initial investment. Neither do the banks wish to be, nor claim to be, owners and managers of shopping centres. This essentially creates an economic impasse.
- We are not in favour of falsely holding up property values and believe that failure to respond quickly to a change in market conditions through the valuation process is counterproductive to town centre rejuvenation. We therefore strongly support this series of recommendations and are committed to working with Government and local authorities to establish solutions. These include;

  a. Supporting the use of Compulsory Purchase Order (CPO) powers (backed by the private sector) to force underperforming owners to either invest or sell.

  b. Encouraging owners to take social as well as economic responsibility for assets impacting local communities. Good practice will support this.

  c. Encouraging Government to raise public awareness of banks sitting on assets and the negative impact this has on town centres, and thereby raise the agenda in the public's mind.

  d. Explore the potential to utilise the Public Works Loan Board (PWLB) as a source of finance where Councils can invest in their communities and regenerate areas by purchasing assets affected by the economic impasse referred to above.

<u>2. Planning for town centre development (recommendations 12 to 15 and 24 to 26)</u>

- In our research on shop vacancy published in September 2012 we recommended that in some locations there may be a case for reducing the amount of floor space classified as retail to create a more concentrated core. This reinforced our recommendations in a report on secondary shopping centres published in 2009. Clearly there are consequences of making it easier to change uses, so despite supporting the objectives of more flexible Use Class Order we believe that some safeguards will need to remain. We have indicated a willingness to work with Government on this issue as it considers responses to its recent Issues Paper on the subject.
- We have consistently called for a clear and strong vision for growth that recognises city and town centres as the key driver of prosperous economies that inspires confidence from the private sector to invest in town centre development. Indeed in our recommendations on the National Planning Policy Framework (NPPF) we called for a clearer definition of sustainable development which incorporates explicit reference to town centres as sustainable locations for development. We therefore support recommendation 14.
- On the recommendation that the Secretary of State should have an 'exceptional sign off' we believe that such powers already exist in the Secretary of State's ability to call in applications for determination. However the reality in relation to retail applications is that this power is rarely exercised, despite the fragility of some town centres and the volume of out-of-town consents being awarded. In an era of decentralised decision making this power is even less likely to be applied.
- We therefore remain concerned that a more laissez faire approach to retail planning policy, more local control over plan making and decision making, more fiscal autonomy through the rates system and the difficulty our members have in making town and city centre schemes viable will lead to further growth in edge-of-centre and out-of-town development consents, in some cases to the long term detriment of existing centres. We of course await the outcome of the NPPF for clarity on the strength of the town centres first principle, and hope that our recommendations have been adopted.
- We oppose the second part of recommendation 15. We are concerned about the principle of 'affordable rents' and Government (whether local or central) imposed targets. Our members have long supported independent retailers, on average around 20% of shops in shopping centres are independent, and recognise them as a key part of the vitality of shopping centres and town centres. We are very conscious of the homogeneity issue of a small number of national multiples forming the shopping nucleus of every centre. Members of BCSC are therefore committed to finding solutions to diversify the mix of operators where this approach can be a contributor to commercial success and the attractiveness of locations. However we do not believe this is an area for Government regulation and centrally imposed targets, especially in the current environment where retail-led development has stalled to virtually nothing.
- Our members strongly believe in the importance of local people having an opportunity to shape local places, and of high streets within the place making agenda. Much of what is recommended on neighbourhood planning is of course being taken forward by Government in the form of the Localism Act, for example in businesses involvement in neighbourhood planning. Our members already contribute huge sums of money to the process of

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Valuation Office Agency

Photography: Faye Norman

local community consultation so we struggle to see how recommendation 26 advances this agenda particularly.

3. Creating a delivery mechanism for successful town centres (recommendations 1, 2 and 28)

- We support the concept of Town Teams, and are working closely with Government, through the National Town Team Working Group, on ensuring the Pilots that are selected are successful in driving innovation and improving the way their town centres are managed by developing a strategic and collaborative approach.
- From our extensive experience we know that towns and cities thrive where partnerships between the public, private and voluntary sectors develop and deliver effective strategies that present themselves as exciting, and critically relevant, retail, commercial and leisure destinations. This partnership approach is key in setting a vision for a town or city that establishes its identity, and the role of retail and other town centre activity in supporting that identity, and then developing a strategy to deliver the vision.
- Ownership of the 'town centre rejuvenation' agenda is paramount. There are of course town centre management partnerships and Business Improvement Districts (BIDs) that deliver coordinated service provision, improvements to the public realm, crime reduction, city or town centre marketing and other similar activities.
- However, there is a need for a more coordinated approach to strategic issues such as planning and development, compulsory purchase, raising finance from new funding streams, financing infrastructure and strategic asset management. This includes a better understanding of the right combination of uses for a particular location, based on evidence of consumer demand and shopping habits, and subsequently ensuring the right mix of occupiers are operating from the available space.
- We believe that our members have a huge amount of knowledge in, and passion for, creating prosperous places. As such we are working with partners to propose a mentoring service that the 12 pilot Town Teams can lean on for advice as they develop a vision for their town. We are therefore supportive of the concept of a Town Team, in the context of the need for local coordination and ownership of this agenda.

4. Local taxation (recommendations 6 to 8 and 19)

- Rates are often one of the costs that deter international retailers from investing in the UK and are totally inflexible. So whilst owners can manage down costs such as rents and service charges to support ailing retailers, business rates remain a constant and increasing burden. We are therefore of the view that the impact of high business rate costs should not be seen exclusively as a small business issue, nor is it just a retail issue but it adds to the risk profile of retail development thus making it much harder to secure lending for this important growth activity.
- We applaud the recognition in the Review that rates are a deterrent to investment and growth, and are of the view that the setting of each year's business rate by the previous year's September RPI is antiquated and needs reform. We have recently written to the Chancellor confirming our position and suggesting the uplift for 2012, and coming years, is more in line with the Bank of England's forecast for the CPI measure of inflation, at 2%.
- In our submission to Portas we reaffirmed our position that empty property rate relief should be re-introduced, and we are therefore opposed to any proposal that further taxes empty property. In our view all this does is take money out of the system that could usefully be redirected into capital investment in the fabric of deteriorating property, with an aim to attract occupiers and reduce vacancy. Owners of retail property rarely keep property empty as there is no incentive to do so. However, in many locations across the country, there is simply no demand.
- The Review does allude to an interesting idea which builds on a recommendation of ours submitted in our response to the Local Government Resource Review (LGRR), and reiterated in a briefing note for 2nd Reading of the Local Government Finance Bill. We propose business rate exemption zones in town and city centres where property owners and developers are committed to regeneration schemes or significant redevelopment. Our rationale is that property owners and developers should not be penalised for their requirement for vacant possession, which frequently give rise to protracted letting voids prior to a start on site or demolition. Local government should be encouraged to allocate zones in which properties identified for development could be exempt from empty property rates prior to redevelopment. We believe this would stimulate the active management of properties for this purpose and

encourage the redevelopment of obsolete premises into viable and attractive buildings. We would welcome the opportunity to discuss this further with your officials.

5. Accessibility (recommendations 9 and 10)

- Accessibility to town and city centres is crucial, and an area where town centres struggle to compete with out-of-town locations. Improving traffic flows and reducing congestion, better and more affordable car parking and public transport and investment in quality public realm, clearer signposting and the creation of a clean and safe environment are crucial to achieving high dwell times once consumers are in a town. Improved accessibility is even more critical at a time of dwindling local authority resources to deliver this agenda, making local authorities willingness to take a leadership decision to invest in such activities of paramount importance. We recommended that councils should see flexible and competitive car parking charges and accessible car park design as a means of attracting customers, not as a means of generating income. We therefore welcome this recommendation.
- Whether shopping for a loaf of bread or purchasing fashion goods, retail is increasingly about the overall customer experience. Clearly towns and cities should strive to create safe, clean and welcoming physical environments not just during the daytime but in the evening through effective management of the evening economy. This is as important in relation to the public realm and facilities a town centre offers as it is for the transport infrastructure of a town. Quality infrastructure has the positive effect of ensuring visitors' experience is good from beginning to end, increasing the potential for customer loyalty. We support the recommendations on car parking and accessibility, and would welcome further thoughts from Government on ways of stimulating the day and night time economy.

We would of course be happy to discuss any of these points in more detail, and we look forward to continuing to work with you, Ministerial colleagues and officials, on the implementation of The Portas Review.

Yours faithfully,
Peter Drummond
President, BCSC
Chief Executive, BDP

THE RICS VIEW ON GOVERNMENT'S RESPONSE TO PORTAS REVIEW

RICS Overall View

The Government's response to the Portas Review of the High Street is a welcome signal of the their willingness to see high streets as engines for growth. Local town and city centre businesses are key to achieving economic recovery and town teams or Business Improvement Districts offer business communities the chance to work together as one entity to shape the development of their high street.

The contribution of our high streets is much wider than just straightforward retailers and shops, and the Review offers an opportunity to assess how town centres can provide a wider range of services and business options.

It is also essential that these recommendations not only compliment the changes made by the Localism Act and the National Planning Policy Framework, but also do not create more value capture mechanisms, such as tax increment financing, or red tape. It is time to get on with helping our town centres grow and succeed, and encouraging businesses to contribute to Local Plans.

RICS supports the Code for Leasing Business Premises and is raising awareness of it throughout our 60,000 members involved in commercial property. Also RICS and the British Retail Consortium will soon publish a small business lease that will support SMEs by simplifying the leasing process for landlords and small business tenants.

Super Business Improvement Districts

RICS would support this measure where BIDs are already successful, but greater definition needs to be had around what 'responsibilities and powers'. BIDs can indeed take on from competent authorities and do so with local accountability.

Business led neighbourhood planning could potentially be a successful outcome of this.

Business rates

RICS warmly welcomes the doubling of small business rate relief in England for two and a half years. · Before the Budget, small businesses with rateable values below £6000 already had no liability until March 2013, and Government should consider its options in terms of extending this exemption until the end of this Parliament, depending on the state of the economy.

The powers to discount and vary business rates under the Localism Act also offer local authorities a means to be pro-active in promoting high street trading locations.

RICS rating members believe that greater thought needs to be given by DCLG to the impact of downward phasing in 2015 and the major impact it will have on high streets. The current phasing arrangements force those ratepayers occupying properties in struggling markets, with rental growth underperforming the average, to subsidise the rates bills of those in more buoyant markets. Government is required to introduce in England regulations to phase in rate increases. With the significant fall in rental values of many High Streets the 2015 Rating Revaluation would ordinarily be expected to in turn significantly reduced retailers business rate bills. This will not happen if the Government introduces the same rate-phasing arrangements as are currently in force.

Empty Shops

RICS does not see any benefit from Empty Shop Orders in further penalising landlords for vacant shops, when there already empty property rates. So it is good to see Ministers have rejected this recommendation. We look forward to seeing greater detail on the proposed taskforce and playing our role in supporting it.

RICS will be bringing forward further research on the effect of empty property rates since the beginning of the recession; and how new powers for varying business rates and reliefs at local level may allow Local Authorities and Local Enterprise Partnerships to change their empty property rates to incentivise growth.

Parking

RICS will be interested to see what role parking is seen to have in the High Street pilots that are underway. We believe the Portas Review did not fully grasp the complexities of this issue and it deserves an underpinning study in itself, which we would be keen to be part of, and which could be initiated by any taskforce coming out of this Ministerial response. Since car transport is the primary means of commuting and shopping, it is at the very centre of enabling greater access to high street businesses, and this can be seen acutely in Market Towns.

Rural high streets in smaller settlements and Market Towns

In many ways the high streets of our rural settlements are facing an even more acute situation than urban counterparts. This is primarily an issue of geography, particularly in England's sparser counties, and also their declining role as the service centres for surrounding land based and agricultural industries, not just residential populations. It is essential that the actions that government takes forward are sufficiently 'rural proofed' and also linked to the Rural Economy Growth Review.

RICS hope that with the increase in Portas Pilots, as well as BID set up funding, High Street Innovation Fund and Future High Street X-Fund, will include a proportion of rural communities.

RICS comment

A comment from RICS, reflecting on the Ministerial response: -

'It is entirely understandable that Ministers chose those recommendations which did not cost government money to implement, would not require parliamentary time and would not add burden to businesses. Many aspects of the Portas Review could also be answered through the Localism Act and the localisation of business rates. The emphasis now needs to be put on Local Enterprise Partnerships and local authorities to foster high street growth – consistent with Local Plans and NPPF – and existing structures like BIDs."

THE RICS PUBLIC SECTOR ASSET MANAGEMENT GUIDELINES

Paul Bagust, Associate Director of Professional Groups and Forums, RICS

Purpose of Paper

This paper sets out the efficiency opportunities on offer to the public sector through best practice asset management, and introduces the availability of the new Guidelines to ensure savings are realised.

Context

It is well documented that Government is looking to save around £83 billion over the next 4 years across its estate and services. Local Authorities, accordingly, are facing considerable pressure to deliver efficiencies. We recognise this at RICS and are here to help. For those in the know, "efficiency" does not have to be a bad word, and for those not yet in the know there are the new Public Sector Asset Management guidelines from the RICS. Bob Neill MP launched these at an event at RICS HQ attended by many ACES members, including President Heather McManus.

With efficient and effective management of property assets proven to deliver cost, productivity and environmental savings of up to 20% across properties and portfolios, asset management needs to be a priority area for action within Local Authorities. However, relative low awareness of the value-add of good practice facilities and asset management, and the cross over between the two, mean we are concerned that property asset management could be allocated as a lower priority and given inadequate resourcing. To this end, we have developed a "Senior Decision Makers' Guide", which the RICS will be using in our ongoing commitment to promote the need for more effective asset management in the public sector, and the essential role property professionals play in this.

The Asset Management Guidelines

Effective asset management is more than a cost-cutting exercise. It is about achieving value for money by aligning property with an organisation's business strategy and requirements. Undermanaged portfolios not only waste resources by not operating efficiently but also fail to meet the standards of an organisation's customers. Our guidelines, endorsed by ACES as well as the Cabinet Office, CLG, and the UK devolved assemblies, provide best practice advice to those involved in public sector property asset management,

