ACES Terrier

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

Volume 29 Issue 3 Autumn 2024

ACES

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ACES TERRIER

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

EDITORIAL

Betty Albon editor@aces.org.uk

Welcome to the 2024 Autumn Terrier.

Well, ACES National Conference has taken place at the memorable location of Norwich Castle. It was a very full day, and this issue contains a detailed write up of the day, thanks largely to former President, Peter Gregory. Additionally, most of the presenters agreed to prepare individual full articles on their topic, and although time was tight, many pulled out all the stops to submit them for this Autumn Terrier. My thanks to all.

This has proved to be another bumper issue, with a lot of material on striving to reach net zero, regeneration and retrofit, and potential government initiatives like the future of the Green Belt, plus a range of professional matters. Rather than me list them, just glance down the contents page!

Sara Cameron has written her last report as #PresidentOnTour in her campervan. Goodness, it makes me tired just reading it. She has also pulled out all the stops to give ACES maximum exposure in the national property world, so well done Sara.

And don't miss the write up about the gruelling but life affirming Yorkshire Three Peaks Public Sector Challenge. The team is still fundraising for Cancer Research UK. Please support the fundraising efforts if you can https://fundraise.cancerresearchuk.org/page/aces-public-sector-challenge-team-2024 .

Finally, thanks to all my branch colleagues for submitting a good set of reports for this issue.

Please share ACES' Terrier with colleagues - in hard copy and online www.aces.org.uk/library/.

While every reasonable effort has been made to ensure the accuracy of the information and content provided in this document at the date of publication, no representation is made as to its correctness or completeness and no responsibility or liability is assumed for errors or omissions.

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Cover photo: ACES National Conference, Norwich Castle, courtesy of Nicola Jane Photography (Suffolk)

NATIONAL COUNCIL

Notes of ACES Council Meeting held on 12 July 2024

Trevor Bishop, ACES Secretary secretary@aces.org.uk

This was a hybrid meeting and the face-to-face element was held at The Exchange Centre, Lancashire County Council, Preston. Twenty two members attended the meeting in person or remotely, making the meeting quorate.

Detailed reports on the majority of these topics are published on the ACES' website www.aces.org.uk.

Before the meeting commenced, a period of silence was observed following the sad passing of ACES member Graham Colbourne.

Matters arising

Reference was made to the Public Sector Challenge support and noted that the approved amount of the financial support wasn't recorded in the minutes. The Secretary noted this and will record the amount.

President's report

The President, Sara Cameron, reported on her activities since the last meeting. She referred to a recent RICS meeting she attended that involved many high level attendees, including newly elected MPs, senior RICS personnel, and major property firms, and she was very proud to report excellent feedback on ACES at the meeting. It appears that many of the recent ACES initiatives are now "getting out there" and opening areas for ACES to influence thinking.

The President mentioned that she had talked at the recent CIPFA's Public Finance Live event in Manchester, which went well; good to hear from Section 151 officers on property related matters.

She also noted that there was a lot more that ACES could be doing, but there was a limit to how far she could reach! In this context, it was considered that ACES Council and ACES members generally should be encouraged to mention the Association at events and meetings they attend, to strengthen the exposure we are currently getting.

In relation to the improved recognition of ACES, discussion took place around how the organisation could position itself with the new government following the general election, in the light of the significant changes ahead in the property arena and the need for our voice to be heard. It was commented that we can explore inroads through our contacts in RICS and central government, but it was also agreed that we should write a letter to the Deputy Prime Minister (DPM) at an early date. In view of the NW links with the DPM and the Mayor of Manchester, Paul Edgeworth agreed to make a start on this. [Ed – see President on Tour report in this issue of ACES' Terrier].

Secretary's report

The Secretary, Trevor Bishop, reported on matters arising during the period since the last Council meeting. He provided the latest statistics on membership which showed a continuing increase in membership numbers. It was pleasing to report that the increase in membership included some organisations new to ACES. Charts were displayed showing the increase in membership over the last 5 years and the number of members by category, showing a corresponding increase in full membership.

A point was raised about the age profile of ACES membership and ensuring this was appropriate for the Association and it was confirmed that this would be picked up in the Membership Review alongside the FACES initiative.

On subscriptions, the Secretary confirmed that at the time of reporting, 84% of invoices sent out in December 2023 had been paid. It was noted that the figure of 84% did not include arrears from previous years, but these were being vigorously pursued with the help of branches.

The Secretary reported on work he had done in progressing support in the form of an Assistant Secretary (see below).

Financial matters

The Treasurer, Chris Hewitt, presented his report on the financial position of the Association.

He tabled an updated management accounts document which showed a Statement of receipts and payments over the last nine months, together with a Statement of financial position and a summary document showing the totals for the year. Overall, it showed a steady robust performance.

The key headline coming out of the report in this format was that the income from subscriptions, Corporate Membership and the SAM Diploma exceeded the operating and other costs, albeit that some expenditure items were outstanding. It was noted again that nearly a third of the Association's total income was derived from the SAM Diploma course. Attention was drawn to the healthy reserves that had been built up over the years and that formed a helpful safety net for the Association.

Reference was made to the payment to branches of their element of the subscriptions. It was felt that branches needed more detail on the members that had paid - and particularly those that had not paid - and flag up what branches needed to do to help with arrears. The Treasurer and Secretary to explore a way to share the relevant information.

The Treasurer was requested to provide full 12-month figures to the online Council meeting in October to enable full consideration before the AGM.

Report of Head of Engagement

The Head of Engagement, Neil Webster, talked through his report on matters arising during the period since the last meeting.

He confirmed that he and the President had attended the UKREiiF event in May. The bulk of attendees were from high level management roles, so the emphasis was not on securing ACES membership, but more about exposure again and influence. In this regard, the Working in Partnership document was launched at the event [Ed – see full report in this issue] and the Public Sector Forum will continue to meet on the back of this. The other initiative raised at the event was the Offices for Good work supported by a number of local authorities and this was well received at a roundtable gathering. This initiative will be pushed further with support from Local Partnerships [Ed – see 2024 Summer Terrier].

In advance of the next UKREiiF, Neil tabled an idea to get "Year 9" students engaged in property and the public sector (a pre-FACES initiative) to address the potential skills and resources gaps in the profession. He had received support for this particularly from Jackie Sadek who is happy to take forward through EG, and many others.