Figure 1: The basic business process for effective property management

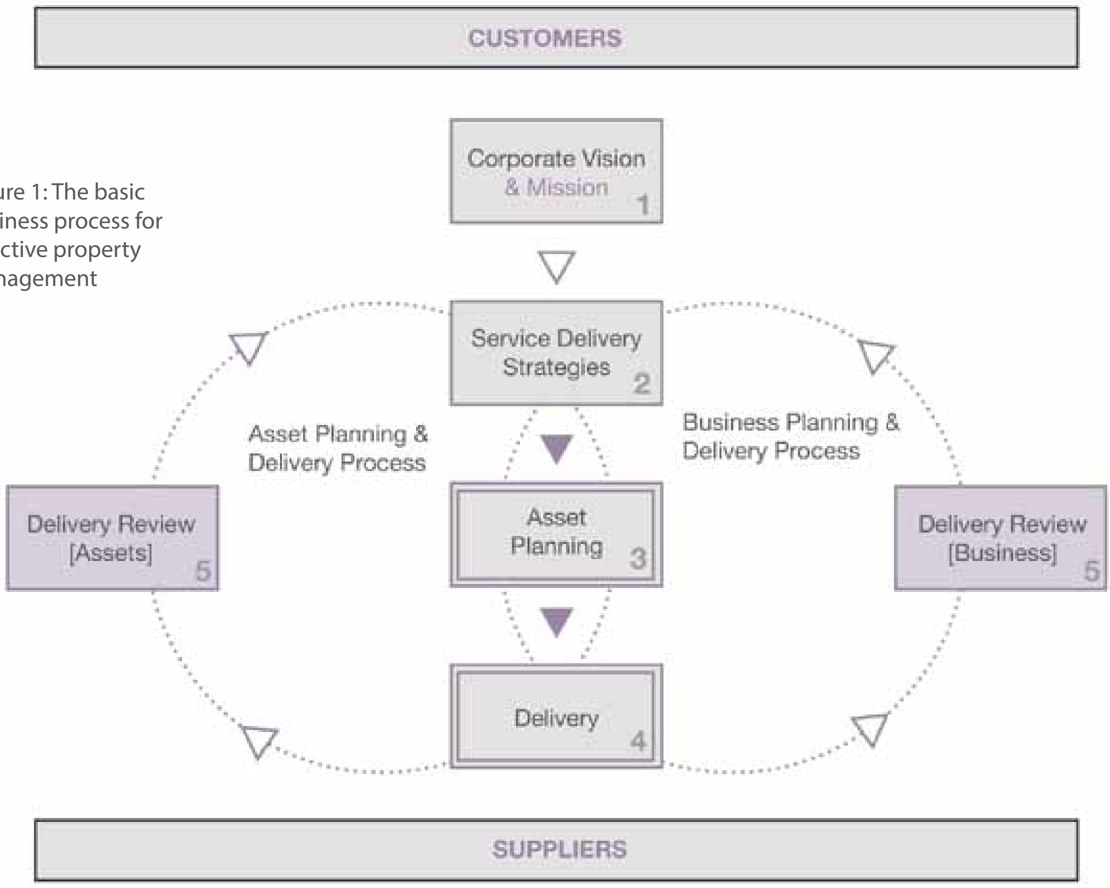


Figure 2: The corporate policy cascade

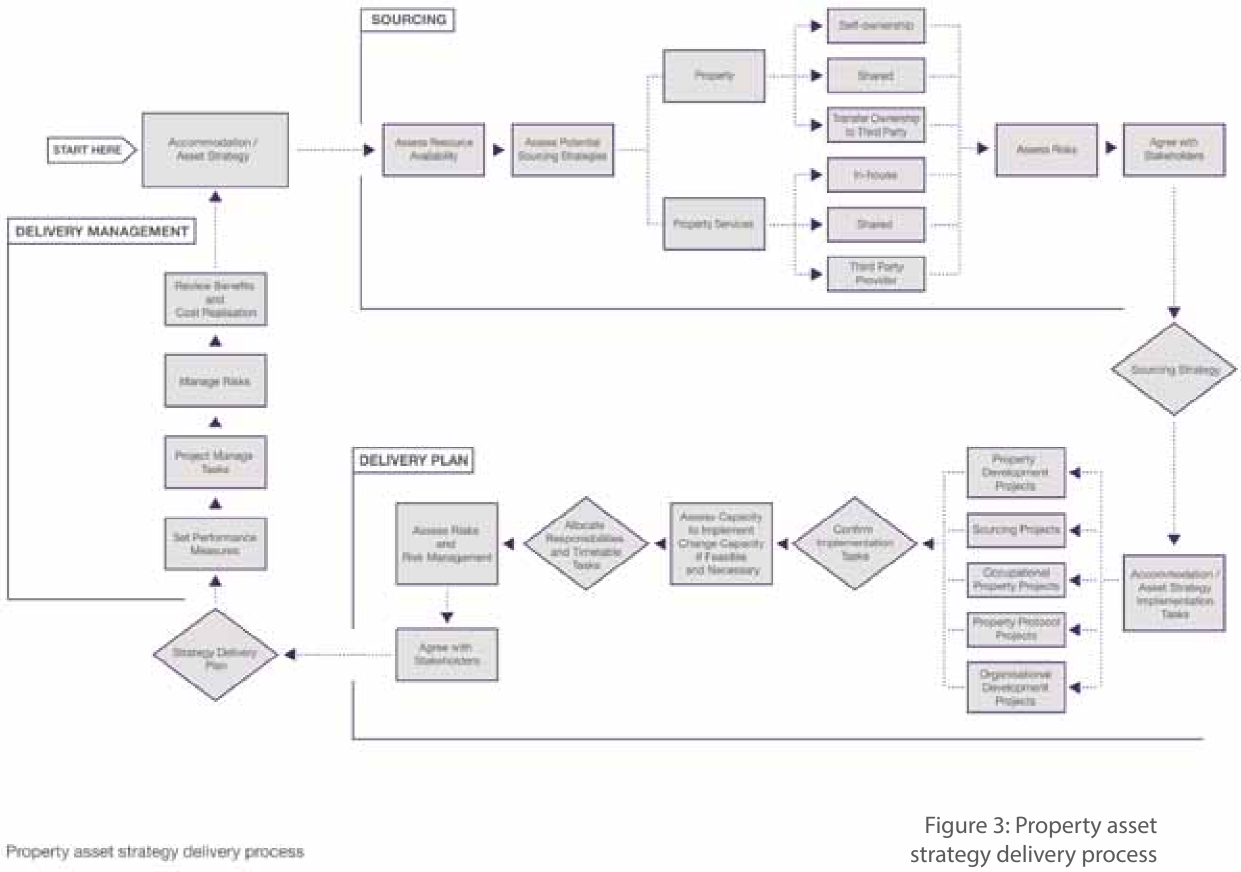


Figure 3: Property asset strategy delivery process

enabling a full understanding of value, costs, liabilities, investment appraisals and financial performance measures. Users of the "Main Guide" and "Getting Started Quickly Guide" can create a property asset management plan, deliver a portfolio of space in accordance with that plan and, thereafter, track the post-occupational results.

Managing property assets requires interaction with all parts of an organisation and collaboration with financial, human resource and IT professionals as well as operational managers. Our guidelines touch on all of these areas and include advice from management consultancies, property managers, facilities managers and surveyors on areas like data and information management, sustainability, organisation and project evaluation.

Looking to the future, we will be working in partnership with our colleagues in ACES as well as LGA, the Government Property Unit and other stakeholder organisations to highlight best practice where it exists and offer further practical ways of improving asset management across the local government estate to deliver savings and better public services for the taxpayer. In the meantime, we hope that using these guidelines will help equip property professionals to deliver best practice and strong performance. Accordingly, we are enabling those operating in the public sector, as part of wider asset management teams, to prove their worth during these challenging times.

The RICS Guidelines are available, free to download along with other relevant content from www.rics.org/publicsector.

Finally, RICS has an online community dedicated to our public sector members. This provides a valuable forum for debate, a range of useful content, and an opportunity to ask questions of colleagues in the public sector. If you would like to join please contact me at pbagust@rics.org

Paul Bagust, Associate Director of Professional Groups and Forums, RICS

DIGESTING THE IMPACT OF THE NPPF

Richard Brogden, Partner,
Bruton Knowles,

Richard Brogden is a partner at commercial property consultancy Bruton Knowles' Gloucester office and specialises in development. Richard deals with the promotion of potential development land through the planning process, the valuation of development land, options and promotion agreements, collaboration agreements, uplift agreements, restrictive covenants and ransom payments. He has presented evidence at planning appeals, arbitrations and in court cases. Richard can be contacted at Bruton Knowles' Gloucester office on (01452 880187) or via email at richard.brogden@brutonknowles.co.uk.

Context

The recently published National Planning Policy Framework (NPPF) represents the biggest change to the planning system for 60 years. This paper digests the impact of the policy and how it puts local authorities under a new obligation to update local planning documentations.

Introduction

On 27 March 2012 the government published its new National Planning Policy Framework (NPPF) that condenses over 1,200 pages of existing planning policy documentation into only 50 policy pages, and which, according to David Cameron, brings about the greatest overhaul of the planning system in 60 years.

Impact of the new NPPF

Planning experts broadly agree that the final NPPF document, which now defines a new planning system for England, holds true to its original objective of making the planning system more 'pro-growth'. By retaining the 'presumption in favour of sustainable development' as the core thread running through the NPPF, the government has created a tool aimed at supporting more growth and development across the regions.

However, the changes are not without challenges or contention. The NPPF is deliberately brief thus placing greater emphasis and pressure on local decision-making and local authorities through the plan led approach. Thus, local authorities across Britain face a new obligation to update their local planning documentation. Local authorities with a post 2004 development plan that is broadly in line with the NPPF will be able to use those policies for 12 months whilst revising any areas that do not conform to the NPPF.

For local authorities with no post 2004 plan, as many as half of all local authorities, the NPPF came into force in March as their default plan and they will have 12 months to finalise their own plans. This could give those seeking to pursue development in these areas the scope to argue that, where there is no plan, that suitable 'sustainable' development should be allowed, in line with the NPPF's presumption in favour of development.

It is not only local authorities with pre 2004 plans that should be aware of these issues as the NPPF also places a presumption in favour of sustainable development where a plan is silent on an issue. Without extensive detailed national guidance to 'fill in the gaps' it is possible to see room for challenge by applicants.

Land Allocation Implications

The NPPF also brings with it a renewed push from the government to ensure that local authorities have a clear 5-year supply of allocated housing land, with a newly added buffer of 5% to 20%. Local authorities with a good track record in allocating land for housing must earmark a 5-year supply plus 5% buffer. Others must earmark a 5-year supply plus 20% buffer, but it is not clear yet what criteria will be used to determine a good track record, and so this may be an area which land owners, housing developers and authorities alike will seek clarity on.

The NPPF's focus on land allocation will give fresh impetus for local authorities to progress their Strategic Housing Land Availability Assessments (SHLAA). Allied to this is the duty on local authorities to co-operate too, especially on strategic matters (which will include major new development proposals). This requires the gathering and analysis of all the relevant data for sites that may have potential within a district for new or further development. It is an area in which Bruton Knowles is particularly active; creating bespoke tailored surveys for councils that provide key data on sites – and realistic appraisals of these sites' potential for redevelopment. It is also an area that developers and promoters will focus their attention especially if they believe the local development plans are out of date or silent on certain key issues.

A welcome development for many local planning authorities will be the NPPF's focus on 'town centre first' for offices as well as retail (with an exemption for rural businesses), which could create new momentum in towns and cities. Local planning authorities should be able to protect the diversity of local high streets better and to achieve a balance, for example, between independent and multiple traders, shop sizes and local use classes. It should also be easier to say 'no' to poor design that, in the words of the NPPF, 'fails to take opportunities available for improving the character and quality of an area and the way it functions'.

The Rural Perspective

Interestingly, as part of its pro-growth agenda, the NPPF tries harder than many prior planning policies to support the specific needs of rural communities, rather than applying generic policies primarily aimed at urban areas. The use of exception sites for providing affordable homes in rural communities has been retained, but importantly the policy goes on to state that in some instances local authorities can support a scheme that combines affordable housing with market housing in order to make these sites economically viable.

To the relief of many there is no risk of blanket development on rural land as the final NPPF document reinstates much of the protection, i.e. green belts in paragraphs 79 – 92, which was missing from the draft document. Protections for other designations like National Parks and AONB are also retained in paragraph 115.

However, the promotion of Brownfield first does open opportunities for brownfield sites in all areas including the green belt, subject to wider sustainability tests and excluding sites that have been cleared or naturalised.

The NPPF still resists the development of individual dwellings in the countryside, excluding those single dwellings needed to support agricultural activity, where the dwelling provides the optimal use of a heritage asset, where the dwelling re-uses a redundant building to enhance the local setting or where the design of the individual dwelling is outstanding, innovative and sensitive to the environment.

On the whole, the NPPF is more supportive of small clusters of development that may contribute to the prosperity of more than one settlement, helping to retain local services and facilities. It states that to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. For example, where there are groups of smaller settlements, development in one village may support services in a village nearby.

With a pro-growth agenda the NPPF also makes it clear that local authorities should try to support rural businesses that want to grow and expand, and they should take a positive approach to sustainable new development. It provides a supportive context for farmers and landowners who may have assets that they want to redevelop to underpin business growth or diversification.

Final thoughts

The NPPF contains a more clear push to ensure that brownfield sites are developed in favour of greenfield sites, whilst removing any national minimum target for the amount of brownfield land that a local authority has to allocate for development, enabling them to set their own local target.

The new framework balances the need for a more pro-growth system with the protection required in certain areas and incorporates the desire to localise plan and decision-making. It hands the responsibility back to local planning authorities and communities to decide what new housing, employment and infrastructure they need. So the next step is for local authorities to work with communities and businesses to develop or finalise suitable plans in what is a tight, but focussed, 12-month time frame.

Richard Brogden, Partner,
Bruton Knowles,

Professional Matters

LOCAL ASSET BACKED VEHICLES – A SHORT REVIEW

Brian Thompson, Director,
realestateworks Ltd

Brian Thompson is a founding Director of realestateworks Ltd, a specialist property consultancy business that focuses on public private partnerships, workplace transformation, strategic sourcing and other ways of deriving business benefit from property assets. He worked in local government before taking up senior posts in Price Waterhouse, Chesterton, Drivers Jonas and Deloitte. A year ago, he decided that there was more to life than filling in time sheets so took the leap into freelance consulting and hasn't looked back. brian@realestateworks.co.uk

Introduction

Have Local Asset Backed Vehicles (LABV) had their day? Have they delivered against their initial objectives? Under what circumstances should I consider entering into a partnership with the private sector to inject capital and additional expertise? Is the term even relevant today in the light of emerging partnership models?

Despite the growing catalogue of partnerships that have attracted the LABV label, both the RICS and Local Partnerships concluded last year that there was a shortage of objective commentary on the LABV market. Myths and opinion succeeded in filling the gap that should have been plugged by facts and knowledge.

A report was published in March 2012 that aims to rebalance the situation – it will hopefully also lead to more open debate on the topic of LABVs (or whatever they evolve into) and a greater sharing of lessons and practical experiences [rics.org/publicsector – Local Asset Backed Vehicles: A success story or unprovenconcept?]

This short paper crystallises the main themes in the report into a series of questions and answers to which the author has added some personal thoughts.

What are LABVs?

In short, they are 50:50 joint ventures with the aim (typically but not exclusively) of using public sector assets to lever in capital. The public sector is an equal partner in the venture and therefore shares in risk and reward, and the success or failure of the venture. It requires a different mind-set, set of governance procedures and culture. Some may think that an extreme statement but I am firmly of the view that the old ways of dictating what will be done, how it will be done and checking that it is done have no place in the world of true partnership. Similarly, there is no room for a private sector 'partner' who seeks to buy a contractual position then grow the value of the contract at the expense of the client.

Wholesale asset transfer at day one was a feature of some of the earlier LABVs but this was wisely superseded by selective asset transfer at a time when it was right to inject the asset into the partnership vehicle. The trigger for injection may be the securing of planning and other consents to redevelop or regenerate an asset or bundle of assets.

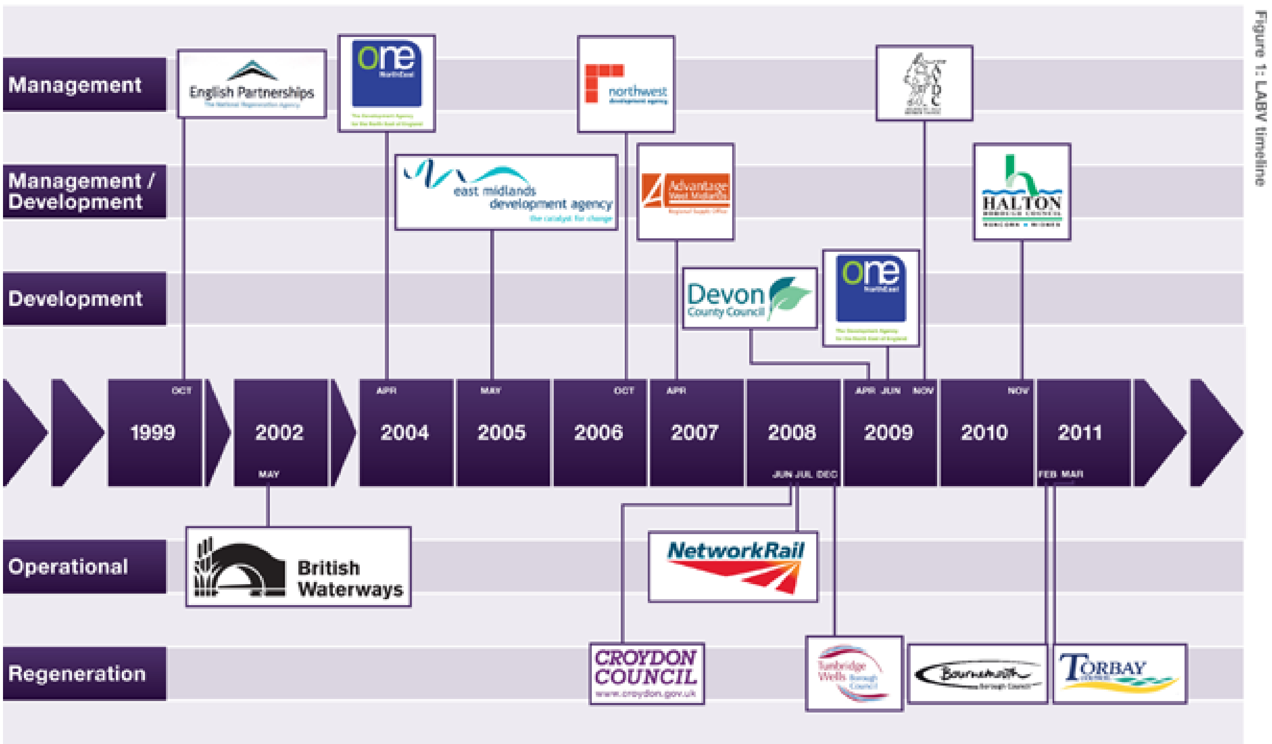
The report categorises 14 LABVs according to their core purpose, this being development, asset management, regeneration or the better use of operational assets. It is interesting to plot the migration of LABVs over time from those focused principally on development and asset management towards those underpinned by a long-term regeneration strategy.

What was the rationale?

Beyond the core purposes referred to above, there were a variety of specific drivers behind the decisions of various public sector partners entering into a LABV. They include the following:

- Human resource shortfall, the principal driver behind one council and a regional development agency was the mismatch between the internal team and the needs of the estate. This particular challenge can of course be met in many ways other than creating a long-term partnership and transferring assets to a partner!
- Holistic regeneration, several councils referred to vision statements and other such strategic plans for their urban areas as both a context and catalyst for the creation of a partnership
- Risk transfer, One North East entered into a LABV to allow it to shift away from being a direct provider of business space to become more of an enabler
- Injection of commerciality, there were mixed views on the consequences of greater commerciality being imported into the management of former public sector investment estates. While KPIs relating to voids and debtors typically saw an improvement, the drive to raise rentals in one case was seen to clash with wider socio-economic objectives
- Financial investment, Daresbury Science and Innovation Campus was in need of a capital injection from the private sector to allow it to grow as a centre of excellence while Oxford City Council sought funding from the private sector to unlock a significant development site; and

Figure 1 Timeline diagram



- Value capture, operational assets of both Network Rail and British Waterways have offered up commercial development opportunities in the past. The creation of the two 'operational' LABVs represents a structured approach to developing portfolios of assets closely allied to the core businesses of the public sector bodies. In the past, the value attributed to proximity to either a rail hub or canal-side location has often leaked into the private sector with little or no return to the taxpayer.

In the early years of LABV evolution, one can speculate on the extent to which the market was supply led or demand led. To what extent did advisors encourage the adoption of the model? Some have said that it was treated in some quarters as a solution looking for a problem. This may in part explain the inadequacies in some business cases, still evident today, whereby the problem or challenge to be addressed is not set out in sufficient detail. If there was greater clarity, it may well result in an entirely different preferred solution.

What are the ingredients for success?

Both public and private sector participants in LABVs were consulted to inform the report and, in several instances, there was a common view about the ingredients. The stated ingredients for success include:

- Strong leadership within public sector, although one public sector representative also pointed to the criticality of effective leadership within the private sector
- A clear vision, but translated into meaningful objectives
- No political interference. Regrettably, this ideal scenario is most unlikely in the public sector, but governance arrangements can be put in place to help isolate the LABV from random decisions and events
- Programme management skills, delivering a portfolio of projects that may cut across departmental boundaries and strategies requires tact, perseverance, political acumen and technical capability
- Contract management, both parties need to be flexible, proactive and imaginative to keep the partnership alive in a world where change is inevitable, not least in the form of political direction; and

LABV scheme

- Corporate asset management; the existence of a departmental approach to asset management in one local authority was identified as a real constraint to its ability to bundle its assets with a private sector partner.

Several private sector representatives used different terms to describe the importance of a genuine partnering ethos and a commercial approach residing in the public sector. If neither appears to exist, some opportunities would be ruled out at the first hurdle by the private sector.

Have they delivered benefits?

The answer to this simple question must be an unequivocal 'yes'. A more challenging question surrounds additionality. Have they delivered outcomes that would not have arisen but for the existence of the LABV?

The report includes some clear evidence of true additionality and genuine proactive effort by the partners to develop accommodation or invest in other infrastructure that would simply not have taken place either at all, on the same scale, or at that time.

Unfortunately, there is also evidence of a failure to measure rigorously outputs and outcomes. Having said that, this particular failing is not unique to the public sector's involvement in LABVs. I suspect that, if the industry of post project evaluation was sufficiently sophisticated to track wider social and economic benefits to add to the rudimentary measures of output such as floor space and jobs created, many LABV projects would be resounding successes.

What will the future look like?

It is predicted that LABVs will be here to stay in some form or other, and in a variety of sectors. We have already seen the adoption of the model in the health sector under the guise of Strategic Estate Partnerships. A quick review of some of the more recent LABVs procured or in procurement reveals a number of trends:

- The potential range of services to be delivered by the private sector partner is growing in scope. The Torbay OJEU notice referred to the opportunity to develop other council sites (beyond those specifically identified) and develop all housing schemes while the Slough OJEU notice referred to quite literally dozens of services that may be drawn down from the partner over time; and
- LABVs have been procured with the ability to deliver services to a number of public sector bodies in the community. The Aylesbury Vale OJEU notice made reference to the potential to deliver services in '… adjacent administrative areas'.

The future landscape of local authority partnership will also be scattered with funding partners. Those who might have contemplated a LABV in the past may now see a funding partner as more appropriate, and arguably easier and less costly to procure. The funding partner will also bring real estate expertise and may be the precursor to the creation of vehicles on a case by case basis to ensure the public sector benefits from the upside and effort of its funding/property partner. The Borough of Scarborough is one such authority that has recently changed tack.

And why not create vehicles to transform and drive efficiencies through the operational estate including all administrative buildings? Some of the larger central government office estates were placed into PFI vehicles over 10 years ago and lessons have no doubt been learned that can be transferred to local government. A roll out of the PFI model to local government offices and other operational buildings is certainly not the answer. The fundamental construct of the relationship leads to behaviour that can be adversarial in nature under the veneer of a partnership.

A more comprehensive list of scenarios when a LABV may be appropriate is included in the report.

Conclusions

One of the concluding messages contained in the report is the need for a thorough appraisal of the options before deciding to pursue a LABV. The issue facing the authority could perhaps be solved much more quickly and effectively by other means. What has also become clear during the course of research and writing the report is that it is unhelpful to lump together the diverse range of deals as LABVs. Understandably, it is a helpful short cut for a property public private partnership as these deals were once termed. But bad news surrounding a particular LABV should not be allowed to taint the concept.

A final comment deserves to be made in connection with the expected benefits of LABVs. Constraints on public spending will make it harder for prospective projects to get over the line and prioritisation within local government will become a fine art. The ability to predict, describe, deliver and then measure a diversity of outcomes and benefits must therefore be part of the surveyor's toolkit.

Brian Thompson,
Director, realestateworks Ltd

SEVEN "GOLDEN RULES" TO HELP PUBLIC SECTOR BODIES GET THE MOST FROM PROPERTY PARTNERSHIPS

Jamie Kerr, Director of Strategic Partnerships, John Laing

Jamie Kerr is a qualified Chartered Surveyor and has over 20 years of experience in complex property development projects and property finance. Before joining John Laing in November 2005, Jamie worked for retail development specialist, Thornfield, leisure specialist THI (where he established the THI leisure fund, now managed by Legal and General) and 8 years at Sun Alliance where he split his time between fund management and development. As well as leading John Laing's Strategic Partnerships team, Jamie is a director of Regenter; John Laing's Joint Venture with Pinnacle Housing Group, which delivers social housing.

John Laing plc http://www.laing.com is a specialist provider of facilities through public private partnerships with a long-term perspective and approach. The company manages and delivers 70 projects from planning and funding through to design, construction and operation. It is actively involved in the management of a wide range of health, education, police, rail, roads and special purpose government facilities, both in the UK and overseas.

Introduction

Public sector bodies have embarked upon extensive re-structuring over the past 2 years in order to deliver efficiency savings and protect front-line services, yet still face sustained pressure to do "more with less" for the foreseeable future. One route that is often considered is to sell-off public assets; to reduce operational costs and sometimes make a profit.

Property Partnerships

However, I believe that against the backdrop of sustained economic constraints and weakened land values, Property Partnerships offer a better alternative for many organisations. A Property Partnership is a mechanism that enables a public sector body to develop its land and buildings in an efficient and strategic way; by entering into a long-term partnership with the private sector and lever its expertise, resources and investment.

This approach provides the public sector with greater control over regeneration and development than can be achieved through the planning system alone; and provides an optimal development return, by realising latent value within the asset base and enabling the public sector to share equitably in development profits.

Typical applications include city centre regeneration; enabling new areas for development, improving or rationalising operational property, rejuvenating investment property, or investment in housing.

John Laing is a market leader in establishing Property Partnerships with the public sector. Our innovative partnership with Croydon Council, the Croydon Council Urban Regeneration Vehicle (CCURV) was launched in 2008 and is one of the first Local Asset Backed Vehicles (LABVs) in the UK. This partnership has already made significant progress. CCURV's first two developments are well underway and a significant legacy of positive social and economic benefits is being delivered for Croydon's communities and businesses alongside the capital programmes.

About CCURV www.ccurv.com

In November 2008, John Laing and Croydon Council formed a partnership to deliver a pioneering Local Asset Backed Vehicle (LABV). The first deal of its kind, this is a new model of public private partnership, utilising an asset backed Urban Regeneration Vehicle (URV) into which Croydon Council invests land and John Laing equity. Through this limited liability partnership, the council receives a 50/50 share in profits and maintains ongoing control of its extensive regeneration agenda by retaining an interest as a partner-landowner as well as through utilising its planning powers. With the council's long-term regeneration strategy, they also have the option to add additional sites into the partnership as and when further development is required over the next 25 years.

This is Bernard Weatherill House, CCURV's first development project. Due for completion in May 2013, this £120m BREEAM Excellent- building will provide office space for Croydon Council and other public bodies and support the regeneration of Croydon town centre.

John Laing's Golden Rules

Over the past two years, my team has undertaken a significant programme of market engagement, both with local authorities and other public bodies, to open a dialogue about the benefits of Property Partnerships. Over this period, we have witnessed a surge of interest in these models and a number of new opportunities coming to market; not just with local authorities, but also with other parts of the public sector and indeed with multiple public bodies.

Set out below are John Laing's "Golden Rules", which we have devised to support public sector bodies to get the most from the Property Partnership approach.

Rule 1: Consider and define the broad objectives for the Property Partnership

Broadly speaking, a Property Partnership supports the public sector to crystallise and release value by developing assets, in order to fulfil the following objectives:

- Deliver a share of development returns to the public sector as cash; to use as it wishes. This could include transferring assets to the private sector by sale or lease and leaseback, which would generate the biggest up-front payment to the public sector partner.
- Generate funds that are then reinvested through the partnership to deliver a new asset that is defined by a specified requirement (such as delivering new accommodation for a number of public sector partners).
- Realise specific local regeneration objectives, such as increasing the provision of commercial or residential premises in an area, or enhancing and consolidating retail provision, for example.

What to do...

Work with key stakeholders within your organisation and other key partners to consider each of the three objectives and evaluate which approach may have the greatest strategic fit with your corporate objectives and shared strategies for regeneration.

Seek to develop the outline of your preferred objectives, or to establish a short-list of alternatives.

Undertake soft market testing with potential private sector partners and a wider group of key strategic partners (both internal and external), to assess both the viability and partners' appetite for each of the alternatives you have identified.

Rule 2: Undertake a valuation of land and assets within the asset portfolio

It is advisable to procure an initial development valuation of the land and assets within the public body's portfolio; to identify which assets could be the main value generators for the Property Partnership; and which are likely to yield a lower development value. This knowledge will inform the development of the partnership's broad objectives and will also help the private sector to ascertain whether the partnership presents a viable opportunity.

Through soft market testing (or as part of the procurement process), potential private sector partners can be challenges to propose strategies that identify potential development values for each asset/site under consideration.

This should not focus exclusively on the prime sites, but should also examine how they would regenerate less valuable assets within the portfolio that are of strategic importance to the public sector partner. As long as there is no obligation to develop these assets without the partnership agreeing a robust business case to proceed, this approach should not impact upon the overall attractiveness of this opportunity to potential partners.

What to do...

Compile a comprehensive list of assets and land owned by your organisation.

Procure technical advice from a valuation surveyor to prepare an Existing Use Valuation for this list.

As part of soft market testing, invite potential private sector partners to provide their initial views on the potential value and composition of your assembled portfolio of land and assets.

Rule 3: Consider the benefits of addressing service transformation and asset development in tandem

Often public sector bodies find themselves in a situation where many years of adaptation have shaped the way that services delivered and from where. When this is the case, there is often a strong business case to re-examine provision holistically, in order to realise the following benefits:

- Re-provide service access points where they are most needed
- Rationalise and group back office functions to achieve cost and operational
- Deliver long-term life-cycle and operational cost savings for the operational estate
- Develop co-location strategies with other public bodies that deliver savings and improvements to the ways that services are provided locally.

In the London Borough of Hounslow, John Laing has established an innovative, long-term partnership with the Council to deliver library and cultural services. To-date this partnership has delivered operational savings of over £1m by addressing all aspects of service provision in a holistic way.

What to do...

Evaluate the strategic will and rationale to re-focus service provision across each corporate function of your organisation.

Commission occupancy and usage (internal and customer) studies of your operational estate and examine your existing services contracts to identify what influence incumbent agreements might have on your options.

Consult with other local public sector partners to establish whether there is a shared appetite for co-location and re-provision.

Undertake soft market testing to test private sector interest and ability to realise the broad strategic aims that are emerging these scoping activities.

Rule 4: Ensure that legal and policy frameworks allow you to fulfil your plans

It essential to undertake due diligence of the legal titles and policy frameworks that impact upon the assets and sites proposed for the portfolio of the Property Partnership. For example, key questions to consider should include:

- Would any of the designated land uses set out in the LDF preclude the proposed development for each site?
- Does the public sector partner own all the land necessary to achieve its goals for each site?

This will highlight any potential obstacles that could affect limit the efficacy of the partnership, or even de-rail the project entirely. Therefore, it makes sense to undertake these checks at an early stage before significant time and resource is invested in the formal procurement process.

What to do...

Undertake a review of relevant statutes and policies to ensure that there are no existing conditions that preclude you from taking forward the project, or which could cause it to fail in either of the procurement or operational stages.

Evaluate whether each site or asset within the portfolio would satisfy the public sector tests for best value that will take place when the transfer of assets into the new partnership and undergo scrutiny assessments.

These activities could be undertaken in-house, or procured from a specialist property consultant.

Rule 5: Keep the OJEU Notice broad to get the most from the Property Partnership

Whilst the public sector partner should clearly set out what it wants to achieve, it is also important not to word of the OJEU notice in such a way that would unnecessarily limit its ability to address future public sector priorities

For example the OJEU Notice should: -

- Promote flexibility about how assets can be developed and used; providing scope to introduce innovation to make the best of market conditions. For example, if civic offices were re-provided, the public sector partner may wish to retain an option to generate income by making the offices available for commercial lets, rather than be tied to occupancy
- Protect the option for further sites to be transferred into the partnership
- Protect the partnership's ability to deliver development projects that meet a full range of civic needs (such as health or education)

What to do...

Procure legal advice to support you to compile your OJEU, using a suitably qualified law firm that understands these strategic objectives and can reflect these in the wording of the OJEU notice.

Rule 6: Ensure that key partners and local communities are brought onboard at an early stage

Bringing colleagues, Elected Members, local partners and local communities on board from an early stage can enhance the operational success of the partnership. This will help win support amongst individuals and groups that will have influence over the overall success of the partnership. Furthermore a constructive dialogue with local stakeholders is essential to tackle misconceptions and prejudices about what a Property Partnership is and what it will do. Development projects are almost always subject to speculation and generate strong emotions amongst the public. An effective communications and marketing strategy is therefore vital.

Scoping Exercise...

Undertake mapping to define who the key stakeholders and influencers are: within your organisation; within external partner organisations; and within the communities and groups that you serve.

Prepare a consultation and engagement strategy, which recognises that different levels of engagement are appropriate and required at different stages of the project's lifecycle.

During the early stages, this could include undertaking a workshop, or establishing a steering group including colleagues from various departments and other statutory bodies; to participate in the initial scoping of requirements.

This group could also play an active role throughout the pre-procurement, procurement and operational phases.

A detailed communications and marketing Strategy should be developed for the partnership.

Rule 7: Link the partnership's objectives to social and economic objectives for regeneration

Potential private sector partners should be challenged to formulate and deliver proactive initiatives to ensure that social and economic benefits are created for local people and businesses. The public sector client should clearly communicate its strategy, priorities and approach to bidders and challenge them during procurement to commit to supporting these priorities.

Bidders should be asked to define how they will: -

- Set (and deliver against) measurable outcomes that align with local social and economic objectives
- Develop Key Performance Indicators and contractual terms that underwrite their commitment to fulfilling these outcomes.

Through CCURV, John Laing has worked with its principal contractors for its first two developments (Sir Robert McAlpine and Wates Construction) to deliver a range of tangible outcomes, including high levels of local jobs; over £6m of supply chain contacts with local firms to-date; and an innovative Apprenticeship Training Agency model that maximises the creation of apprenticeships for local people.

As well as helping to address the public sector's wider duties to deliver social and economic wellbeing, such outcomes will help win public support for the partnership; increasing its popularity amongst local communities, Elected Members and partners.

What to do...

Review your strategies and targets for regeneration; and those of your key partners; to highlight aspects of socioeconomic regeneration and community well-being that could be supported by your Property partnership; such as inward investment, community wellbeing, local business growth and local skills and employment.

Regeneration is tackled by a broad range of parties at the strategic and delivery levels. Identify who the key parties are locally and enter into dialogue with them about how you could collaborate.

Establish a list of priorities and seek legal advice to ensure that are embedded within your procurement process as key areas for assessment. The legislative framework for procurement should not necessarily preclude you from securing firm commitments to deliver meaningful opportunities for local communities and businesses.

Jamie Kerr Jamie.Kerr@laing.com

Jamie Kerr,
Director of Strategic Partnerships, John Laing

PROMOTING COLLABORATIVE ASSET MANAGEMENT ACROSS ESSEX

Andrew Rowson MA MSc CIHCM MRICS

Andrew is engaged by Improvement East as a programme manager to lead its asset management programme across the East of England. Previously he was a Director with Local Partnerships and 4ps where he developed and pioneered the strategic asset management review service for the public sector that was commended by the Audit Commission in "Room for Improvement" as well as leading the establishment of the West Midlands Property Alliance with Advantage West Midlands.

A chartered surveyor with extensive public and private sector director experience Andrew was formerly Director of Property and Asset Management at Cambridgeshire County Council for 10 years gaining Beacon status for the Council in 2005. He has been a management consultant with Deloitte and Touche, a senior manager in the London Fire and Civil Defence Authority and began his career with the GLC in housing and personnel.

Introduction

An innovative asset management programme in Essex is gaining momentum with considerable progress being made by a new Essex Property Partnership. This Partnership, established by Improvement East, brings together all 17 local authorities and emergency services in the County and is overseeing a programme of collaborative projects, which are supported by CLG as examples of good practice. Councillor Derrick Louis the Essex County Council portfolio holder for procurement, property and major projects chairs the Essex Property Partnership Board.

The programme itself was born out of recommendations in a report commissioned by Improvement East in 2010 called "East 17 – Sizing the Prize" which is available on Improvement East's website

www.improvementeast.gov.uk (click about us then publication to view).

Current Projects Promoted by the Partnership

These include: -

The development of a public service hub in Tendring to provide "one front door" to members of the public

This project was given a recent boost when many different public sector service providers got together at a workshop early in 2012 in Weeley Civic Offices to explore the scope for such a facility in the district. This workshop was introduced and supported by Cllr. Peter Halliday the Deputy Leader of Tendring District Council and Cllr. Peter Martin the Leader of Essex County Council and it succeeded in identifying a number of partners who wish to participate in the scheme in addition to the district and county councils. The core partners comprise the District Council, County Council and health service (PCT, ACE and Realise Health). This project will help complement the work being undertaken by the District and County as part of the community budget pilot work they are pioneering and at the same time help rejuvenate a key part of Clacton town centre. In essence the project aims to integrate and locate all the partners' "public contact" services into one new building on a new campus thereby making it easier for the public to access services in one place at one time. This will enable other support and back office services to be rationalised so as to release surplus space and increase efficiency.