Neil referred to recent discussions with RICS which was keen to see more videos from ACES members to promote the public sector (similar to Daniella Barrow's) which RICS was keen to support. It was considered that branches might assist with this.

Simon Hughes advised that next year's UKREiiF event was booking up very quickly and ACES needed to move quickly to get space. It was agreed that ACES should continue to attend as it was so valuable, even if the Association had to pay.

Re FACES, 175 members are signed up, and growing. The President confirmed that FACES will be represented again at the National Conference [Ed – see conference write up in this issue].

Consultations

The Senior Vice President (SVP), Dan Meek, reported that there had been no further consultations since the last meeting. RICS is consulting on its Entry and Examination Pathway and ACES will contribute accordingly.

ACES' Terrier

The Editor, Betty Albon, referred to significant income from advertising for the whole year, which was not reflected in the 11-month management accounts. She reported on advertising for the year, having gained two new advertisers, but losing one for this year. She was pleased that she was getting a good number of approaches between editions which helped spread the workload.

The Treasurer noted that it would be good to allocate some of the Corporate Membership reserves to ACES' Terrier as another pointer to why and how we use the income. SVP commented that ACES' Terrier was one of the Association's greatest assets and was so well received that we should not be concerned if it cost us funds, in the whole scheme of things. Council agreed.

Core Management Team

The Secretary reported that the Core Management Team (CMT) had met from time to time to discuss items to bring forward to Council for notification or for approval as necessary.

The following actions and decisions had taken place requiring endorsement or approval of Council:

- Approval of final detail of the job description and marketing proposals for the Assistant Secretary and Corporate Membership Officer posts. It was considered that ACES should have a position on IR35 legislation and the Treasurer will explore this in the context of remunerated officers
- The fine details of the Conference Financial Plan now prepared by the President were discussed with some minor changes approved by CMT, subject to endorsement by full Council by way of an MS Forms vote
- Final arrangements for location and details of the 2024 AGM approved subject to full Council
- The "Terrier Website" proposed by Marcus Macaulay was reconsidered. In view of the cost, it was considered it could be taken up with just a couple of back copies and then taken forward with new editions of ACES Terrier to spread the cost on a quarterly basis. In association with this, it was agreed that the role of a Social Media Champion needs to be revived
- Following the sad passing of former President, Tom Fleming, it was agreed that a charity donation be made to the hospice that looked after Tom. The Secretary to liaise with the Treasurer

- As it was a number of years since officer hourly pay rates were set, and inflation had been an issue recently, it was agreed that the Treasurer would bring a paper to Council with proposals (see below).

The Secretary noted that Council had approved the Conference Financial Plan following the MS Forms vote.

Corporate membership

The Secretary noted that this item had been largely dealt with in the report by the Head of Engagement and the Secretary re-affirmed that, in the absence of the appointment of the Corporate Membership Officer, matters were being progressed as required by the President, the Secretary and the Head of Engagement.

ACES constitution – proposed changes

The Secretary, in the absence of the Immediate Past President, Helen Stubbs, referred to the update report provided by Helen for the meeting.

He advised that a working group comprising the Secretary, Keith Jewsbury, Alan Richards and Helen Stubbs had met and carried out an initial review which had culminated in a document (Appendix 1 published on the website) which established the rules needing further attention and why.

The Secretary referred to the next steps which included more detailed review of the identified clauses, redrafting where appropriate, and reporting back to Council and the AGM for approval.

Council was requested to feed back any comments to Helen as soon as possible to help inform the direction of the next review and redrafting. It was noted that it would be helpful if Helen could produce a timeline of next steps, with a view to ensuring full and considered reporting to the AGM. This needed to include Council sign off at the October Council meeting in order to assist with an efficient approval process at the AGM.

ACES Membership Review

The Secretary referred to the update report submitted by Helen Stubbs on progress with the ACES Membership Review. This confirmed the appointment of a working group comprising Chris Gill, Julie Blight and Helen McLeod-Baikie who met on 4 July. It was noted that a proposal/action plan was to be prepared for consultation by way of a national survey and also at Branch meetings.

Forward Plan 2024

The Secretary advised that this was work in progress and that he and the Head of Engagement would continue to develop the visual representation and bring in the recent initiatives, to ensure key events were on track and adequately resourced.

Support for National Secretary

The Secretary outlined the job description for the proposed Assistant Secretary support role. It was considered preferable to cover all support duties in one role, rather than have individual roles for such matters as the conference or the website. The process for advertising the post, the application form, and the proposed offer letter to the successful candidate was presented to Council. The offer letter referred to the hourly rate and a proposed remuneration cap.

As the cap was difficult to predict at this stage, it was proposed to introduce a review of the post after 6 months and then again in another 6 months. Rather than refer to a financial cap, it was proposed that the cap be described as "in the order of 220 hours".

Noted that reference to IR35 was needed in the offer letter and that the new proposed hourly rate be included, as well as the current rate. Council approved the revised proposals.

The Secretary then referred to the proposals for the Corporate Membership Officer post which had a simpler job description based broadly on the previous JD for the Sponsorship Officer. It was noted that the offer letter for this post would be similar to that for the Assistant Secretary, as above. This was approved by Council.

Pay review

The Treasurer introduced the rationale behind bringing a review of the hourly remuneration rate for officers (and SAM Diploma presenters) to Council at this stage. Before discussion took place on the detailed proposals, ACES officers present at the meeting, and online, were asked to "leave the room" until decisions were made and approved.

The President and Council approved, subject to ratification at the November 2024 AGM, a proposed new hourly rate for officers and that the remuneration be reviewed on a 3-yearly basis.

With regard to the CIPFA SAM diploma presenters, it was approved that the rate for presentations be increased in line with the CIPFA course fee increase. The hourly rate for preparation to be subject to AGM approval.

The new hourly rate, if approved at AGM, to be backdated to 1 July 2024.

The President to write to all members of the association explaining the reason for bringing forward a pay review of officers at this stage and advising them of the Council approval, subject to AGM ratification.

Annual conference

The President advised on the latest position with regard to the 2024 Conference to be held on 19 September.

The current financial plan was as approved by Council with just a minor amendment for an additional coach for travel between the hotel and the Sainsbury Centre for the evening dinner.

The President gave a detailed update on her list of speakers and topics and it was agreed that this would be replicated in further communication to members to encourage bookings.