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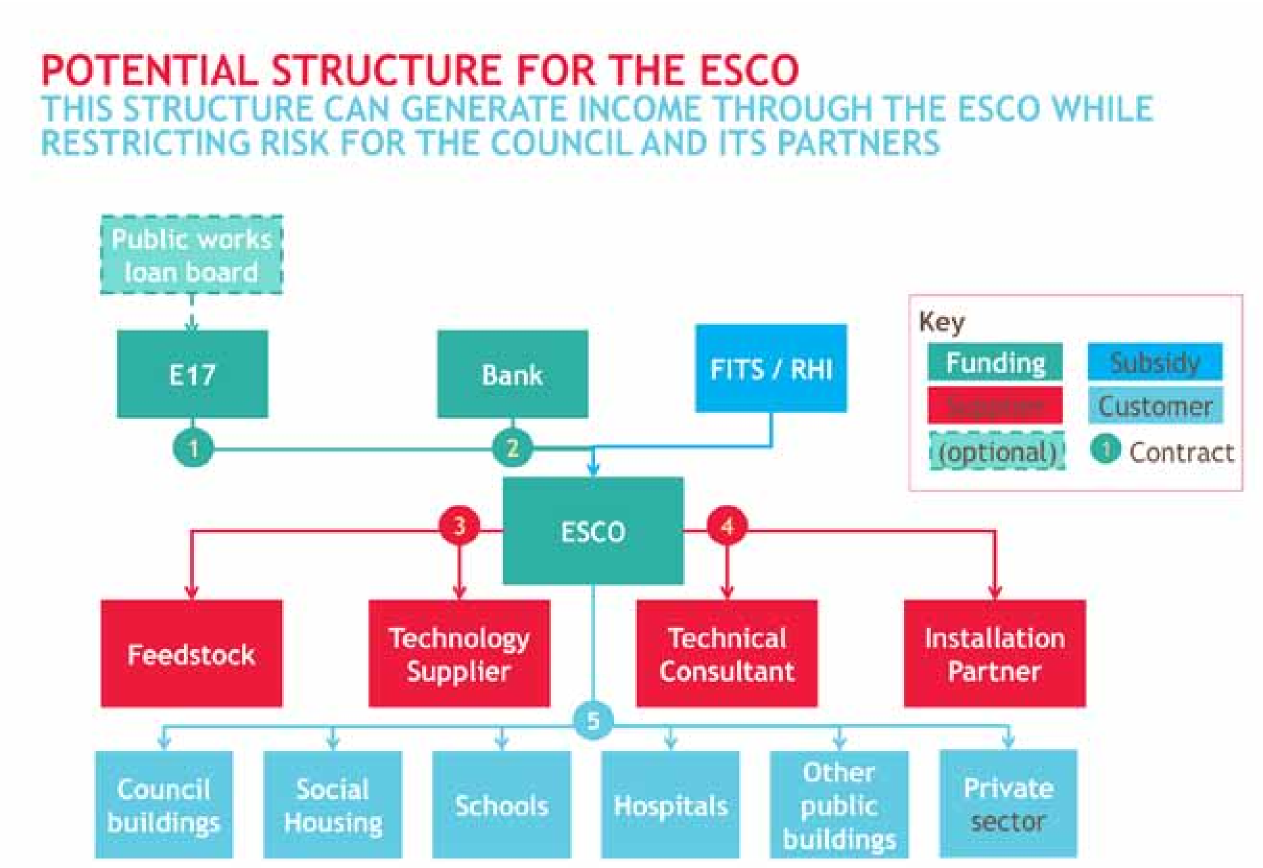
Existing building configuration on proposed campus site in Clacton, Tendring District, Essex. (Source Tendring DC)

Improvement East
Partnership for Improvement and Efficiency

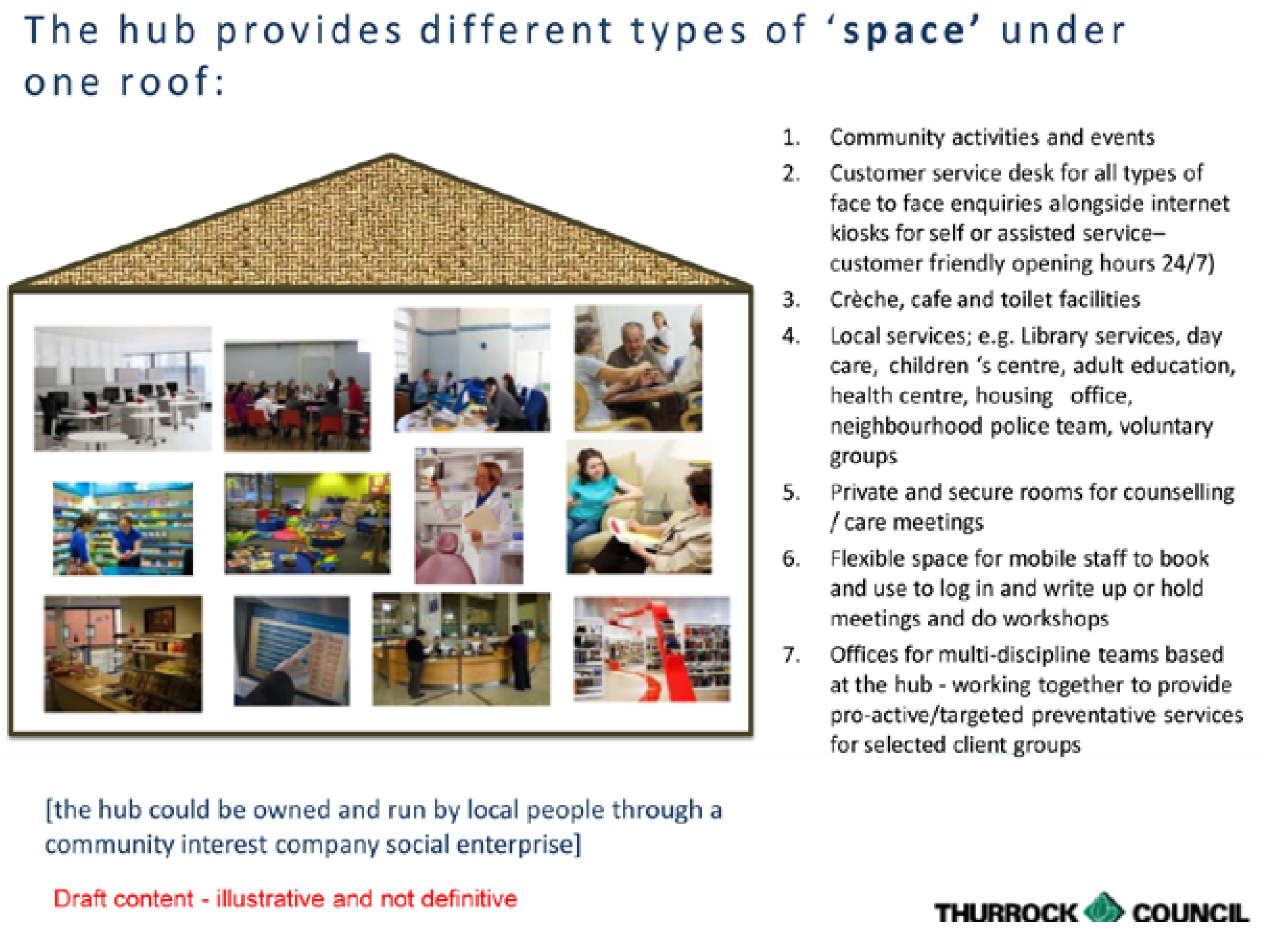
Improvement East

is a partnership of authorities in the East of England, councils and fire and rescue services. We are run by authorities for authorities, providing a combination of returnable investment and free support to enable them to build their capacity to improve and transform service outcomes and levels of efficiency. We are politically led and part of the East of England Local Government Association. Find out more at www.improvementeast.gov.uk



(Source BDO)

(Source Blue Marble)



Existing County Library, Town Hall and Princes Theatre are amongst the existing public premises on a potential new campus site in Clacton.

Rolling out across Essex the new total property and facilities management (TPFM) contract, procured by Essex County Council, to other public organisations.

Essex County Council procured their new TPFM partner (MITIE) under an OJEU process that enables all public organisations within Essex and members of the central buying consortium to become partners with the successful contractor under the new contract. Improvement East is currently sponsoring work by KPMG to help districts and other bodies assess the benefits of adopting this new contract, develop business cases to prove vfm and procure new contracts where appropriate.

Creating an Energy Services Company for Essex

This project is exploring the benefits of establishing an energy services company (an ESCO) for authorities in Essex to enable them to renew and upgrade inefficient heating systems with "renewable type technologies" thereby saving money and reducing carbon emissions. With help from CLG the Partnership has been discussing the benefits of ESCO operation and collaboration with other authorities, notably with Peterborough City Council, where ESCO development is well advanced and with the County's incumbent partner MITIE. The structure below illustrates one way an ESCO could be structured and is one of a number of different routes now being explored.

The development of a countywide mapping and overarching property data capture system

This project aims to provide a mapping and high level data system to aid rationalisation and co-location opportunities across the public sector and also assist comparative benchmarking and performance management. Here Improvement East is working closely with Essex Fire and Rescue Service who have established an in-principle base case of support amongst Essex authorities for such a facility. The potential now exists to use the County Council as a host for an agreed system.

Regenerating Asset Management in Thurrock

Improvement East is working closely with Thurrock Council in helping it realise its opportunities. As a large unitary and recipient authority for the property assets of the former Thames Thurrock Gateway Development Corporation Thurrock Council has been working in particular to identify a network of service "hubs" across the authority (with Ockendon identified as a pathfinder area) and to rationalise and upgrade its main civic office site in Grays. The slide below helps to give a flavour of the purpose and scope of the proposed hubs that aim to locate services more coherently and efficiently.

For more information about Improvement East's asset management programme in Essex and across the East of England and how it might be able to help and support your asset management ambitions please contact Andrew Rowson at Andrew.rowson@improvementeast.gov.uk (Tel mob 07887 633451).

AREA BASED ASSET MANAGEMENT

John Connell, Department of
Communities and Local Government

John Connell heads the Pathfinders Programme for the Government. He is a regular member of the ACES/DCLG Working Group and leads in a number of area based asset management projects. He gave the response to the President's keynote address at the Annual Meeting in Edinburgh on 11 November 2011.

Introduction

As asset managers in the public estate you are in a position to help promote local growth, save millions and support the delivery of better public services. Below I outline how strategic asset management is gathering increasing interest across areas and how area based asset management can help you deliver these outcomes for your area.

Quite simply all of the above are achievable from smarter collective use of public land and buildings. In England the public estate is worth over £385 billion plus £30bn of new buildings are being built each year. But as with many aspects of public service delivery these are mainly managed through Whitehall silos and it is left for local areas to try to bring together the owners of all the public buildings locally.

The Capital and Asset Pathfinder programme has tried to help areas to do this by co-designing a methodology that allows areas to identify collectively what the public sector owns in an area, what customers needs are and what opportunities there are for co-location and rationalisation. By focusing on the customer, the pathfinders have shown that they can improve local outcomes and generate significant efficiencies.

What stops this happening?

I know if I was reading the above, I would be sceptical and thinking that it will not work for my area, and outlining a number of reasons why it would not be applicable. However, that is not necessarily true. Before telling you what areas have done and the huge benefits they have found, let me start by outlining the difficulties that areas had in doing this. The issues centred on 2 common factors that stopped some areas transforming. Some of the 26 pathfinders have not been able to push forward their work and these 2 issues, leadership and resources, are at the centre of these.

Leadership

Political and executive leadership of the programme needs to be strongly and personally advocated at Chief Executive and Member level by the lead authority for an area. This needs to be backed up by similar executive level support and demonstrable political commitment from each of the key public sector partners. There is a direct connection between this leadership and the reach of the work within the partner organisations. This also ensures the prioritisation of resources to support the work.

Resources

Supported by leadership, it is essential that senior resources are committed to the programme and are able to make it their 'day job'. Cross-partner collaboration needs to become the norm, rather than the exception. This work takes time, energy and commitment and is delivered more effectively when seen as change management rather than just asset led. The right skills, capabilities and experience are essential in the deployment of resources. It needs strategic thinkers with vision to drive it forward, supported by a multi-disciplinary property team.

Other issues

- Partnership working is difficult.
- History needs to be left at the door for this work to be successful
- There is variable capacity for this work locally
- "Outsourcing" large-scale developments to private sector is sub-optimal unless public sector is an intelligent client

What did pathfinders do?

The participating local areas were charged with providing an exemplary business case showing how they can work together followed by a 10-year implementation plan through treating their public estate as if owned by a single body. All councils were asked to provide, in just 7 months, Asset Maps and customer insight intelligence in order to justify their programmes of work.

The mapping work is the key building block for the project without which outcomes will be sub optimal. It also helps build the partnership by sharing property and customer data between partners, showing the strong linkages between partners. Also having this information on a map can help illustrate opportunities which may be exploited quickly.

The business cases set out on a small scale how areas plan to work together. They offered moderate savings of £100s of millions over 25 years and they varied widely and included

- Public sector hubs: Bringing together a range of services in one building
- Regenerating deprived neighbourhoods: Utilising public buildings for jobs, inward investment and housing
- Joint Fire & Police Station: Co-location freeing up 2 sites
- Training: Combination of facilitates to release property and savings

Some had integral regeneration benefits. Others used vacated public land for housing. Some transferred assets to the community. Others saw growth potential and most sought to achieve multiple outcomes.

In summary, the business case provided a workable example of how assets could be used to deliver the area's vision through public sector assets. They also show that a collaborative approach to public sector assets gives additional benefit (up to 50% more) than managing in silos.

After the mapping of assets, capital and customers and preparing the business case, areas have put together a 10-year asset strategy for the area. The plans included an outline of what the partners are aiming to achieve over a 10 yr period:

- % Reduction in floor space,
- % Reduction in the carbon footprint
- Amount raised through capital receipts
- Reduction in revenue costs through asset rationalisation.
- Growth

These have been challenging to produce but help align partners' disparate plans together into a more cohesive narrative that show

- Public sector assets can drive local growth
- Substantial savings through a reduction in operating footprint of over 20% is achievable.
- Wider outcomes identified
- Regeneration
- Wider service transformation
- Customer service improvements
- Community engagement

So to summarise, area based asset management offers huge opportunities. The approach involves organisations being clear about the demands customers place on services, the buildings they and their public sector partners own (preferably on a map showing their location) and the funding streams available to a local area.

However for the concept to be 'proved' the paper savings need to be implemented.

Havant Public Sector Village is just one example of how bringing public sector partners together can save money and improve customer service experience.

What next?

Just to emphasise (yes I have made this point a few times before!!!) the work has shown that there are significant benefits from better collective management of the public estate and the sector led approach has been successful in facilitating better outcomes including local growth, better public services and significant savings. From feedback from pathfinders it is clear that the process has been helpful and added momentum and high level buy in. Therefore next year the programme will focus on 4 things

- **Growth**
- **Ongoing Support**
- **Capacity Professional Bodies**
- **Data**

Growth Taking the scheme further. The Local Government Association aims to publish in April a prospectus for the next wave of the programme that specifically seeks to promote local economic growth through the use of released public land and property. However there is also a need for

Ongoing Support

- To ensure push for action so plans do not go on hold with just the 26 areas getting on with implementing
- Need to ensure continued support and assistance going forward to implement plans
- Knowledge legacy – sharing and continuing to recognise good practice
- Buddying to encourage the remaining 66% of areas to follow the 33% pathfinders. Do you know who the areas are and how can you get your authority to be involved?
- Ambassadors for the programme - A range of pathfinders will be speaking about their journey through the process giving a more personal view than the high level overview and hopefully be able to answer your detail questions

Capacity Many people we have spoken to have said the skills and standing of asset management is not sufficient and their needs to be buy in across the organisation. Therefore there will be work on

- Capacity and capability of asset managers to change from technicians to influencers and communicators
- RICS led work (alongside ACES) to help change the view of asset management on the back of their guidelines

Data Transparency We think it is vital for the public sector to share asset data with each other and with the public. Last year DCLG produced a demonstrator map that highlighted where 200,000 public sector assets were, which created considerable interest. We now want all public sector organisations to publish their assets on their own website to increase transparency. We will shortly be consulting on which attribute information is important to help people utilise this information, from gross internal area to book value running costs. A list of 30 was compiled with pathfinders and can be found on the DCLG website at http://www.communities.gov.uk/documents/localgovernment/xls/1960606.xls

Business as Usual, Getting the Basics Right

Additionally there is always room for more to be done on managing the estate better, for example.

Sustainability. The running costs of the estate are £25bn and this can be reduced by investing in new technologies to increase the buildings energy efficiency.

Facilities Management. Authorities should collaborate and seek better deals. A good place to start is the guidance produced by CIPFA and the West Midlands RIEP

Space Utilisation. There are more innovative ways of working and these should be examined to produce further space and cost savings.

Benchmarking. Many authorities state they are leading authorities on asset management. I challenge more authorities to test themselves against others to see how well their buildings perform

Asset Management System. A great way to save money is by buying an asset management system with partners. Often there are 10 local partners who each are individually purchasing a AMS and these collective savings could be used to finance further work.

Conclusion

I hope this whistle stop tour of area-based management has been helpful.

I challenge you all to look at how you could take it forward in your organisation and save 20%, improve public services and promote local growth.

John Connell,
Department of Communities and Local Government

MY WORKPLACE STRATEGY: HOW NOTTINGHAM CITY COUNCIL STAFF TRANSFORMED WORKING CULTURE BY USING PROPERTY AS THE DRIVER

Geoffrey Hibbert, Director of Workplace Strategy and Property for Nottingham City Council (Based on Geoffrey's presentation as retold by Richard Allen, Heart of England Branch Secretary

Introduction and Biographies

Self-belief and a resolute determination to succeed were the qualities needed to transform the workplace for over 2,000

'Nottinghamshire Acting Chief Executive Nick Quinsey (in shirt) and Geoffrey Hibbert, Director of Workplace Strategy and Property at Nottingham City Council (facing Nick to his right) showing the Branch members the benefits of the new offices on their tour of Loxley House'.

staff in one of the country's core cities. This was the message taken away by members of the Heart of England Branch who attended the first meeting of the year in Nottingham. Geoffrey Hibbert, Director of Workplace Strategy and Property for the City Council captivated his audience with an entertaining and humorous talk on how he had achieved this objective. He started by explaining that attending a meeting as Corporate Director of Housing on domestic violence had ended up with him taking on a challenge where all those who tried before him had failed. Ever since he had started work in the audit team at the Council in 1974 it had been a Chief Executive project to change the working culture and bring all council staff into one place. Because of the leadership's aversion to risk and the cost of a new building it had never been achieved. Geoffrey said that he accepted the challenge on the basis that it was "the whole deal – not just buying a new building".

Richard Allen is an Honorary Member ACES and was National President 2004/05. Previously he worked for the British Rail Property Board from 1969 to 1973 and Nottingham City Council from 1973 to 2008. From 1998 to 2008 he held posts of Assistant Director (Property) and Head of Estates.


Richard Allen

The Opportunity

A deliverable opportunity to develop a workplace strategy around staff being in one building arose in 2009 when Capital One decided to relocate part of its operation out of Nottingham and vacate its ten-year-old 220,000 sq ft state-of-the-art offices. The building's strategic location on the southern edge of the city centre and in the Southside regeneration zone, office layout, fit out specification and ability to accommodate over 2,000 staff made it ideal for a new Council corporate headquarters. The main entrance opens directly onto pedestrian entrances of both the train station and tram terminus. The building is close to the main bus station with a number of public car parks nearby and it fronts the canal. By being at the heart of the city's transport system it thus affords excellent access for staff and customers arriving by heavy and light rail, bus, car and possibly in the future, water.