It was confirmed that we should be joined at the pre-conference dinner by Councillor Jane James from Norfolk County Council and some of the team from the Museum Service responsible for the Royal Palace Re-imagined Project at the Norman Keep of Norwich Castle.

Paul Edgeworth referred to the support that the NW Branch was offering its members to attend the conference and it was agreed would be good if all branches followed suit. It was noted that some other branches were considering means of support.

With regard to FACES, it was proposed that these should be supported from the centre rather than branches. It was agreed to offer support to a maximum of 20 FACES people (first come first served) towards the cost of attendance.

It was noted that the conference would be recorded, but not live streamed, and then sold at a price to be determined per session.

AGM 2024

The SVP reported on progress made with the arrangement for the national AGM this year, and gave huge thanks to Neil Webster for his assistance in locating a venue at reasonable cost: Fieldfisher's offices in London. Justin Galliford, CEO at Norse, has agreed to attend and give a presentation on Net Zero.

ACES' Awards for Excellence 2024

The SVP reported on progress. He noted that this had now been formally launched and an additional Award had been added to the 2023 collection. Dan requested to give this another push, to be picked up in the next E-Briefing. The deadline was set for the end of August and branches to be reminded to encourage submissions.

Annual conference 2025

The SVP reported on progress being made with the arrangement for the Annual Conference 2025. The South West Branch had had a reshuffle recently and a refresh meeting had been held with ideas now turning to the venue of Bath. A full agenda for the day had been established with some excellent speakers on the list. The date is likely to be mid-September but the potential impact of the holiday period around this time to be taken into account.

Asset management in the public sector

Malcolm Williams updated members on the SAM diploma course which continued to go very well with the help of the ACES members carrying out the presentations in a professional manner.

Malcolm reminded Council that the course fees had increased for the next iteration. It was proposed that support to ACES members attending the course be increased accordingly by 5%. This was approved by Council.

The current sign up for delegates for the next course was moderate and Malcolm talked through the work that he and Neil Webster had undertaken to extend the customer base and notably from the NHS.

Finally, a joint wash up session had been arranged with CIPFA on 23 July to discuss issues and improve the course offer and continue to maintain the number of delegates for each iteration. Generally, a very good relationship had been developed with CIPFA which introduced possibilities for further collaboration.

Co-ordinators, branches and external working groups

Liaison Officer and Branch reports were received, and these have been published on the ACES website for the information of all members. Once again, thanks went to the Liaison Officers for their efforts in producing detailed and topical reports which are appreciated by members, and to the branches for submitting reports on their activities.

Junior VP, Alan Richards, gave an update on the Public Sector Challenge, which was a huge opportunity for ACES to raise its profile. The ACES team had now raised monies for Cancer Research and ACES branded caps had been ordered, together with flags which could be recycled for other events!

Marcus Perry talked through his report on Branch Liaison matters. Just one branch had yet to be visited, and Marcus was very impressed with the activities and energy put into ACES by the branch chairs, secretaries and members. Marcus said he was thoroughly enjoying the role.

Branches were thanked for their reports and verbal updates as appropriate, which always gave interesting insights into things going on in the regions.

Future meetings

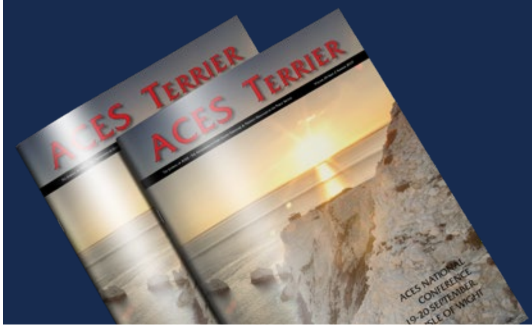
ACES Council	16 October 2024	Online
Annual Meeting	15 Nov 2024	London

Any other business

It was noted that papers for the ACES Council meeting in October need to be submitted well in advance as this will be a critical meeting prior to the AGM; there were some very important items to be addressed.

A call was put out to all Council members to make effort to attend the meetings in person as it was considered there was no substitute for live face to face contact, but it was acknowledged how busy working people are. It was noted, however, that the hybrid world was now accepted by many as the norm and was more inclusive and convenient for modern ways of working. In this context, a central and accessible location should be utilised to assist with travelling to future Council meetings.

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



ACES

The Terrier
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ACES MEMBERSHIP

Trevor Bishop MRICS, ACES Secretary secretary@aces.org.uk

I list below the changes in membership between 1 June 2024 and 30 September 2024.

New members approved

There were 16 new applications approved during the period:

First Name	Surname	Organisation	Branch Ref
Andy	Algar	Andy Algar Regeneration Consultancy Ltd	L
Hayley	Ponsford	Bath and North East Somerset Council	SW
Andy	Bere	Brentwood BC/Rochford DC	E
Adam	White	Civil Nuclear Constabulary	HE
Sue	McNamara	Fylde Borough Council	NW
Shauneen	Kelly	Glasgow City Council	S
Will	Hales	Harlow District Council	E
Tracy	Brooker	King's Lynn & West Norfolk BC	E
Kyle	Williamson	Scottish Courts and Tribunals Service	S
Paul	Aungier	Tameside Metropolitan Borough Council	NW
David	Diaz	Wessex Multi Academy Trust	SW
Allan	Harty	Westmorland and Furness Council	NW
Grant	Long	Westmorland and Furness Council	NW
Matt	Messenger	Westmorland and Furness Council	NW
Paul	Scullion	Westmorland and Furness Council	NW
David	Wiggins	Westmorland and Furness Council	NW

Members transferred to past membership

None.

Resignations

The following 7 members resigned during the period :

First Name	Surname	Organisation	Branch Ref
Jon	Doherty	Essex PFCC FRA	EB
Mike	Carson	Exeter City Council	SW
Tom	Fulton	Glasgow City Council	SB
Kevin	Tobin	Jacobs UK	NW
Stuart	Beveridge	Moray Council	SB
Russell	Munn	The Scottish Fire and Rescue Service	SB
Richard	Baker	Welsh Government	WB

Sadly, I also have to report the passing of ACES member Felicity Allan during this period. An obituary for Felicity will appear in a future edition.

Membership

Summary of current membership at 30 September 2024:

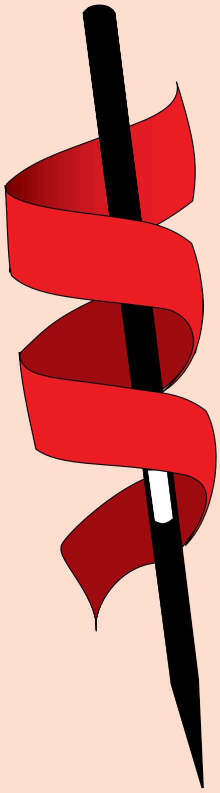
Total Membership	
Full	245
Additional	94
Honorary	35
Associate	21
Retired	34
Total	**429**

Trends

This quarter sees a continuation of the healthy upward trend in membership numbers that has been apparent for the last year and a half.

As previously noted the current level is in the context of a number of members who have still not paid their subscription and who may have to be expelled from the association in the absence of action to address arrears.

The table below provides a summary of the change in total membership numbers since January 2019:



‘Why not use the ACES website for free* advertising of your job vacancies?

The ACES website Job Vacancies page (open to all) caters for member and non-member organisations advertising for public sector property posts.

The page gives a summary of the available post with the details of location, salary and closing date and provides a link to the organisation’s own website for further details and application form etc.

The Job Vacancies page is currently available to ACES member organisations to advertise opportunities **at no cost.**

You gain direct access to likely candidates already working in the public sector property arena with the expertise and experience that you are looking for.

The new and improved ACES website enables advertisers to enter their vacancy details direct online and include their logo, website links and required details (subject to approval by ACES Secretary).

*The cost per advert for non-members is currently £100.00 for a maximum of 4 weeks’ exposure on the ACES website; this is still excellent value!!

Contact the ACES Secretary, Trevor Bishop MRICS, at secretary@aces.org.uk **for further information.**

THE PUBLIC SECTOR CHALLENGE 2024 – THE YORKSHIRE THREE PEAKS

The ACES team walking for Cancer Research UK on 6 September 2024

The Challenge

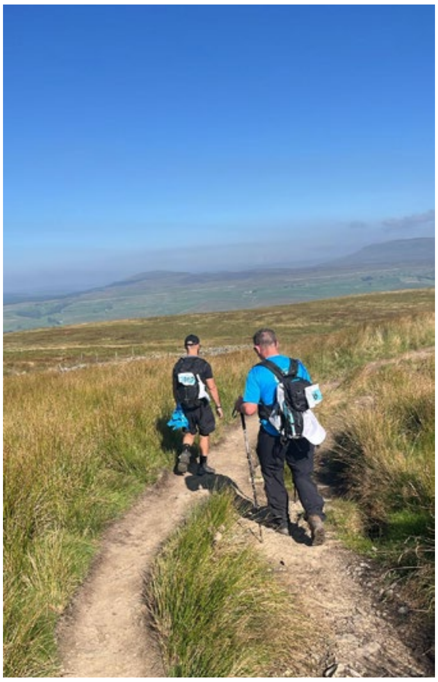
Yorkshire – it does lots of things very well – parkin, a brand of tea, TV series about vets … and erm … hills. So it was that a number of ACES members from around the country, with various degrees of experience and fitness, joined over 600 colleagues from across the public sector to undertake the Public Sector Challenge 2024 – The Yorkshire 3 Peaks.

The Yorkshire Three Peaks Challenge is a 24-miles (38.6km) round trip route, and includes 1,585m (5,200ft) of ascent over three 'hills' - Pen-y-Ghent, Whernside, and Ingleborough - and should (ideally) be completed in under 12 hours. The challenge was in aid of Cancer Research UK.

Training for the challenge started a few months beforehand – with participants 'encouraged' to start to work up their mileage and get used to walking longer (and higher) distances. Within a few weeks, the team was starting to chalk up walks (nicely captured on Strava) and Junior Vice President, Alan Richards, began to clog up Linked In with his pictures of ever longer loops of Danbury each Sunday. Tips were swapped on the best kit, portable chargers for phones and tracking devices, and slowly the miles started to add up…..

After three days of an unusual arctic blast across the UK (basically it rained constantly), on Friday 6 September, alarm clocks rang across Horton-In-Ribblesdale. A clear dry day awaited the participants as at 05.00 the ACES team filtered into a large marquee at the starting point. Welcomed by Sara and Neil (resplendent in orange

Support crew, Sara (ACES President)
and Neil (Head of Engagement)




Ribblehead Viaduct

'officials' hoodies) the team put on their timing chip, posed for some photos, and crammed in a few more Haribo ready for the start.

The first ascent to Pen-y-Ghent was relatively straight forward, although a 20m 'scramble' acted as a bottleneck, as 600 keen walkers all tried to get up it at the same point. Although views were limited by the morning mist, there was a sense of relief as the team got the first 'summit' in the bag. Walking down the valley there was only one topic of conversation … would it be a sausage or bacon sandwich at the first food stop?

Having a quick break (and sandwich!) at a pub overlooking the stunning Ribblehead viaduct, the team caught up with Sara and Neil; hearing about a number of walkers who had decided to call it quits already!

A long ascent up Whernside was punctuated by stunning views across Batty Moss and punctuated by 'duelling' F15 pilots sweeping across the landscape. The Swaledale sheep gave the two agricultural surveyors the opportunity to have a long discussion around the of viability of hill farming and subsidy, which no doubt encouraged the walkers to the top.

The final food stop saw Neil finally discover his true calling (water boy) and suitably refreshed, the team set off for the very daunting-looking Ingleborough. It was by far the hardest of the climbs – not least with a final (and what felt like near vertical) 400m zig-zag path to the top. The team were all elated to reach the summit, knowing (if nothing else) it was downhill all the way, albeit on some very uneven paths for the next 5 miles.

Slowly the team got back to the finish line, where a free beer and fish and chips (with either curry, gravy, or mush peas …. we were in Yorkshire after all) awaited the team. While a DJ played to a weary tent …. We all felt it had been a great day.

The team

The team lined up on page 10 are Simon Hughes, Norfolk County Council – Sam Hoida, Dorset County Council – Daniella Barrow, Norse Group – Dan Meek, Norse Group – David Charlton, Milton Keynes Council – Alan Richards, Southend on Sea City Council.

And of course, ACES' support crew of Sara Cameron and Neil Webster.

Some personal views

"The three peaks was a challenge and regardless of how fit you are (or thought you were) it did push us all. The training in particular was really good and getting in the habit of getting out and walking did help us all drop a few pounds and did really help our fitness."