The Acquisition

The hardest part of the acquisition of the building was to "create a world economic downturn". The only other competitor for the building was E.ON. By selling to E.ON the Council's tired 60s Treasury office building on the opposite side of the city centre from Loxley House E.ON was found a site on which it could develop offices to its specific requirements. This enabled E.ON to remain in the city safeguarding 600/800 jobs and helped regenerate and rebalance the city centre.

Negotiations opened with Capital One asking £30 million for the building, the Council offered £15 million. The freehold was eventually acquired for a figure in the middle. The major issue at this early stage of the project was managing external stakeholders and this was significantly helped when the Nottingham Evening Post mentioning in an article that the building was worth £60 million. The Council has recently been offered £75 million on a sale and leaseback finance basis. Other key issues were dealing with the "dysfunctional processes within the American bank" and Elected Members' aversion to risk, particularly at a time when an elected mayor for the city was coming onto the agenda.

The big project risks were borrowing the necessary finance and selling 7 buildings to fund the acquisition, plus remodelling the council's working practices by persuading staff to accept a different way of working in exchange for a new building. It was clear that to succeed decisions would have to be taken at a speed that was incompatible with the existing committee agenda process. Accordingly the Chief Executive took all key decisions under her delegated powers and the politicians subsequently noted the actions. Initially it did take some time initially to persuade politicians to support this approach.

Price Waterhouse Coopers were appointed to support the business case using their standard spread sheet approach and Turner Townsend then provided an independent view. The proposal that a move to a modern building required the adoption of modern working practices was sold to the staff on the basis that it was now the industry norm and if anyone had an issue with that they needed to show why they were special and so not change. The programme was called "My Workplace Strategy" so that it was owned by staff and not just seen as a leadership initiative.

Moving In

Once acquired by the Council the building was named Loxley House. Moves into the new offices were commenced on the basis of a 4 desks for 5 people ratio. Property moved into the building first. After the first moves there was still only 70% desk occupation. The ratio is now moving to 4 desks for 7 people. It is likely that 4,000 people can ultimately be accommodated in a building originally designed for 2,000. Moves were funded through the pooling of all departmental facilities budgets. Printers are located in hubs to save on paper and minimise waste. Eating at desks is prohibited. This is not managed aggressively but action is taken against persistence offenders. Eating sweets is allowed but there are grey areas; for example is a Kit Kat a sweet! Apparently when the old computer keyboards were taken away enough crumbs fell out to feed the third world. The management of staff has now moved from the previous attendance/visibility approach to a performance management regime. This has been a massive change for middle managers.

The moving in programme was tightly managed on the basis that the end date was fixed. Planning for the mass staff relocation was initiated in October 2009. Business system requirements had to be completed in time for staff to start moving into the new building in February 2010. This date was achieved. Staff moved in at the rate of 100 per week for 18 months and all were operational by 11.00am on the day they moved in. Before each move there was a 10-week period of intense communication and engagement with staff to support a successful transition into the building and the new way of working.

The New Way of Working

Everyone including the Chief Executive and Leader of the Council is now in open plan. If anyone wanted to be treated different they had to demonstrate why they were better. Previously decisions could take days, if not weeks, to obtain by trying to gain access to leaders compartmentalised within and around a number of buildings. Now it is possible to obtain decisions in a matter of minutes if it can be seen that that the appropriate person, including up to the Chief Executive, is sitting at their desk on their own and not on the phone.

Few staff or councillors have fixed workstations and all work from territorial areas based around their service. Home working is not encouraged but it is allowed. There is no dress code but staff have raised their game.

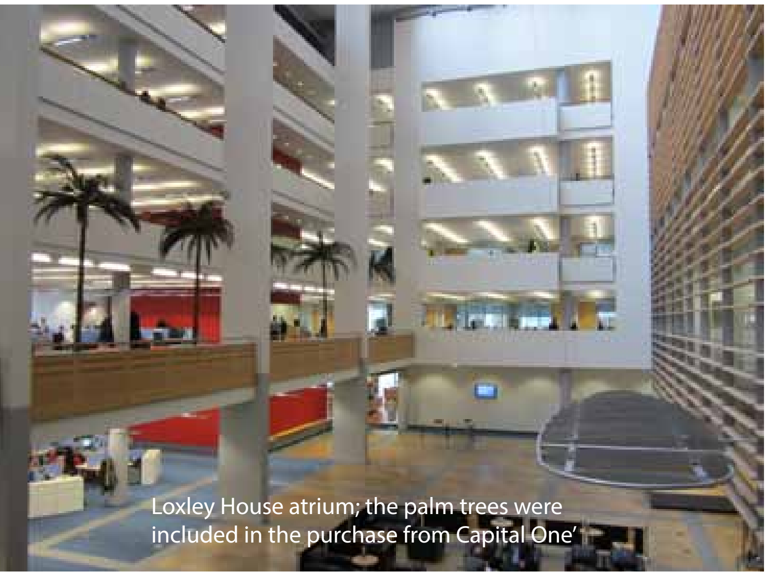
The workplace strategy model is based on evolution; staff have had to change, and are continually changing, working habits'. The biggest resistance to change came from the lawyers. They said that to operate they still had to be surrounded by their dusty books and large piles of papers. Together with everyone else they are now operating on almost a paperless basis.

At first some staff complained that there were insufficient meeting rooms but people are now resolving this issue themselves by holding meetings all over the building in the numerous break out areas, café and restaurant.

Before the move there were 47 separate off-site storage locations and now there is just one off-site store. Files can be obtained within the same day if ordered in the morning, or the next morning if ordered in the afternoon. Some staff wanted a one-hour retrieval service. This has been provided at an extra cost to the service. It has never been used.

Who Did What

The Deputy Chief Executive sponsored the project. The project team comprised representatives from property, human resources, IT and legal. The appointment of the former Capital One Project Manager also supported the delivery of the programme. Geoffrey, the Director of Workplace Strategy and Property said he was even able to contact this person by mobile phone whilst he was on a beach in Greece. Taking on this project manager imposed day-to-day order to the practical side of the project. This left Geoffrey free to "push treacle up hill".



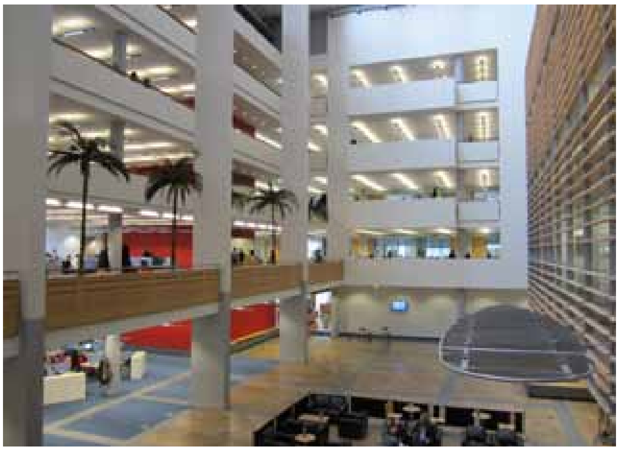
Loxley House atrium; the palm trees were included in the purchase from Capital One'

In all there were 20 work projects with 90 subject matter experts. Staff moved into the new building from 7 main office sites. The project has now expanded to relocate nearly 2,400 staff from 22 buildings and the cost has increased to £75 million. Spatial planning and frequent communication with staff has proved to be hugely important.

The Branch Visit

After Geoffrey's presentation Branch members were given a conducted tour of the offices. The building is dominated by its large atrium.

It looks like a covered city square and includes a Costa Coffee house. The atrium affords access to the Waterside staff restaurant overlooking the canal. This is used for a variety of office related and community type functions. A number of Branch members commented how quiet and calm the work environment was during the tour. Geoffrey said he felt that there were 3 reasons for this. The large atrium and wide floor plate with high ceilings quickly dissipates sound. Being originally designed as a call centre the building construction, plus the freestanding workstation acoustic screens introduced by the Council, all absorb sound. Staff have also adapted their own working practices to respect others and now talk much more quietly both on the phone and to colleagues whilst in the building than when they first moved in.



Many of the staff had huge reservations before moving in to the new building. Geoffrey said that the only complaints from staff once in the building had been that the raised floors creak. The creaking noise was audible as our group walked across them. If this was the only complaint it did seem a small price to pay for the many benefits to the Council and staff that we had witnessed.

The Loxley House story is an excellent example of a local authority not wasting a good recession and boldly investing in a depressed property market and so using property as the driver for change.

Geoffrey Hibbert, Director of Workplace Strategy and Property for Nottingham City Council

ASSET TRANSFER UNIT STAKEHOLDER FORUM; NOTE OF MEETING 29/03/2012

Betty Albon, ACES Representative on the Asset Transfer Unit

The Asset Transfer Unit (ATU) is co-ordinated by Locality and includes representatives from Local Government Association, DCLG, CIPFA, Architectural Heritage Fund, Urban Forum, Community Matters, Charity Commission, some third sector foundations and a few local authorities who are leaders in the localism agenda.

At the meeting held on 29 March 2012 the following items were discussed.

1. Recent ATU activity Annemarie Naylor outlined some of the work and consultation Locality had been involved in, including giving advice in Holland. Locality welcomes recent government initiatives on mapping of community assets and community right to bid (see both below), but has a general concern about raising expectations amongst third sector organisations.

The initial work Locality has been doing with 5 pilots of Assets of Community Value (ACV) indicates that most interest is being shown in listing buildings of historic and archaeological interest, which implies a misconception that by listing them, an ACV will protect them. There is also a tendency for communities to list everything, which Locality fears will lead to a backlash from local authorities to draw definitions really tightly.

2. Pathfinders DCLG gave a summary of the outcome of the Wave 2 Pathfinders. A detailed report by John Connell is featured in this Terrier). The work concentrated on mapping of assets and a consultation paper is soon to be released seeking views on mapping of assets and publicising 26 attributes of those assets (eg condition, address, floor space, value). If all goes to plan, mapping will be introduced from October 2012. Apparently EU regulations are going to be introduced from 2013 to force the public sector to map property data in one location. The results of the Wave 2 Pathfinders are soon to be published.

3. Multiple Asset Transfers There was discussion around recent case studies of MAT at Worcestershire (particularly at Stourport), Northampton, South Tyneside and Torbay. It was concluded around the table that embarking on multiple asset transfers is not to be taken lightly: it is time and resource consuming.

4. "Empowering communities: making the most of local assets - A councillors' guide" This is a new publication produced in February 2012 by the LGA (www.local.gov.uk). It is a useful short publication whose purpose is to make local councillors aware of their role in community asset transfer, and in one or two page summaries, explains Community Right to Bid, 'Meanwhile Use', Community Right to Reclaim and the role of CPOs. The point I made (and received nods from the public sector representatives, but shakes from the third sector representatives) was that the document is a bit "rosy" – it makes it all seem so easy, which might mean that ACES members will have to manage the expectations of their councillors and their electorate. For instance, taking away somebody's property rights to use a building for community use might not be so easy using compulsory purchase.

5. Community Right to Bid DCLG advised that the policy had now been agreed and was to be laid before Parliament after April, with target implementation from July 2012. A draft of the advice to local authorities would be available in May. It will explain:

- The nomination process and who can nominate (incorporated groups including charities, not-for-profit societies, some unincorporated groups);
- Assets which cannot be listed (residential, statutory undertakers' assets);
- Quorum for nomination (21 members from local area);
- Data requirements to accompany nomination;
- Timetable to administer;
- Who can own ("eligible community organisation" to be defined);
- Protection for owners and compensation provisions;
- Registration (Land Registry and Local Land Charges);
- Enforcement procedures.

DCLG wished to make it clear that the nomination process does not include local authorities listing Assets of Community Value, something I had not realised. DCLG is also considering whether to stipulate who keeps the list and whether it will also be kept nationall. Locality will make a bid in its web-based "Place Station" (www.theplacestation.org.uk).

6. Community Right to Challenge DCLG is preparing secondary legislation to open up the right of the community to run a service. Requirements to prove capability will include financial and outcome based principles. Vexatious applications will be rejected and some services will be exempt, for example fire and health. The proposed timetable is tight, with target implementation in May/June 2012. However, there is some concern about attempts by the third sector to challenge for a service and expecting assets to be given free. This is likely to contravene State Aid rules, as well as being a misunderstanding of the Right.

7. Community Right to Build/Neighbourhood Planning DCLG is likely to work with Locality and a consortium of advisers to offer a support programme. There will be some grant aid for

3 years for communities to work up pre-feasibility studies, which will become case studies. Grantees will be expected to become peer groups for networking their experience. DCLG is to set up a web based "Micro Site" to help. Big Society and Heritage Lottery Fund money is being considered to align to this Right.

Betty Albon,
ACES Representative on the Asset Transfer Unit

ARE YOU GETTING THE RETURNS YOU DESERVE?

By Chris Brain FRICS, Senior Advisor, CIPFA Property

Chris Brain FRICS is a qualified surveyor and Senior Property Advisor within the CIPFA group. Chris delivers the CIPFA's Asset Management Network and Construction and Property Advisory Service, advises on asset management issues throughout the UK and undertakes a range of related consultancy. Since joining CIPFA from local government 9 years ago, he has applied his practical asset management skills and experience to developing the AMP Network for the benefit of its members. In addition he has worked with a range of authorities, providing consultancy and training including strategic approaches to asset management and delivering efficiencies.

Introduction and Purpose of Paper

Local Authority property portfolios provide a wide range of local benefits including income, capital growth, community cohesion, health and wellbeing, economic activity, inward investment, service delivery and numerous others. But how does an Authority ensure that it is getting the best out of its property? Sadly this is a question that not enough local authorities ask themselves with sufficient rigour or frequency.

The Purpose of Property Portfolios

Maybe not surprising therefore that for many local authorities there is little information about what its property portfolio contributes to the organisation and its strategic objectives. Many asset management plans purport to set out such links but often these are perfunctory and not based upon a thorough challenge process which: -

- Defines the contribution that the asset is expected to make in terms of outcomes
- Is part of a formal performance management framework that monitors and measures that contribution
- Is a corporate activity, rather than just a property activity
- Identifies the true costs associated with ownership

What sort of returns should we be expecting from our property assets?

Most property professionals addressing that question will immediately focus on investment returns by way of rental, capital appreciation or a combination of the two. But the local authority property portfolio is far more complex than simply looking at financial returns. In fact for the majority of an authority's property assets, the financial return or level of income can be the least important factor, if it is a factor at all. To understand how the property portfolio operates to support the delivery of strategic outcomes it is necessary to think about the local priorities and how the ownership, occupation or leasing out of property assets can contribute to each of those objectives.

Where the authority occupies assets there is a fairly clear link between owning or operating the asset, and what the organisation has set out to achieve. This assumes of course that there is rigorous business planning within the organisation that explores customer demographic and distribution and also considers non-asset solutions to service delivery.

Which property assets are the problem?

In our experience of working closely with local authorities, things are often less clear where the property assets are occupied or used by third parties, and where the activities of those third parties are, or could be, helping to support or deliver the authority's objectives. Too often property assets that can make a real difference to local communities and can play an active role in supporting and securing organisational objectives are not managed as such. Where this happens, even if there are benefits accruing from the leasing arrangement often there is no one within the authority who knows about it.

It is very common for authorities to have granted leases to organisations such as local charities, scout / guide groups, sports clubs etc., but in terms of social benefits it is not always clear why these leases are there. If the authority is not certain why the lease has been granted then it will surely be difficult to manage the outputs and outcomes from that arrangement.

It can often be the case that the authority has supplied grant funding to one of its tenants to enable it to operate but with no corporate linkages in place. Sometimes this runs in parallel with rental subsidies under the lease from the authority, and these are not always co-ordinated. Worse still, there is often a hidden cost associated with such lease arrangements that is not recorded or reported, such as estates management activities and/or repairing liabilities outweighing the rental income. Alongside this of course is the opportunity cost of the capital resources tied into the property asset.

Some authorities will have community development teams ensuring that there is a formal relationship with the third party that sits outside the lease and manages funding streams and associated deliverables. Where this is the case, close working with colleagues in Property can ensure that the authority's activities and objectives are well co-ordinated.

However, there are too many authorities where this is not the case and the default relationship is one of simply a landlord and a tenant. This results in the estate surveyor being left alone without an internal client sponsor. Rent reviews are completed, landlord's consents are considered and leases are renewed, often for many, many years with little other intervention or relationship.

What should we do differently?

In these hard times where local authorities are increasingly under financial pressure perhaps more of them should be challenging such situations where they exist so that the authority can: -

- Develop wider relationships to enable it to evidence the wider benefits from these arrangements, or,
- Explore other options for the use of the capital and revenue resources locked into the assets concerned.

What can the estate surveyor do about it?

Some estate surveyors might argue that it is not their role to question current arrangements. I would argue that this is a good example of where estate management and asset management can come together to be a positive agent for change in the corporate arena. If we do not challenge current arrangements then who will? This demands that the property team: -

- Highlight the true cost of ownership
- Challenge the reason for ownership with key decision makers
- Explore alternative use values
- Work with key decision makers to develop their ideas and thinking about what they expect from these property assets
- Encourage a full option appraisal that explores other means of delivering expected outcomes
- Help to establish a robust performance management framework with identified individuals within the authority that will be responsible for performance management
- Develop an estate management (or asset management) strategy for these specific assets that delivers for the leases to be retained, the right balance between estate flexibility and tenant security
- Manage the re-use or disposal of assets surplus to requirements

Conclusions

Some of this is outside what might be regarded as the traditional role of the estate surveyor. It will certainly be outside of the comfort zone of many, but that is not to say that we shouldn't embrace our strategic role and try to make a difference. Maybe, just maybe, it would help people to realise the value of in-house property expertise and raise our profile within the organisation.

There will be those that say their authority is not ready for such a challenge, and that may be true. However, in the cases where we have supported authorities through these sort of thought processes it is generally the case that elected members and other key decision makers are more than willing to engage. In fact, once you start you will be surprised where the momentum can take you.

Chris Brain Chris.Brain@cipfa.org.uk

By Chris Brain
FRICS, Senior Advisor, CIPFA Property

SANDWELL METROPOLITAN BOROUGH COUNCIL TENANTED NON RESIDENTIAL PROPERTY (TNRP) REVIEW

Leslie Bunting, L & P Property Consulting Ltd, Asset Management Programme Manager Sandwell MBC
David Willetts Sandwell MBC Property Services Manager and ACES Commercial Asset Management Coordinator.