"It was really good to see so many current and former colleagues on the walk, with a great atmosphere on the day."

"There were some stand out moments on the trek as 600 people came together and these were around the following:

The camaraderie shown by the public sector challenge teams was truly amazing. The teams were very diverse with differing ages and abilities and the support shown by team members and total strangers in getting people around the event was inspiring. Whether this be a helping hand pulling people up the rocks on the various climbs or total strangers striking up conversations, offering sweets or whatever was needed to motivate people around the challenge. It certainly showed what great character, leadership and support the public sector offers."

An ACES view

"Having a presence at this event was fantastic promotion for ACES before, during and after the event. It put the organisation on a national platform and the team at the event used it to help raise awareness of what we do and how we can support all of those who work within the built environment."

Fundraising

The fundraising is going very well with donations still coming in!!

So many of us will have been sadly touched by cancer and lost friends or family to the disease. Although only a small sum, the £3,650+ and over £750 of Gift Aid the ACES team raised will really help with Cancer Research UK's work.

The site is still open, so please make a donation https://fundraise.cancerresearchuk.org/page/aces-public-sector-challenge-team-2024 .

ACES NATIONAL CONFERENCE

Strategic asset management through the net zero lens
19 September 2024
Norwich Castle Museum & Art Galleries

Peter Gregory and Betty Albon

Peter is a member of the North West branch of ACES and Past President 2019-20. He was the first ACES' President to preside over an ACES virtual conference.

This report is a summary of the presentations made at ACES Conference held at Norwich Castle Museum. More detailed articles of some presentations are and will be included in this and Winter editions of ACES' Terrier. My sincere thanks to Peter for producing a comprehensive resume and helping the Editor considerably.

President welcome and opening remarks – Sara Cameron

Sara made a brief introduction, remarking how lovely it was to hear such a buzz in the Town Close Auditorium in Norwich Castle. We've got a massive programme to get through, but I wanted to say a few words to thank our corporate members for their continued support - Lambert Smith Hampton, Norse Group, Carter Jonas, BNP Paribas and Avison Young. I also wanted to say an early thank you to all of our speakers and chairs of the panels, because without them we wouldn't have a conference, so I hope you enjoy today.

The day is split into four sessions, each taking a theme broadly around the net

l to r Rachel, Sarah and Karl

zero context and future delivery of services appropriate to the challenges ahead.

SESSION 1 – STRATEGIC ASSET MANAGEMENT AND DECARBONISING THE PUBLIC ESTATE

The session was chaired by Alan Richards, ACES Junior Vice President and included the speakers Karl Limbert, Sarah Butler and Rachel Moan. Summaries of their presentations are below.

"Goodbye Champagne" - Karl Limbert, Equans UK

[Ed – Karl is due to write a full article for ACES' Terrier on his topic].

Maidstone, where Karl lives, is a metaphor for climate change. The area is now a fine wine centre as conditions are just right for grape growing, due to climate change (the Champagne region is now too warm for vineyards and Taittinger has bought land in Kent).

Climate has already changed beyond the historic norm – even on the basis of a low emission scenario, further temperature increases are to come – a minimum of 3 degrees is expected, well outside the 'safe' 1.5 degrees Paris target. While renewable energy sources have increased 5,384% since 1982, the UK economy is still primarily a fossil fuel driven economy.

The biggest drop in emissions was experienced during lockdown, with a 17% drop in gas emissions. The equivalent of another "lockdown scenario" is needed from now to the end of 2030 to meet the 1.5 target.

Other world nations are not doing enough, and some 'big players' like USA and China find it too difficult politically. China's trajectory suggests a 4 degree increase in global warning. The UK spending review commits public spending cuts to £19bn (or £22bn). Severe austerity similar to 2009/10 is required. How will the UK find the headroom for climate change investment?

Corporates are also not doing enough. 57 companies are responsible for 80% of world emissions and they are not regulated to do anything to reduce their emissions.

Therefore in the order of things, what impact can local authority initiatives have within this context? Will they really shift the dial?

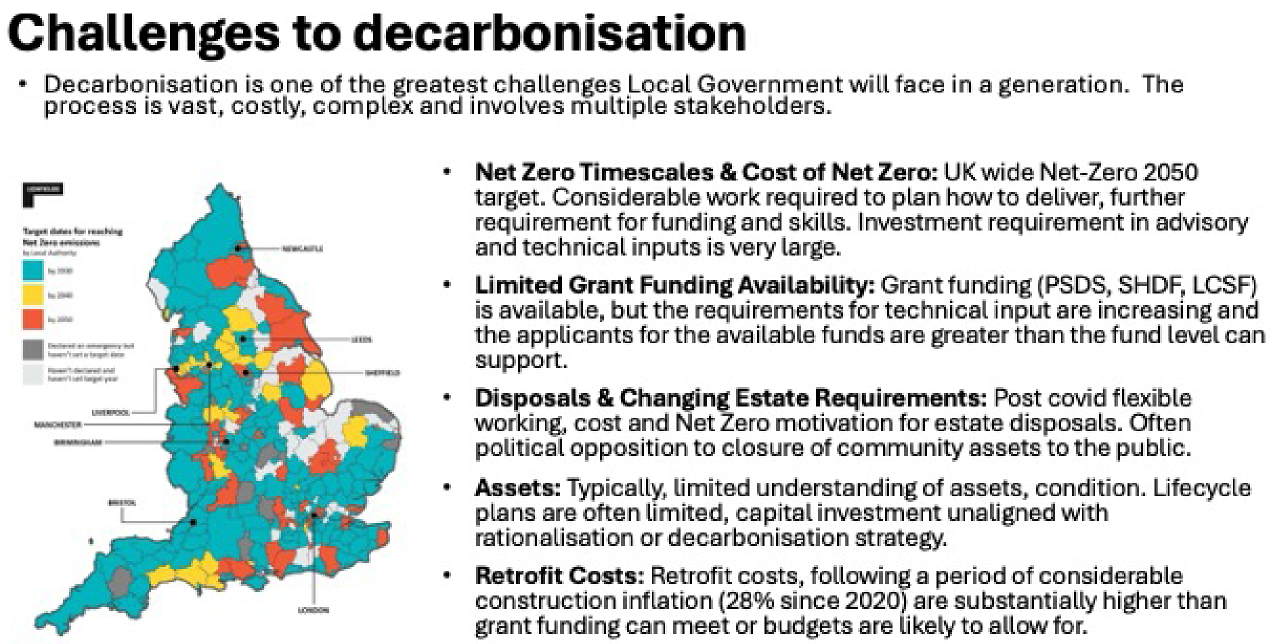
The big 5 climate risks - heat, flood, storm, drought, wildfires. All of the worst predictions are likely to materialise before the target date of 2025. They are:

- Heat – eg lack of office temperature control, overheated hospital wards
- Floods – accompanies heat rises: 1 degree of warming leads to 7% additional moisture. 50% of London is at risk from flooding
- Storms – frequency of severe events such as convective storms has increased in recent years, including pluvial flash flooding due to more hard surfaces
- Drought – soils contract – bad news for buildings and increased flooding
- Wildfires – these are now "a thing" in the UK eg, Epping Forest, where spontaneous combustion occurs at temperatures of 40 degrees – possibly now a 2-year event.

Climate risks can have a direct impact on crop yields, which were down by 17% last year. While policy and law, through regulations, are catching up with climate-related risks, it is not fast enough. Friends of the Earth is taking the government to court for lack of action. A 42% rise in insurance premiums is expected.

Can we prepare for catastrophic weather events? If so, can catastrophe be turned into manageable risks? Decisions are needed on expenditure for mitigation. Some ideas:

1. Geospatial climate risk analysis – Equans is undertaking research on forecasts and expected impact, by using digital models of earth, using data from 300 climate sources – produced climate scenarios, including analysis of risks to buildings, transport and infrastructure, energy, financial loss



2. Adaptations projects and services - to respond to (1), eg use of fans on hot days can themselves produce consumption increases. There needs to be a balance of risks to achieve net zero and manage latent building risks, eg elevated demand for cooling results in the risk of energy sources running at capacity
3. Resilience as a service – increasing resilience through digitally enabled monitoring and smart interventions, eg analytics and reporting, and rapid response services.

Decarbonising the residential estate – A case study - Sarah Butler, Drees & Sommer

[Ed – Sarah is due to write a full article for ACES' Terrier on his topic].

Sarah began by using AI to define decarbonisation in local government – an astonishing the number of wind turbines necessary in major cities representing efforts and strategies implemented by local authorities to reduce carbon emissions and promote sustainability. These include:

- Energy Efficiency – retrofitting buildings and renewable energy
- Sustainable transport – electric vehicles and public transport
- Heat decarbonisation – green heat solutions
- Community engagement – public awareness campaigns and collaboration with communities
- Policy and planning – local plans, funding and grants.

The model for not achieving net zero targets leaves a town with increased energy costs; poor air quality and pollution/respiratory issues; infrastructure strain and outages; increased emissions; missed economic opportunities and job creation; falling property values; social inequality; and regulatory or compliance issues.

The image outlines the challenges of decarbonisation, which are massive and involve net zero timescales and costs; limited grant funding availability; estate strategies need to align with decarbonisation plans; increased data on assets; and retrofit costs which are increasing.

<u>A case Study – Manchester City Council</u>
The decarbonisation programme covers 12,500 residential units plus the 72 biggest consumers for corporate buildings, and aims to use resources to balance community needs with net zero targets. One task is to quantify the cost of decarbonising the council's estate by the 2038 net zero target.

The process and methodology was to profile 20 property types (80% of stock). Site visits were undertaken for energy reviews to assess government SAP scores and establish 3 net zero models (Gold, Silver and Bronze). Cost estimates were integrated in the existing capital programme; a lifecycle replacement strategy was developed; and a design-based cost plan, to enable bids for grant funding.

GIS analysis was used to map house types against socio-economic data to identify and prioritise areas of fuel poverty, and target residents most likely to feel the positive effects of decarbonisation through lowered energy bills. Energy use was modelled and made visual so that tenants, stakeholders and decision makers could understand the proposals.

Sarah outlined overall costs of capital investment, potential funding schemes – government and 'green funding' initiatives - and likely savings for tenants. She also gave an example of 'Spend to Save' costs per house, with and without grant support. These details remain confidential until the council has approved and released them publicly.

There are also wider community benefits to the case study through increased house values; an end to fuel poverty; health benefits, including mental health; better educational performance; and increased work attendance.

Manchester City Council hopes to make wider application of GIS through climate scenarios, eg flooding potential, leading to landslide risks, which can be mapped. This information is publicly available.

Housing Refit: Poverty, health & community - Rachel Moan, West Cheshire and Chester Council

[Ed – Rachel is due to write a full article for ACES' Terrier on his topic].

Rachel's presentation was how housing retrofit fits into the wider puzzle of poverty, health and community using a case Study from Cheshire West and Chester Council. The context of the project is:

"Homes account[ing] for 22% of UK carbon dioxide emissions, improving energy efficiency and decarbonising homes is essential to addressing the issues of climate change" ('Decarbonising the residential sector', RICS. 2022).

The aims are to improve the energy efficiency of some of the borough's most inefficient properties, to help the council tackle the climate emergency through reductions in domestic emissions. The knock on is wider health and social benefits for communities.

There are two approaches for retrofit based on market analysis – 'unable to pay' v 'willing to pay'. The council needs to secure bids to around £4.5m of various grants to support residents that cannot pay, while also supporting people willing to pay, through access to purchasing schemes eg 'Together Solar' and procurement.

The programme needs collaboration with regional partners, including other local authorities, and work with internal and external stakeholders. Challenges to retrofit are strategic – supply chain, regional power and purchasing, uptake from the community, planning restrictions; and operational – reporting to government/SALIX, shortage of qualified installers, material costs.

Fuel Poverty – Under the current strategy; Low Income, Low Energy Efficiency (LILEE), fuel poverty is defined as when:

- Residual income - after housing costs, tax and national insurance, is below the poverty line (less than 60% of the national median), taking into account required fuel costs, and
- Lives in a home that has a Fuel Poverty Energy Efficiency Rating (FPEER) of below Band C (not EPC Band C).