Introduction

The Sandwell Metropolitan Borough Council's TNRP Strategy was runner up in the ACES Award for Excellence competition in 2010. At that time it had just been adopted. The strategy is now being implemented. This is an update on progress.

TNRP Strategy

Sandwell's TNRP asset management aims and objectives are to achieve: -

- Strategic management of the Council's property assets
- Management of asset performance and data
- Strategic financing and investment
- Rationalisation and portfolio development

The TNRP Asset Management Strategy is a plan to: -

- Rationalise the TNRP portfolio
- Produce substantial capital receipts from sales of under performing assets
- Reduce maintenance and management costs
- Retain good investments on the criteria referred to below
- Consider reinvestment opportunities to sustain/increase income generation long term

The agenda for the review was set by reference to: -

- RICS Guidelines and Leaflet No 6 2009
- ACES Model TNRP Strategy and Review
- Comprehensive Spending Review
- Need to achieve quick wins

In undertaking the review the following questions were asked: -

- What assets do we have?
- What do they cost?
- Do they support the service?
- How do they perform?
- What performance indicators do we have?
- How regularly do we review/rationalise the use of the property assets?

The performance of the TNRP investment estate has been categorized 1-9 as shown below: -

CAT.	TYPE	NO	ANNUAL RENT
1	Ground leases – Industrial and commercial	196	735,000
2	Ground leases	40	1,208.000
3	Ground leases other	63	272,000
4	Occupational leases – Industrial and Commercial	16*	537,000
5	Occupational leases – Retail shopping parades (Housing)	25**	709,000
6	Occupational leases - Retail other	27	408.000
7	Leases – other land and property	332	555.000
8	Leases – Public utilities	282	8,250
9	Leases – Voluntary bodies	20	162,000

* Comprises 127 individual assets
** Comprises 141 individual assets

The property performance for each property has been assessed against three criteria

- Financial return
- Contribution to corporate objectives and priorities
- Strategic property holdings

TNRP Outcomes

Performance was evaluated from an operational perspective to establish the socio-economic importance of each property and value to community cohesion by giving it a RAG traffic light rating as follows: -

- Red – property inappropriate due to its condition, suitability/sufficiency, cost to run etc
- Amber – generally fit for purpose but requires some investment to avoid slipping into the red

- Green – appropriate and requires only normal investment in terms of planned maintenance

Overall non-operational property performance assessment was then undertaken using a judgment of the strategic reasons for holding and a financial justification based on an internal rate of return analysis to demonstrate the security of the income and desirability of the investment. A hurdle rate of return of 6% was agreed with finance based on the prudential borrowing rate at the time. The property was then given one of these performance categories: -

- Red – performing poorly and should be considered for disposal
- Amber – Fair so retain but the financial return needs to be justified
- Green – Good to excellent as measured against both the strategic and finical criteria so retain whilst it remains financially beneficial to do so.

Strategy Implementation

Between 2008 and 2011 various strategy reports and implementation plans have been submitted and approved by Cabinet which have resulted in phased transactional projects as follows: -

Tranche 1 – considered all industrial and retail occupational leases (Category 4, 5, 6) and estimated capital receipts from sales of £3.2 million

Tranche 2 and 4 – considered over 200 long leasehold interests, predominantly industrial/commercial ground leases with associated surplus land (Category 1) and estimated capital receipts from sales of £3.56 million for the first 30 separate leaseholds interests being sold. These figures included around 30% uplift to reflect special bids/synergies. Estimated receipts of £2.5 million from sales of additional 36 plots

Tranche 3 – Housing shops (Category 5). Estimated receipts of £943,000 from sales compared with rent loss of £90 per annum and cost savings of £563,000 just for repairs

To date a number of Category 4 industrial estates occupational leases have been offered for sale. These have been where occupancy has been low, 65-80%. In all cases the whole estate has been sold to investors and net initial yields of just over 7% returned. After deducting assumed void holding costs these rates are around 4%. Some investors have sold on to the occupational lessees thus breaking up the estates, which is what the Council did not want to achieve. Others are to be redeveloped but the tenants have relocated to Council industrial estates thus strengthening their retention as investments.

A sale of a Category 6 retail estate occupational lease has been completed to a tenant of part at a figure returning a net internal yield of 7%. A Category 1 industrial ground lease with 24.5 years unexpired has been sold to a tenant at a net initial yield just under 5%.

Strategy Review and Next Steps

Currently a review of the sales achieved is underway to redefine and develop the strategy. Council policy is to offer individual occupational and ground leases to lessees in the first instance and then, if terms cannot be agreed within a limited exclusivity period, by way of open market disposals. Certain types of assets with common parts, for example industrial estates, do not lend themselves to this process for obvious reasons and are offered straight to the open market. This approach has proved to be successful financially and politically and will be continued.

It is proposed to discontinue the use of internal rate of return as a method of identifying poor performance as this is considered too subjective and not a reliable management tool.

The hurdle rate of 6% was based on the then 10-year rate of prudential borrowing. This is now down to just over 3.5% for this loan period. Discussions are ongoing but it is proposed that finance decisions be based on some profiling but mainly year-end accounts over a minimum of 3 years.

Having started to implement the strategy the genie is now "out of the bottle" and the challenge is to manage senior management, political and lessee/tenant expectations.

Over the 2012/2015 period it is planned to implement further rationalisation tranches and these will contribute to annual corporate capital receipt targets and provides resources for the capital programme. Ultimately, there will be a review regarding the sustainability of this process as the Council is seeking to retain a level of TNRP to provide financial returns in addition to providing strategic regeneration benefits in some instances and also contributing to other Council priorities such as supporting the voluntary sector.

The Leader of the Council is promoting a corporate "Open for Business" agenda which requires in property terms a re-emphasis on the strategy as a managed process and not merely a right to buy policy, whilst encouraging business opportunities where possible.

Leslie Bunting
L & P Property Consulting Ltd, Asset Management Programme Manager Sandwell MBC
David Willetts Sandwell MBC Property Services Manager and ACES Commercial Asset Management Coordinator.

HOW HARD IS YOUR SERVICE CHARGE STRATEGY WORKING?

Daniel Webb BSc (Hons) MRICS MAPM,
Lead Director at Watts Group PLC

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

Introduction

Daniel Webb looks at ways for local authorities to gain maximum benefit from service charge provisions, whether they find themselves in the position of landlord or tenant.

In the private sector, rather than relying on new acquisitions to generate income, property investors and landlords are increasingly seeking ways to optimise performance and gain maximum benefit from their existing portfolio. One of the ways this can be achieved is by developing an effective service charge strategy, which ensures that maintenance is carried out as cost effectively as possible.

This tactic can be equally applied to local authorities that have rental property portfolios. Whether premises are let to tenants as office space, to retailers or small businesses, by being fully conversant with the terms of leases, public sector organisations that take on the role of landlord have an opportunity to obtain best value from their property by adopting a commercial approach to service charge income.

Actions That Can Be Taken

Commercial leases typically contain a landlord's covenant to keep the structure and common parts in good repair. The cost of this is normally included in the annual service charge, provided the lease permits it. Each tenant has an obligation to pay a proportion of the service charge on demand and the amount each tenant must pay is set out in the terms of the lease.

By identifying early opportunities to implement repair and maintenance works, the cost of these works may be recoverable under the service charge provisions of the lease. Public sector landlords are under huge pressure to keep expenditure to a minimum while gaining best value from their property on behalf of the communities they serve. Developing an effective service charge strategy can minimise their exposure to cost and expense by maximising recovery from tenants, while at the same time keeping their buildings' systems and finishes up-to-date.

In order to achieve this, local authority estates staff should: -

- Carry out a thorough review of leases and tenancy schedules to identify relevant clauses
- Draw up a schedule of relevant types of covenant, lease terms and timing for each property; and
- Carry out summary inspections of each property and review of the landlord's planned maintenance programme (PMP) to identify areas requiring amendment.

Where authorities have appropriately qualified estates staff, this exercise can be carried out in-house. However, if external advisers need to be brought in to provide these services, the savings that may be made should more than recoup the cost.

When re-letting, and where the lease allows, landlords can ensure that some upgrade and refurbishment to common areas has already been completed. Of course lease terms differ and in some cases tenants will be restricted to repair only. Failure to grasp the importance of an effective approach to service charges aimed at optimising performance can result in property-related costs that could otherwise be avoided.

Aspects of which landlords should be aware include: -

- Failing to do cyclical works while tenants are in occupation and having to fund works themselves;
- Failing to time works in a manner that takes into account service charge caps and discounts;
- Undertaking improvement works which tenants dispute due to limited scope of landlord's covenant to maintain; and
- Failing to time works in a manner that recognises expiration of a lease term and vacation by a tenant.

Conclusions

Both landlords and tenants should ensure they are familiar with the leases they enter into. For local authority landlords this ensures that they can develop an appropriate estates strategy. On the other side of the coin, where local authorities are leasing premises from a private landlord, they should also be aware of their rights and obligations. It is important that authorities are fully conversant with lease terms to ensure they are not being expected to pay for anything that is not their responsibility and can gain maximum benefit from their occupation of leasehold property.

The prospect of public sector organisations taking a commercial approach to property and endeavouring to gain maximum benefit from it - whether as landlord or tenant - may, for some, seem inappropriate. However, local authorities have always been involved in commercial ventures to a greater or lesser degree, whether that means charging retailers for collecting refuse or renting space to a cafe in a local park. The Local Government Act 2003 actively encouraged local authorities to provide commercial services and there is no reason why property should not be considered as part of this equation. If the right approach is taken, public buildings can be made to work harder and produce greater benefit for less money.

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HOW GREEN IS MY VALLEY: THE CHALLENGES OF CARBON REDUCTION

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Kevin is a London based public sector surveyor involved with asset consolidation and rationalisation. He has a particular interest in sustainable property development.

Introduction

The World Metrological Organisation reported in November 2011 that greenhouse gases in the atmosphere had reached record levels over the previous year, with concentrations of CO2 increasing by 2.3 parts per million between 2009 and 2010, more than the average annual rise in the entire last decade. The Organisation believes these emissions will linger in the atmosphere for decades, even if new emissions are stopped immediately.

UK Government's Carbon Reduction Initiatives

The UK government had introduced a number of initiatives designed to help combat global warming. The Green Deal is the latest initiative, alongside other initiatives such as Feed-In Tariffs (FITs) and Renewable Heat Incentive Schemes, designed both to reduce the UK's carbon emissions and reduce the country's dependence on fossil fuels in particular.

Under the Green Deal, energy efficiency improvements to buildings will be made possible without energy consumers having to finance the capital costs of the improvements up-front. Instead, businesses will finance the capital costs and recover the investments through energy bills. The underlying premise of the Green Deal is that estimated savings to consumers' bills will exceed, or at worst equal, the capital costs of the improvement works.

The FITs initiative was unveiled in April 2010 to encourage small businesses, communities and homeowners to invest in renewable technologies such as solar panels and micro wind turbines, with the incentive of being able to sell unused energy back to the grid. The Renewable Heat Incentive (RHI) scheme involves the making of year on year payments for fixed time periods to those installing renewable technologies. (1)

Are these initiatives going to make a real difference?

It would appear so. An increasing number of solar photovoltaic and solar thermal panels on residential buildings in the UK are perhaps the most clear visual indication that property owners are retro-fitting existing properties to make them more energy efficient. Hopefully, this momentum will not drop away following recent government cuts in green energy grant subsidies. Low energy lighting, smart metering, roof and walls insulation, biomass boilers, heat pumps, and grey water recycling are other renewable technological improvements being made to buildings but which are not normally so evident as solar panels installations. As encouraging as the retrofitting of individual properties to date, is evidence emerging of wider local communities starting to take on the challenges of reducing carbon emissions.

In the north Cornwall town of Wadebridge, a not-for-profit co-operative, the Wadebridge Renewable Energy Network (WREN), has embarked on a programme to install solar panels in schools, businesses and homes across the town, with the intention of becoming England's first solar-powered town. Feed-in tariff income is to be reinvested into a community fund. Pooling purchases is enabling WREN to secure competitive rates on solar PV systems, which are designed and supplied by Solarcentury and fitted by "Plug into The Sun", a local solar installation firm. (2)

… but what about green infrastructure?

Trees enhance townscapes and rural landscapes, reduce carbon emissions, form storm water buffers, prevent erosion, and support biodiversity. A single mature tree absorbs carbon at an estimated rate of 21.6k per year, and a hundred mature trees can capture as much as 1,137,000 litres of rainwater each year. Tree populations absorb about 2% of total UK carbon emissions, with the potential to absorb much more. In December 2010, Government launched its Big Tree Plant campaign, with a target to plant one million new trees in cities, towns and neighbourhoods around the country.

Trees act as natural storm water buffers

Urban trees also play an important role in the improvement of air quality in towns and cities by removing and storing harmful pollutants, such as sulphur dioxide, nitrogen oxides, carbon monoxide, cadmium, nickel and lead, present in urban atmospheres. (3)

Urban trees improve air quality by
removing and storing pollutants
(Photograph courtesy of Greenleaf www.greenleaftrees.co.uk)

London Boroughs are planting 10,000 new trees in the capital for the 2012 Olympic and Paralympic Games. (3)

… and what does the future hold?

The renewable technology, which appears to have polarised opinions more than any other, is wind farm technology. Criticisms normally levelled relate to the size of the schemes, their visual impact on rural landscapes and urban townscapes, the noise generated by the turbines, and their comparatively high capital costs of installation.

A British designer Phil Pauley is developing a marine solar cells offshore wind farm. This will harness sun and waves energy without the visual obtrusiveness of offshore wind turbines, and could prove to be the forerunner of a new generation of more environmentally friendly wind farms. (4)

Marine Solar Cells : Harnessing Sun and Waves Energy
(photograph courtesy of Phil Pauley www.philpauley.com)

Recent technological advances in the development of innovative building materials have also been striking.

With concrete for example, aerated lightweight concrete has been developed which offers high levels of thermal insulation, while a self-healing concrete which seals cracks that open up is currently being developed at the University of Michigan in the US. And the Hungarian architect Aron Losonczi has developed translucent concrete called Litracon, which allows light to pass through it. Litracon has won design awards in Germany, Sweden and the UK, and been used in the development of the Hungarian Academy in Rome.

A Hillingdon Borough Council housing redevelopment programme has included a development using a Hemcrete vapour permeable healthy living breathable walling system. The construction method involves timber frame houses on concrete strip foundations with concrete beam and block floor systems, having an external shutter system erected on the outside of the building before the walls are filled with 350mm of Hemcrete, which is a woody hemp core with lime based binders. Highly insulated, thin walls mean that Hemcrete has a very low U value and, unlike other insulators, changes temperature very slowly thereby reducing heating loads. (5)

Also expect to hear more about smart windows. The US company Konarka has developed windows with transparent photovoltaic cells between two panes of glass that generate power as light streams through. The Dutch firm Peer+, is developing windows to filter light by changing the opacity of the glass, generating power as the windows change between bright, dark and privacy modes.

Basalt fibre reinforcement polymer bars are a quarter of the weight of regular steel but twice as strong, as well as being corrosion resistant and having excellent durability qualities. These have been used to reinforce a concrete bridge deck on the single-span Thompson road bridge in Northern Ireland. MagmaTech supplied the bars, called Rockbars, and the scheme was designed and project managed by Amey. It is expected that the wider use of basalt fibre, previously used in the Russian space programme, in infrastructure projects, should realise substantial savings to the estimated £500 million annual costs of repair and rehabilitation of concrete infrastructure in the UK, as the risks of major structural failure from steel corrosion would be eliminated.

Rockbars used to reinforce the bridge deck of the Thompson Road Bridge (Photographs courtesy of MagmaTech)

Whereas the above developments may have an important part to play in either the development of renewable energy technologies or in improving the energy efficiency of new development and the built environment, the planting of more trees in cities and towns and, where feasible, re-forestation of tracts of countryside, should remain at the forefront of the drive to reduce carbon emissions nationally, simply because of the capacity of trees to absorb carbon and other pollutants from the atmosphere.

Tackling carbon emissions reduction through re-forestation of countryside

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TREE SAFETY

Alastair Paul, Consultancy Department,
Knight Frank

Alastair Paul worked in estate management and consultancy for a private practice based in East Anglia, acting for a number of significant private estates and agricultural land portfolios. He joined Knight Frank in 2008 to focus on providing management and consultancy advice to privately, corporately and publically owned estates and investment portfolios in the Home Counties and East Anglia. He has an in-depth knowledge of the issues of land ownership on the "urban fringe" including advising on prospects of future development. Alastair also deals with Compulsory Purchase Schemes.

Purpose of Paper

Alastair explains how tree safety is a very real issue for both rural and urban property portfolios.

Introduction

I am sure that a number of you who have chosen to read this particular article are wondering how the management of trees can be of serious concern to owners and managers of urban property portfolios. What you may not immediately realise is that a single tree in an urban environment can present an arguably greater risk than large numbers of trees on a rural portfolio.

Following recent cases, the most well-known being Harry Bowen & Others v The National Trust and Poll v Bartholomew, judgements were passed and some landowners reacted to what they felt the judge had deemed was expected from the responsible parties. Without any official guidance this resulted in an uncertain situation for all landowners with an increase in trees being removed altogether (even with Tree Preservation Orders in place). Many feared that the country's trees were under threat.

National Tree Safety Board Guidance

In response, The National Tree Safety Board was formed in 2007, but its guidance document Common Sense Risk Management of Trees was only published in December 2011. The guidance is clear and thankfully comprehensive and relies on five key principles: -

- Trees provide a wide variety of benefits to society
- Trees are living organisms that naturally lose branches or fall
- The overall risk to human safety is extremely low
- Tree owners have a legal duty of care
- Tree owners should take a balanced and proportionate approach to tree safety management

Based on these key principles, the guidance states that a strategy or plan is required to guide management decisions and practices. There are three essential aspects that should be addressed:

- Zoning – a review of a portfolio's tree stock in relation to people and property;
- Tree inspections - assessing obvious defects in trees; and
- Managing the risk at an acceptable level - by identifying, prioritising and undertaking safety work according to the level of risk.

More detailed definitions follow.

Zoning

This is defining areas of the portfolio according to levels of use and thereby prioritising the areas of most risk. Someone who is familiar with the portfolio, how it is used and the location of trees should undertake it.

Tree Inspections

Tree inspections of the risk areas identified in the zoning process take three forms.

Informal Inspections. People with good, local knowledge and familiarity of local trees who are closely associated with the portfolio can undertake these. Informal inspections are designed to identify clearly dangerous trees (ones that are falling apart or are uprooting) and action that should be taken to address the issues.

Formal Inspections are an inspection of a specific tree to determine if and when further action is needed, including immediate tree surgery or further detailed inspection. The guidance does not state what level of qualification is needed to undertake this inspection, but the person inspecting would need the ability to recognise "normal and abnormal appearance and growth for the locality" and "obviously visible signs of serious ill health or significant structural problems". To my mind that rules out most property managers.

Detailed Inspections. These are for individual, high-value trees giving high-priority concern in well-used areas. These

inspections need to be undertaken by an experienced and qualified tree expert and whilst in a rural portfolio detailed inspections are rare, for urban portfolios inspections are probably required for every tree.

Managing Risk at an Acceptable Level

Before those responsible for portfolios rush out to look at their trees, it is important to note that the risk (particularly when the number of people increases due to public events) can be mitigated by restricting access to the trees. It is now commonplace to see post and rope fencing around trees at events stopping people from going to, sitting or camping under them and this appears to be a good and very cost effective way to manage the risk in the circumstances.

Conclusions

The guidance is clearly based on the use of common sense and does not set out fixed rules or a tick-box survey to be completed and filed. This has a more important reasoning (other than the coalition drive to reduce red tape) because the risk posed by trees is ever changing and affected by different weather patterns, seasons and diseases. A plan to manage an asset of this nature has to remain flexible.

The need for action should be clearly recognised for all who read this, but the question of who actually undertakes the work can be vexing to institutional landowners. The answer is that it requires action for landowners, land managers and an arboriculturalist or tree surgeon.

It is slightly ironic that this article was written in the same week as The National Trust claimed children are losing touch with nature. Since the tragic Felbrigg Hall incident (where a child was killed and three others were injured by a falling branch), The National Trust has reviewed its approach to this issue but, from my experience, many others have not.

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IS THE FREEDOM OF INFORMATION ACT IN NEED OF REFORM?

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Purpose of the Act

The purpose of the 2000 Freedom of Information Act is to promote greater openness by public bodies, including government departments and local councils, by allowing the public access to all types of information held by these bodies. Any individual, anywhere in the world, is able to request access to any recorded information, such as meeting minutes, reports, research and emails, with the enquirer giving their name and correspondence address but not being obliged to disclose why they want the information.

Spirit of the Act

Few would question the reasonableness of say a UK taxpayer wishing to know how a government department is spending public funds to which that individual has contributed in their tax payments, or a local resident or key stakeholder group wishing to know what a council's plans are and how these plans might affect them.

Other, perhaps unintended, beneficiaries though could be businesses providing information services to clients for direct or indirect financial gain e.g. a business charging clients for advice about buildings or sites across a city which could provide new free schools, or a journalist scratching around for an article to write and making a scatter-gun enquiry about the disposal of all property assets by an authority.

A Need for Reform?

If it was not envisaged that the Act would help beneficiaries concerned with making financial gains, courtesy of finite and stretched public sector manpower resources, then should the legislation now be reformed to exclude such beneficiaries?

If reform obliged each enquirer to reveal: -

- Why they were making the enquiry and
- Whether they would make any monetary or other gain from the use or dissemination of the information being requested

Then this should help limit the number of enquiries being made to those individuals and groups, such as taxpayers, local residents and key stakeholders, which the legislation was primarily intended to help in the first place.

[Editor's note – I think these sentiments will be echoed throughout ACES membership]

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THE TERRIER

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Branch News

DUNCAN BLACKIE, EASTERN BRANCH SECRETARY

The Eastern Branch Spring Meeting was held at Wat Tyler Country Park, Basildon on 2nd March 2012; 21 members attended; there were 4 guests and 11 apologies.

Neil McManus took to the Chair for his inaugural meeting and welcomed Heather McManus, National President, who earlier had been taken on a conducted tour of Basildon by Jim Ross. Heather addressed the meeting and linked her comments to three themes, communication, partnership working and "getting involved". On communication, she challenged us to get out and talk to people, including other public sector property professionals, having established that the vast majority of us rely too much on communication by email. There is so much more to be learned from body language and good communication, which will be vital to cope with the drastic changes the public sector will have to deal with. In this context Heather also highlighted widespread concerns about the potential glut of surplus property that will hit the market in the event of uncoordinated disposals by various public bodies. Finally she assured members that ACES was being consulted and listened to by Government, and the RICS, and that we could all make a difference by "getting involved", sustaining the organisation, and responding to requests for information on behalf of ACES.

This was followed by a general discussion on current topics of interest including the Registered Valuer scheme, Pathfinder work in Cambridgeshire and Wisbech in particular, support for collaborative working between public bodies and other asset management streams being promoted by Improvement East, and new initiatives from HCA to encourage the release of development land through deferred purchase schemes, where land value is paid in instalments through plot sales.

After a report on ACES Council there was a talk by Steve Prewer, Open Spaces Project Development Manager, Basildon Borough Council on the origins, development and purpose of Wat Tyler Country Park. This extends to 125 acres, and is a small part of Pitsea Marshes, 80% of which is now managed by the RSPB. The Country Park now attracts 350,000 visitors a year and is anticipated that the upper limit of 450,000 will soon be achieved. Steve told us that the site had an interesting industrial past, having been used for petrochemicals and munitions manufacture in the 19th century until the MOD took over in the 1920s and used the land mainly for the storage of armaments. By the 1960s the site had become badly degraded and much reclamation work had been completed by the time the Park was officially opened by Sir Len Murray in 1981. Subsequently the advent of land fill tax credits, supplied by adjoining occupier Cleanaway, provided significant pump priming for a later multi million pound capital programme. The Park is now fully revitalised and works include refurbishing the 675sm visitor centre, in which the Branch Meeting took place.

Finally the meeting concluded with lunch and a guided tour of the Country Park.

Duncan Blackie
Eastern Branch Secretary

RICHARD ALLEN, HEART OF ENGLAND BRANCH SECRETARY

The Heart of England Spring Meeting was held at Loxley House, Nottingham City Council's new corporate headquarters, on 8 March 2012; 18 members attended and took the opportunity to visit this state-of-the-art building. The host was the Branch's most recent member, Nick Quinsey, the Council's Acting Head of Estates.

Geoffrey Hibbert, Director of Workplace Strategy and Property at Nottingham City Council, gave a presentation on the Nottingham Workplace Strategy. This was followed by a tour of Loxley House followed by lunch in the staff Waterside restaurant. A detailed report appears in this Terrier on how the Council not only used property as the catalyst but also has used it as the main driver for change.

There was a presentation and discussion on Sandwell MBC's TNRP Review given by Lesley Bunting, the Council's Asset Management Programme Manager supported by David Willetts, Property Services Manager. A detailed report also appears in this Terrier. Lesley explained that the agenda for the review had been set by the RICS TNRP guidelines, ACES model TNRP strategy and review, comprehensive spending review and the need for quick wins. The investment estate had been put into nine property categories and performance assessed against three criteria: financial returns based on a hurdle rate of return agreed with the finance officer; contribution to corporate objectives and priorities; and whether the property was a strategic holding. A traffic light RAG rating had then been attributed to each property to identify poor, fair and good performing properties. A disposal programme for poor performing assets was being implemented. Progress to date is being reviewed with a view to redefining and developing the existing strategy. The main issue being debated within the Sandwell MBC is the reliability of the internal rate of return method of financial analysis used, because it is based on income/expenditure forecasting, and a need to increase the weighting to other performance indicators such as economic development verses estate rationalization.

The North East branch sponsors awards to students at both Northumbria and Sheffield Hallam Universities. It was agreed that discussions should be held with Nottingham Trent University with a view to the branch sponsoring a similar annual prize in exchange for something of benefit to the branch, such as the recipient student giving a presentation on their winning project to a future meeting or ACES conference.

Peter Burt, the new branch chair said that he was keen to increase membership. He was, therefore, pleased that new members from Nottingham City, Derbyshire County and Northampton District Councils had joined since the last meeting.

More requests for support are appearing on the Forum which is good. But concern was expressed that there appears to be a poor response of support from ACES members. The predominant view of the meeting was that response is better than appears as many respond direct to the requestor.

DCLG recently sent out via the ACES Secretary a questionnaire regarding the use of the Code for Leasing Business Premises, produced in conjunction with ACES who support the use of the code. Two branch member authorities had attained accreditation under the code. Both these authorities - Wolverhampton and Bedford - had not found any disadvantages. Bedford considered that it had helped increase their occupancy rate compared with other landlords. Wolverhampton felt that it had improved consistency and removed much of the jargon from heads of terms and information sent to prospective tenants. They also thought that CLAS compliance would work to their advantage should a dispute arise during a tenancy.

There was the usual discussion on a range of general issues. These included the new RICS 'Disposal of assets at less than best consideration' leaflet now produced in a very different form from the first draft. It has been influenced by the recommendation of the Land and Society Commission to work closely with the Asset Transfer Unit. The meeting noted that when looking at disposals it promotes the need to consider the value to society as a whole, not the council alone, in order to support the localism/community asset transfer agenda.

The use of various GIS and asset register systems was raised. One authority had acquired the CIPFA asset management system and found after initial reservations it did the job. Other authorities used mainly Atrium or Technology Forge. The big issue for authorities continues to be that many databases still do not link.

It was mentioned that the Land Registry is making arbitrary decisions over ownership and interpretation of records passed to it for voluntary registration, so concluded that its work needs to be checked by authority surveyors. It was pointed out that the Land Registry has to pay for any mistakes it makes with registration.

No authorities present had decided who will be responsible for the Localism Act 'Community right to buy' list of assets of community value. The general view was that the task would fall to Property. There was a request for an evaluation model to consider bids from community groups. It was mentioned that the Asset Transfer Unit is likely to produce one but that it will be done from the community's angle.

The next Branch Meeting will be held in Oxford on 1st July.

Richard Allen
Heart of England Branch Secretary

CHRIS RHODES, LONDON BRANCH SECRETARY

London Branch started 2012 with a guided tour of Smithfield Markets, kindly arranged by Andrew Wild. Members assembled before dawn on a cold January morning and toured the Victorian market headquarters from which the wholesale meat trade has operated since 1870 with links throughout the UK and worldwide. The listed structure has many fine decorative features and has been updated to meet hygiene regulations for the many traders keeping a permanent presence in the market hall. A market has operated on the site for over 800 years and has only relatively recently become surrounded by the buildings of the financial sector. After this fascinating visit we adjourned to a nearby pub for a very welcome cooked breakfast.

The Branch meeting followed, chaired as usual by Andy Algar, hosted this time by the City Corporation at the Guildhall and attended by around 20 members of the Branch. A talk by the Market Superintendent added some interesting detail to the visit and covered many issues relevant to members such as the operation of historic facilities in areas that have changed, the impact of large-scale infrastructure projects such as Crossrail, and road charging in a business sector heavily dependent on road transport.

The meeting then considered the upcoming Presidential Conference for Andrew Wild and was very sorry to note that our main contact at RICS, Jo Shockley, has been made redundant after a restructuring. Jeremy Pilgrim opened a discussion on the Community Infrastructure Levy (CIL) and its impact on development and regeneration schemes. Members shared information on how the boroughs are dealing with this issue and some of the rates that have been set. There were differing views on how it would affect viability of schemes and land values with Mayoral CIL being a further factor.

Other issues discussed included the Wave 2 Pathfinder project and major planning/regeneration schemes including the Saracens stadium. Members shared views on framework contracts, voluntary sector organisations, recruitment and reorganisation and clawback of HRA funds.

In March the Branch organised a CPD afternoon again hosted at the Guildhall and organised by Neil Webster and Andrew Wild. This was intended to be low-cost and relevant CPD for members and their staff and we were pleased to arrange talks on Localism and the Carbon Reduction Commitment. The technical information will hopefully be published elsewhere. We hope to provide further CPD events to help members make the most of increasingly stretched training budgets.

Chris Rhodes
London Branch Secretary

JOHN READ, NORTH EAST PRESS OFFICER

Branch Meeting

The last North East Branch Meeting was held on 24 February 2012; hosted by Hartlepool Borough Council. Continuing with the tradition of holding our meetings at a wide variety of venues, our hosts invited us to Hartlepool's Maritime Experience, formerly known as Hartlepool Historic Quay. This tourist attraction is a superb re-creation of an 18th century seaport and a fantastic place to visit for families, groups, schools and well… almost anybody. It brings to life the time of Nelson, Napoleon and the Battle of Trafalgar and the publicity information invites guests to "travel back in our maritime machine to experience how it was aboard a real British naval frigate, two centuries ago. Explore the historic quayside, featuring 'Press ganged', 'Fighting Ships', realistic period shops and houses and much more".

On entering the venue, we were greeted by a life size cardboard cut out of "Captain" Jack Sparrow and got to walk down the cobble street and past the HMS Trincomalee on our way to the conference and events facilities. Our hosts even managed to arrange a beautiful sunny day.

The business of the day started with the usual introductions from Daniella Barrow in the Chair, who also gave members an outline of the programme for the Spring Conference to be held in Barnsley in May, and Dale Clarke as host and Vice Chair. The day included a number of presentations and a short bus trip around some of the key regeneration sites and opportunities in the town, all of which provided those attending with some excellent CPD and networking.

Presentations made at the meeting were as follows.

Hartlepool Marina Development

Anthony Steinburg, Economic Development Manager, Hartlepool Borough Council, gave a presentation detailing the story so far and the next steps to regenerate the town. He outlined the history of Hartlepool docks and how 200 acres of derelict land had been transformed into a thriving tourist centre with its 500 berth marina; Hartlepool's Maritime Experience; Irvines Quay - deep water facility; Navigation point - night time economy hub and a variety of office and residential developments. He also ran through some of the recent major developments in the town including a £53m investment by Hartlepool College of Further Education with its specialism in renewable energy and £200m of investment by the Huntsman Corporation.

Moving forward, Anthony outlined the success of the borough in securing 55% of the Regional Growth Fund allocation across the Tees Valley, which included £26m grant and £220m private sector investment creating/safeguarding 2,300 jobs. He also gave an insight into the work of the Tees Valley LEP and the allocation of three Enterprise Zones in the area and how they would contribute towards future growth in the renewable energy, fine and speciality chemical and high value engineering sectors.

The Case for Professional Valuation Software in Times of Austerity

Olly Freedman of KEL Computing Limited gave a brief introduction to KEL and their suite of valuation, appraisal and analysis software with the aid of a PowerPoint presentation which included a range of slides from a photo-shoot featuring a lady called Betty.

Whilst some of those present already used KEL products, Olly focused on outlining the operational and efficiency benefits and set out the business case for investing in KEL products. This was done with the aid of testimonials from other authorities, (not just Betty), and practical examples of how the reporting and analysis functions could be used to gain added value from the product range.

Neuro Linguistic Programming

Mark Wake of Awaken Consultancy and Training Services is a Master Practitioner and Trainer of Neuro Linguistic Programming (NLP), an applied psychology of performance excellence used by many organisations to enable sustained business and individual success. Mark gave us all an overview of NLP & how it can be used to improve communication skills and influence personal and organisational change. His presentation posed the following questions:

- Who is responsible for your communication?
- Is communication clear?
- Do you say what you mean?
- Do you listen?

Mark then put us all to test asking us to complete a short questionnaire called 'The Representational System Preference Test'. This included a number of statements each with four options that we had to priority rank based on those which indicated our preference. As an example, one of these was:

During an argument, I am most likely to be influenced by,

- The other person's tone of voice,
- Whether or not I can see the other person's argument,
- The logic of the other person's argument,
- Whether or not I am in touch with the other person's feelings.

Once we had all completed the questionnaire we were asked to follow a 3 stage scoring process that showed our relative preference for each of the 4 major representational systems (Visual – Auditory – Kinaesthetic – Auditory Digital). Before we all revealed our results, based on the make up of his audience and our professional background, Mark predicted that the majority of us would fall within the Auditory Digital category…. and he was correct.

You might ask what an Auditory Digital person is? Well, they spend a fair amount of their time talking to themselves. They memorise by steps, procedures and sequences. They will want to know that a programme makes sense and can sometimes exhibit the characteristics of the other representational groups.

Mark's presentation was very interesting and enlightening and gave us all a chance to reflect on how we communicate, how others might communicate with us and how we might enhance our communication skills.

I would recommend that you Google "The Representational System Preference Test" and try for yourself.

The Hartlepool Tour

After a break for lunch, Dale Clarke took us on a narrated bus trip around some of the key regeneration sites in the area outlining his Councils vision and the challenges faced. These included the master plan for the regeneration of the seafront at Seaton Carew, Jacksons Landing, a long vacant former retail outlet development and the land around the Hartlepool United Football Club stadium.

Finally

On return to the venue we closed the meeting after discussions on recent forum topics, ACES and professional matters. In all a varied and busy day programme of CPD and networking which we hope to continue for future branch meetings.

John Read
North East Press Officer

ACES NORTHEAST BRANCH, THE FIRST 20 YEARS

Correction

In the article appearing in the Winter 2011/12 edition of The Terrier the wrong caption appeared under the photograph in the top left hand corner of page 34. The caption stated Bernard White instead of John Read. By way of apologies to all concerned and to put matters right, please note the 2 photographs below of both John and Bernard in training for the Keirin cycling event in the 2016 Olympics.

John Read ACES NE Branch Chairman 2005-07 and now Branch Press Officer"

Bernard White ACES NE Branch Chairman 1995-1997"

KEITH JEWSBURY, NORTH WEST BRANCH SECRETARY

November 2011

The North West Branch AGM was held at the West Lancashire Investment Centre Skelmersdale, the offices of West Lancashire Borough Council; 33 members attended. The National President, Heather McManus, attended in her new capacity and also as the Branch member for Lancaster City Council.