Human indicators are respiratory conditions become worse; mental health conditions worsen; and lifestyle choices are required - heat or eat. The council's holistic response is to adopt a fuel poverty strategy to tackle the climate emergency, support young people to get the best start in life and achieve their full potential, provide healthier assets so adults can live healthier and happier lives, and empower communities to help tackle fuel poverty. It has also set up a cost of living crisis response group which includes fuel poverty and 'warm spaces' workstreams, training for NHS and public sector staff, occupational therapists, etc. The responses revolve around the principles of stakeholder and community engagement, and partner engagement through the NHs and Integrated Care Board.

The Fuel Poverty Strategy was developed with stakeholders to address 5 target areas – reducing debt and maximising household income; improving health and well being by tackling cold-related illnesses; improving the energy efficiency of homes; increasing renewable technology for homes, such as air source heat pumps; and encouraging behavioural change to reduce energy consumption.

One important action is the "Warm Spaces" initiative. It also includes refuge from excessive heat, so it should better be known as "Welcoming Spaces", with expanded services such as improving community spirit and wellbeing. Initially the 'spaces' were leisure centres, libraries, etc where hot drinks were available. It has spread to social centres and hubs, both in towns and rural areas, providing community support in finance, baby classes and health interventions.

Rachel identified lessons Learnt as challenges of data sharing between public authorities, the take up of retrofit and wider funding issues, identifying specific rural challenges. However, there are opportunities, particularly the value of community, wider placemaking, the importance of using data and working closely with the NHS.

Questions for Session 1

- Can housing stock not be retrofitted without cost to the taxpayer? Yes, Sarah indicated that in the case study, there are savings to off-set the costs
- How can private sector landlords be engaged? The original priority of the Manchester estate was the public

Warm Spaces

"As well as helping people to stay warm, we want to help improve community spirit and wellbeing through increased social interaction, connectivity and sense of belonging in these challenging times. Warm, Welcoming Spaces are also somewhere to invite specialist support providers so they can offer further assistance to anyone who needs extra support over the winter."

- Mental health benefits
- Physical health benefits
- Reductions in hospital admission/re-admission

l to r Ingrid, Jackie, Melvyn, Daniella, Chris and Steve

housing, but there are discussions on how to engage others. A good tenant representative group has much aided communication

- If 57 businesses produce 80% of emissions, we buy their products and services. Should we be responsible for driving their choices by behaviour change? Karl agreed!
- A national strategy for retrofit – should there be more engagement with councils not facing massive social care costs? Sarah believes there should be engagement across the board. Most local authorities have declared climate emergencies. Funding is limited, so local authority responses must be to be prepared for investment for when funds are made available.

SESSION 2 – SUSTAINABLE PLACEMAKING AND REGENERATION

The session was chaired by Saul Humphrey, the Managing Partner of his own consultancy, which exclusively project manages sustainable construction projects. Saul is also Professor of Sustainable Construction at Anglia Ruskin University. His core purpose is to shift the paradigm towards more sustainable development. Speakers were Dr Steve Norris, Daniella Barrow and Melvyn Stone, Jackie Sadek and Ingrid Hooley, and Sir Chris Haworth.

How can we deliver attractive, healthy and sustainable towns, high streets and shopping centres? - Dr Seve Norris, Lambert Smith Hampton

[Ed – see Steve's full article in this issue of ACES' Terrier].
Steve gave feedback from the 2024 survey of the state of the UK's retail sector ("Places & Spaces Reinvented"). This LSH/Revo research now has a history over 5 years.

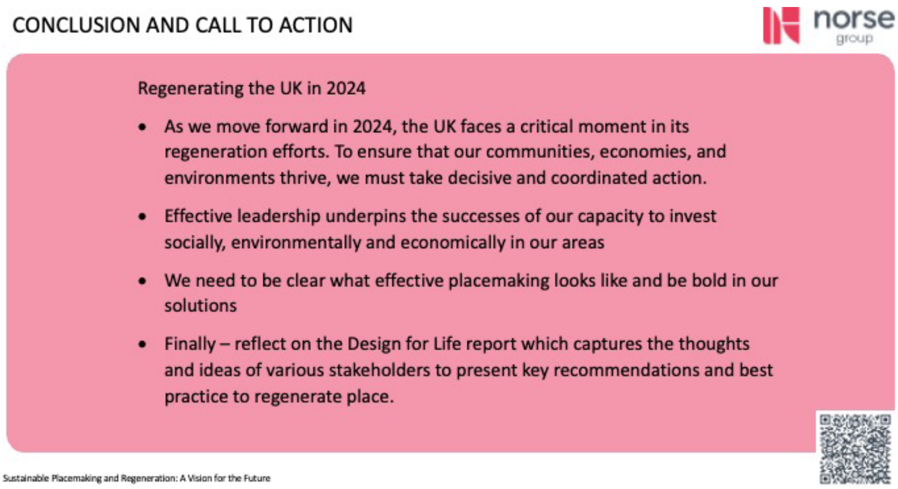
Steve firstly outlined the top issues and challenges facing Britain's towns, high streets and shopping centres identified by respondents across the property sector, including historic issues identified in previous surveys, the main factors for 2024, the new political and economic environments, particularly the scale of government debt and pressures of vacancy rates and retail failures. But shopping centre values may now be at rock bottom and present opportunities for councils to intervene to – inter alia - repurpose retail space, 'green' and 'vision' tired town centres with more appropriate uses including hospitality, homes, art, culture and heritage. Of note, NHS diagnostic services and markets can, in different ways, boost footfall and value. Steve illustrated case studies of successful public sector initiatives.

Change depends on leadership and investment. Who will lead? All stakeholders should be involved. The public sector is more influential than ever, primarily due to access to funding. A series of funds introduced by the last government may be retained by the new administration, although no statements have yet been made. However, it is believed that devolution will help support regeneration in the regions. Overall, the respondents did not yet feel more optimistic about the future of towns, high streets and shopping centres (42% in 2024, against 49% two years previously).

"Design for Life" report - Daniella Barrow & Melvyn Stone, Norse Consulting

[Ed – see Insight piece on "Design for Life" in this issue of ACES' Terrier].

Norse's collaboration with Localis, involving other parties, produced the "Design for Life" report – looking for strategies for successful regeneration by 2030 (launched



at the House of Lords in May 2024). This revolves around sustainable placemaking, that is: "Creating thriving, inclusive and environmentally sustainable communities". By 2050, 68% of the world's population will be urban livers, therefore place needs to be at the heart of regeneration.