The meeting opened with an address by the Borough Economic Regeneration and Strategic Property Officer, Jayne Traverse, who welcomed the members. Jayne talked about her appreciation of ACES role and influence and the future of property. The use of property and sound professional advice was key to future regeneration and economic recovery through strategic asset management, comprehensive portfolio review and working with the private sector.

The Chairman, Keith Beamer, thanked Jayne Traverse for her welcome and presented her with a £100 donation to the West Lancashire BC Mayor's Appeal Fund (Women's Refuge and First Response).

Following the usual business of annual meetings the Branch General Secretary, Keith Jewsbury, reported on the last year and summarised the presentations that had been made to Branch Meetings in 2011: -

- February, the 2010 Revaluation Issues particularly in relation to retail markets, Jim Gallagher of DVS.
- April, the Localism Bill, Shared Services and LABVs, Beth Evans and Rob Harrison of Bevan Brittan LLP
- July, background history and redevelopment of the former railway warehouse to form the Bury Transport Museum, John Leatherbarrow of Bury EDS.
- September, Financial Viability in Planning, Ian Carruthers of DVS.

The following were elected as Officers of the Branch:

Chairman, Rachel Kneale, West Lancashire

Senior Vice Chairman, Trevor Bishop, Blackburn Capita ymonds

Junior Vice Chairman, Andrew Voss, Cheshire East

General Secretary, Keith Jewsbury, Past Member

Hon. Treasurer, Roger Handscombe, Past Member

Hon. Auditor, Neil Willitts, Past Member

Keith Beamer reported that the National AGM had been held in Edinburgh on the 11 November at which he and others were pleased to witness the installation of Heather McManus as National President and had delivered an excellent address.

Heather then addressed the meeting and advised the NW Branch that this was her first Presidential Visit and she was very proud of that. She noted that she joined ACES 12 years ago and she saw 3 key issues during her presidential year: -

Better working with Partners – These were challenging times for LA surveyors and we needed to change and work better with our public sector partners. Heather saw this as key to rationalisation and regeneration and she would liase at a high level with other bodies. This also meant encouraging more Partners to attend ACES meetings.

Links with Central Government – Heather reported that ACES is now a key provider of information, experience and knowledge to Central Government. ACES' input into property debates of Government is becoming very influential and her aim was for ACES to expand its role in this respect even further.

Membership – Heather identified many good people were leaving ACES and she questioned who is going to be around to run the business. She noted that she would like support on ACES Council and Working Groups and put out a plea for Members to engage. Heather advised that she would be introducing a mentoring programme particularly to be delivered by members who are leaving and Past Members.

Rachel Kneale of West Lancashire Borough Council was then duly installed as Chairman for 2012. Rachel expressed her immense pride in becoming the Chairman of the ACES NW Branch and hoped she could continue the good work done by the outgoing Chairman. She gave an interesting talk on the background to her entry into the property profession and cited many past and current members that she had had the pleasure of working for and with during her career to date. Her role at West Lancs will have an emphasis on regeneration during 2012. Rachel referred to the significant number of years' professional experience on the Executive and in the NW Branch and for 2012 particularly invited Members who had received feedback from requests for information to share this at a future Branch meeting. She closed by saying how much she was looking forward to her year as Chairman.

The new Chairman presented Keith Beamer with a donation for his charity, the Young Onset Group.

John Ryding, of West Lancashire BC, then gave a very entertaining presentation on procurement of works and services in the public sector. His main theme was the many challenges to procurement that had escalated recently due, in part, to the economic situation. He described the strict timescales and criteria for challenges in what was an increasing complex OJEU procurement world. Key areas of challenge related to changes to contracts after they were awarded and to perceived failings in the tender evaluation process and scoring mechanisms. The costs to local authorities of successful challenges demonstrating "ineffectiveness" could be massive, particularly if awarded contracts had to be set aside. Case law was still developing and some commercially driven challenges were being thrown out. John referred to the key lessons that were to follow the regulations to the letter and never diverge from what you have said you are going to do with regard to the award and delivery of contracts.

After the close of the meeting the Members enjoyed an excellent buffet lunch kindly provided by West Lancs. Borough Council.±

February 2012

The February Ordinary General Meeting was held at our usual venue at Haigh Hall near Wigan; 22 members attended plus one member of staff deputising for the member.

Following the usual administrative business of the meeting, Rachel Kneale, the Branch Chairman, reported back in respect of the ACES National Council held on the 20 January.

Greg Jones and Colin O'Mara attended from United Utilities and gave a presentation on topical matters notably the recent implementation of Private Sewers Transfer. This became effective from October 2011 and was designed to eliminate historic problems with private sewers. The talk illustrated the new responsibilities falling on water authorities where pipes serve two or more properties. It was noted that private pumping stations were intended to transfer transitionally up to 2016. Greg also referred to the new Building Standards to be introduced for all new sewers from 1 April 2012; this prompted discussion on practical issues for members.

Members were invited to raise items of professional interest to those attending. Subjects that prompted much debate and interest included sales of housing land to RSLs at nil consideration and how authorities were approaching this; the emergence of joint approaches to asset management involving county and district councils and health services; dealing with the new rules for Assets of Community Value and whether this should sit with the Property Unit, or more likely, the Community/Policy Teams; continuing CPO projects in authorities for transport and housing purposes; the ongoing development of flood defence and storage facilities and how these impact on landowners, and valuations under the Crichel Down rules.

Keith Jewsbury
North West Branch Secretary

JOANNE FORBES, SCOTTISH BRANCH SECRETARY

The second meeting of the Scottish Branch was held on 24 February 2012 and hosted by Renfrew Council at their offices in Paisley; 13 members attended.

The meeting started with a very informative presentation by Claire Guerin, Design and Waste Prevention Manager with Zero Waste Scotland explaining the activities of this organisation and encouraging the Branch to consider asset management projects or initiatives within their own organisations aimed at driving down costs. Claire advised on the implications of the Zero Waste Regulations and the challenges in achieving the ambitious targets set by Scottish Government as well as the need to change behaviour in terms of reuse and recycling, highlighting the asset management and business development opportunities that this presents. There was lively discussion regarding some projects already being delivered such as the "lease of lighting services" by Philips whereby LED and dynamic lighting units are leased from Philips rather than purchased with Philips encouraging further innovation by also paying the lighting energy bill. Further information on the activities of Zero Waste Scotland can be obtained at www.zerowastescotland.org.uk

The Branch then went on to discuss a variety of legislative changes and consultations that members have been involved in, particularly the implications of the Long Leases Scotland Bill which seeks to convert certain types of long leases to ownership.

The Branch Secretary thanked members for their participation in the successful joint event held by ACES Scottish Branch and Community Ownership Scotland on 25th January 2012. The event, including keynote listeners from organisations such as Big Lottery, OSCR, Scottish Government and Development Trust Association Scotland debated issues surrounding Community Asset Transfer through a series of presentations and workshops. The results of the workshops are being used to inform further review by all the organisations involved and representatives from the Branch will be invited to attend more specific meetings to develop recommendations in respect of addressing the issues of:

- Discounted price/community benefit
- Inclusion of claw back in disposal transactions
- State Aid

Common Good has been the subject of considerable debate over a number of meetings and the Branch is making arrangements for a joint event with SOLAR in June to discuss issues and identify best practice.

The meeting concluded with an update from the various working group chairs which confirmed a wide range of activity in terms of Valuation and Asset Management.

Joanne Forbes
Scottish Branch Secretary

BOB PERRY, SOUTH WEST BRANCH SECRETARY

The South West Branch Spring Meeting was held at Cockington Court in mid March 2012; 16 members attended. Cockington is an attractive village with many charming thatched cottages and a manor house now owned by the local authority and recently refurbished as a conference and craft centre. The stable block has been converted into a number of workshop units, and more modern ones have been built nearby.

Members attending travelled from as far afield as Truro, Stroud and Salisbury, and together we discussed a wide variety of professional matters including comparable information for those specialist jobs which keep coming up, issues with town and village green applications and the current poor state of the property market. We questioned whether there needs to be quite so many property information websites, and wondered whether the ACES website needs to restrict access to the Forum to members. Sam Partridge updated us on the current state of play of our relationship with RICS and we planned our future programme, which is to include a training event to focus either upon the Localism Act or upon Community Asset Transfers and the Community Right to Bid. Our summer meeting will be held in Dorset on 22 June, while for our AGM we shall return to Oake Manor Golf Club in Wellington in November.

Following the business meeting and lunch, two representatives of Torbay Development Agency, which manages Cockington Court, took us on a tour of the workshops where we were able to see the different crafts which are being practised there and could speak to some of the practitioners, before we enjoyed tea prior to dispersing.

Bob Perry
South West Branch Secretary

Other Interest Areas

THE SUFFOLK SCRIBBLER

Sporting Miscellany

What better way to spend a freezing cold, damp and dismal Easter Bank Holiday than sitting close to a real blazing fire and watching the year's first professional cycling classic, the 259 km Paris- Roubaix race? Not for nothing is it called "the Hell of the North" due to much of the course being on cobbled lanes livened up with horizontal sleet and depressingly low temperatures. Today, however the weather looks almost clement. Some spectators have removed gloves, scarves and bobble hats!

Remember Eric "The Eel" Moussambaul of Equatorial Guinea who swam for his country in the 2000 Olympics in Sydney? He was the one who seemed ill at ease with swimming and registered incredibly slow times in his races with the pool lined with alert life guards. Well he's back and will be at the London Games having been appointed swimming team coach for his country.

Will Eddie the Eagle, the British ski jump record holder, make a comeback at the next winter Olympics?

After Fabio's somewhat abrupt departure (never, probably, has the phrase "crying all the way to the bank" been more appropriate") the overheated talk about 'Arry has eased off a bit. Although he has received almost universal acclaim from the British Press they could easily turn on him. For example in explaining why Samassi Abou, then a West Ham striker, had been omitted from a team sheet 'Arry announced at his weekly press conference that "The lad went home to the Ivory Coast and got a bit of food poisoning. He must have eaten a dodgy missionary or something." I cannot think of any previous or potential England Manager who could get away with saying that.

My money is on Stuart Pearce, "Psycho", who has a more of a breadth of experience. Before being transferred to Nottingham Forest in 1985 he played for Coventry and at the same time worked as a self-employed electrician. It is rumoured that one of the things that clinched his move to Forest for £240,000 was that he was prepared to rewire Cloughie's house for a very keen price.

Finally back on planet Sky football watchers are forced to endure a never-ending beauty parade of aspiring, and perspiring, well-scrubbed and smart suited football insiders, ex professionals and failed managers all, vying for the lucrative contracts abandoned by the "lady referee's assistant two". On and on they drone, some only speaking in clichés, some adopting the role of "players' friend" and some the constantly joking Jack-the-lad. The only thing that shuts them all up instantly is if the ref blows up for offside and the director switches to a picture of the aforementioned lady referee's assistant pointing her flag across the field.

The Scribbler Motorhome

For information members may wish to know that I have got rid of my executive motor caravan and just before Christmas replaced it, and my car, with a micro motor caravan based on a Fiat Fiorino. Just so you will all recognise it at future ACES meetings here's a recent picture.

Wat Tyler

The new vehicle had, by coincidence, its first outing at the ACES Eastern Branch Spring Meeting, summarised elsewhere in this issue. We had to travel to the Deep South for this meeting, namely Wat Tyler Country Park Basildon. The Park extends to 125 acres, and is a small part of Pitsea Marshes, and the location was described by Steve Prewer, Open Spaces Project Development Manager, Basildon BC, who gave us a talk on the origins, development and purpose of the Country Park, as "a glacial non-conformity on a sea of alluvium."

But who was Wat Tyler? Knowledge of his early life is limited and derives mostly through the records of his enemies, as is everything else we know about him. Historians believe he was born in Essex, but are not sure why he crossed the Thames to Kent. However he was involved in the Peasants' Revolt.

With news of rebellions in France and Flanders, the start of the "European Spring" in today's terminology, England readied for insurrection. Tyler and other rebel leaders advocated the destruction of the hierarchical feudal system. Contemporary chroniclers recorded harsh and often unfounded criticisms of the rebels but given that they belonged to the educated upper classes, who were the targets of rebellion rather than its supporters it is difficult to get an accurate sense of the actual aims and goals of the rebels.

The rebels also had issues with the Dukes of Lancaster, York and Gloucester governed in the name of Richard II who was only 14 at the time of the rebellion. The rebels held that the Dukes were traitors to the King and undermined his authority. The final straw was the imposition of a poll tax of three groats, which outraged the people because it was the same for rich and poor.

Tyler led the Peasants' Revolt, a mixed group of simple peasants and village craftsmen and tradesmen in taking Canterbury, before advancing to Blackheath, outside London. Tyler then entered the city of London at the head of a group estimated at numbering over 50,000. After crossing London Bridge without resistance, the rebels then gained entry to the Tower of London and captured the unpopular Archbishop of Canterbury, before proceeding to behead him and several of his followers. The rebels also destroyed the Savoy Palace during subsequent rioting and killed the King's uncle. Richard of Wallingford presented a charter to King Richard II on behalf of Tyler. The King met the rebel army at Mile End and promised to address the people's grievances, which included the unpopular taxes.

Twenty thousand people assembled at Smithfield. Richard II agreed to meet the leaders of the revolt, and listen to their demands. Wat Tyler decided to ride out alone and parley with the King. What was said between Wat Tyler and the King is largely conjecture and little is known of the exact details of the encounter; however, by all accounts the unarmed Tyler was attacked without warning and killed by the Lord Mayor of London, Sir William Walworth and John Cavendish, a member of the King's group. This unprovoked betrayal of the truce flag and Tyler's killing threw the people into a panic. Not being organized as a military force, they broke and began to flee for their lives.

Wat Tyler's death (left to right: [unidentified]; SirWilliam Walworth, Mayor of London (wielding sword); Wat Tyler; Richard II of England; and John Cavendish, esquire to Richard II (bearing lance)"

The site of the Country Park had many earlier uses including, due to its isolated and undeveloped nature, the location of a newly developing Gun Cotton Industry. This shows the thoughtful nature of the people of Essex because when Suffolk's Gun Cotton industry was founded it was located near to the centre of the quiet market town of Stowmarket. Inevitably when an accident occurred and a massive explosion devastating the Gun Cotton Works it took a big part of the town with it.

Sir Paul McCartney

I've never really liked this particular Beatle and I'm not sure why. Perhaps it's because he failed to turn up to an arranged meeting on a Boxing Day years ago but it's probably due to seeing him turn up to his knighthood investiture in gym shoes.

About a year ago I listened to a radio documentary programme about a famous meeting between the Beatles and Muhammad Ali, both at the height of their fame. The meeting, held primarily to generate some interesting photographs, was fraught with difficulties and misunderstandings, mainly because although the Beatles knew who the boxer was Ali had no idea who the Beatles were. The punch line, pardon the pun, was delivered by Muhammad Ali to his minders after leaving the meeting and it was, "Tell me again, who were those 4 sissy boys we just met?"

By coincidence a few weeks after hearing that programme I saw a news film clip of Sir Paul at some formal presentation; and I think it was this that began my change of mind. In the audience was Muhammad Ali looking, as usual, and tragically, completely non-plussed and when Sir Paul came to the end of whatever he was talking about he looked Muhammad in the eye and reminded him of that meeting. There was a glimmer of remembrance. "Do you know," Paul went on, "although you were World Champ at the time we were young and fit and could have taken you down." Muhammad responded with a slight shake of the head, and a smirk, and then a genuine smile of understanding.

The Suffolk Scribbler

CROSSING THE DIVIDE

Neil Webster, Cyclo Consulting,
cycloconsulting@gmail.com

Neil has had a 30-year career in real estate change spanning client side and advisor, public and private sectors, UK and Europe. He is passionate about getting value for money from the public estate having delivered projects in health, local government and policing. He currently works at the interface between service need and property supply - the "Surfactant" role. He recently completed a 2-year Interim role at the Metropolitan Police where he sat on their Operational Transformation Board and represented them on the West London Property Board. He contributed a chapter to RICS Public Sector Asset Management guidelines and is also a mad cyclist.

Introduction

A significant number of people, including ACES members, have given a lifetime of service to the public sector. However, with the current changes running through central and local government this is likely to change. Many property teams are, rightly or wrongly, being downsized to meet the financial targets. Those at, or near, retirement age may chose to retire earlier but there will be those who still have careers ahead of them. Has the profession prepared them for life beyond public service?

Alternatives

So what is the alternative and do they have the skills to make the transition? Many think that full time employment in the public or private sector is the only option. For some it may be. As an alternative, many make a good living taking interim posts. In the current climate these have been more readily available and many people enjoy the variety of the changing circumstances. But it is not for everyone and has its risks if you need a steady income.

Consultancy

Then there is what some refer to as the "dark side" – consultancy. This is a bigger divide to cross because the style and culture of the work environment is very different. However, even consultancy has its varying sub-sets. One could work full time for one of the private practices. Some may even have made this leap already by being the subject of TUPE as part of an outsourcing contract. However, there are many who have tried to make the transition to private practice and either not enjoyed it or simply not been able to adapt. Everyone has their own story but some of the common differentiation themes are networking, selling/fee generation and client management. Rather than simply being provided with a flow of work from the internal client the private practitioner has much more of a role in finding the work, converting it into sustainable fees and managing the client. This is by no means everyone's "cup of tea"

Beyond a full time role in private practice, the consultant can work as a self-employed individual. Sadly, many current procurement regimes count against the small to medium sized enterprises (SMEs) but supposedly the current government policy is to remove this barrier. A more recent trend is to be part of one or more virtual teams. A company or partnership will have a core of employees then assemble teams with additional personnel according to the assignment. This can be particularly beneficial for a client who is seeking a highly experienced team that is unlikely to be sourced from one of the traditional consultancies. A middle ground may be as part of a larger consultancy's project team where the experience of one or more public sector principals is needed.

Conclusions

All the above show that there is more than one way to proceed and not all are mutually exclusive. It depends on the individual, the motivation and the risks that they are prepared to take. Some may also make the leap beyond pure technical consultancy into management consultancy. This will be the subject of another article to appear in The RICS Commercial Property Journal later in the year.

Please note that Cyclo Consultancy is not a recruitment agency but Neil would be more than happy to discuss any of the above with ACES members.

Neil Webster,
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ACES Presidency 2012.

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Paul Over, Immediate Past president

Notes

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