Five over-arching strategic concerns form the pattern for the report, outlined below:

1. Place Leadership – the political landscape needs to be managed with consensus across political parties – early engagement is key; strategic regional planning and pooling of resources (a priority of the new government?); long-term strategic common goals; and enhanced legislative powers, eg Land Compensation Act 1961
2. Financial Capacity – LAs need to unlock new funding models, but there must be long-term financial planning at stable fiscal cost: instability freezes projects
3. Net Zero & climate resilience – future-proofing against future weather conditions and understand a project's carbon impact; potential of urban densification & infilling retrofit housing; urban development aligned with national net zero commitments
4. Strengthening private and third sector partnerships – need for collaboration between all stakeholders at all stages of projects; eg London Olympic Park
5. Health & Wellbeing – need for the integration of health with urban planning and understanding the impact of the environment. This is helped by good data – local authority and NHS demographic profiling; value of greenspace; use of NHS estate in placemaking.

Case Studies

Two case studies encompassing Design for Life principles are– Rayne Park, Norwich and Brookfield, Brentwood. Rayne Park is a 172-Passiv Haus scheme of a 1,000-unit development. All social infrastructure is in place, including a health hub, plus special needs accommodation. It is tenure blind. Brookfield, Brentwood is a planned development of 62 new dwellings, 100% affordable (one of 6 sites being developed by the local authority). It takes account of sustainable distances and will involve a tenant decant. Accessibility is paramount due to the age demographic. It is aiming for 100% net zero carbon.

Place & Partnership: A 12 Point Plan - Jackie Sadek & Ingrid Hooley

[Ed - see Ingrid and Jackie's full article in this issue of ACES' Terrier].

Jackie and Ingrid outlined the evolution of the Estates Gazette Public Sector Forum, incorporating 15 local authority leaders and their equivalents from the investment sector.

Discussions enabled the parties to better understand their respective positions and realised working together would deliver success that benefits all. While there is alignment of thinking, there are different viewpoints: a need to understand the position of local authorities, their politics, resources and constraints, communities and green agendas; private sector investment risks, timescales, costs, deliverability.

The "A 12Point Plan" for better communications was the outcome:

i. Key point of contact
ii. Long-term strategy – stability for investors
iii. Joined-up approach – help planning, reduce costs
iv. Planning gain – clear goals
v. Promote area – not just a site
vi. Find local innovations
vii. Story about key sectors – supply chain, reason to invest
viii. Be honest about local infrastructure
ix. Build trusting partnerships
x. Be clear on energy capacity for developments
xi. Forward thinking on the green agenda
xii. Networking events – what is on offer? Sell it?

The power of public/private partnerships: Gateway 14 Limited - Sir Chris Haworth

[Ed - see Chris' full article in this issue of ACES' Terrier].

The background to this project was Mid Suffolk District Council had identified a 156-acre area at Stowmarket, but it was not coming forward for development. The council in 2017 acquired the site. A development partner was selected through a competitive process, on the basis of expertise, to provide roads, new infrastructure, services, power lines, and landscaping, at £18m costs.

Development of the site is proceeding with the flagship project, The Range – a 1.17m sq ft. BREEAM excellent and APC Rating A scheme, with solar panels and EV charging, and an estimated 1,650 new jobs.

Other pre-let units are 44,000 sq ft unit under construction; 80,000 sq ft. unit with planning consent; and a spec unit of 164,000 sq ft. A Skills and Innovation Centre is programmed using joint funding with Freeport East,

This partnership has extensive advantages for the council as shareholders, including:

- Exemplar sustainability site
- Solar PV/PV ready roofs (subject to UK Power infrastructure)
- 20% soft landscaping – buffer planting, with 15,500 trees and native hedgerow
- Air-source heat pumps
- Biodiversity net gain of 20%
- Total site acquisition refunded by the developer; profit = £38m
- 70-8- acres developable with no debt and potential additional profit of £70m
- Investment of £1.5m in Stowmarket town centre
- Investment of profit could secure the council's future.

Questions for Session 2

- Gateway 14 - How was the deal done with the landowners? Chris said through normal negotiations, understanding risks
- Given the financial position of local authorities and the severity of environmental concerns, how can the space and resource be made for partnerships to flourish? How can leadership help? Panel members offered the need for a clear corporate strategy to identify what measures would benefit the community and ensure developer/partners are aware; local authorities are facing clear crises, especially in health and social care. There needs to be a massive move to strategic planning and recognise the benefits of doing things at scale; this was corroborated – the scrapping of regional development agencies was a poor move. Need to cut across different local authorities – regional planning and co-ordination is required.

SESSION 3 – FUTURE PROFESSION – SKILLS AND NEXT GENERATION PROPERTY PROFESSIONALS

The session was chaired by Alex Gee, Senior Consultant at CIPFA, having previously led public-private joint ventures as Operations Director for Norse. He is also the current Vice President of SPACES and leads the Net Zero workstream; he is a judge on the Civic Building of the Year Award. The panel included the speakers Olga Turner Baker, Charlotte Neal, Karl Limbert. The speakers were joined by Jessie Leung from the FACES cohort, and Rachel Moan in her capacity as Founder of Train Like an Athlete.

Future of the profession: A focus on health and well being - Olga Turner-Baker, Ekkist/RICS

[Ed – Olga is due to write a full article for ACES' Terrier on her topic].

Buildings influence our health and well being and our individual health is directly tied to the health of our buildings – homes and workplaces have the potential to change how our bodies work. Poor quality

l to r Ingrid, Jackie, Melvyn, Daniella, Chris and Steve homes in England cost the NHS £1.4bn p.a. Some facts:

- Social benefits can be assisted by buildings – loneliness can affect mental wellbeing
- Unhealthy homes cause poor health outcomes and costs – outcomes that are preventable
- One third of people are exposed to indoor hazards
- Good commercial buildings can reduce absenteeism, increase staff productivity, reduce staff turnover.

RICS has produced new guidance: "The design, delivery and management of healthy buildings: a practical guide" (October 2023) to assist all building stakeholders, especially building managers and considers physical factors, eg air quality, acoustics. It suggests the need for upskilling in some areas, eg:

- Effective measurement of air quality, which affects performance. High levels of CO_2 can result in a 11% reduction in productivity; short term sick leave is 35% lower with high ventilation rates
- Biophilic design and materials to improve comfort (wood soothing) - images of nature buffer stress levels
- Daylight and lighting quality – access to daylight has measurable health/ performance outcomes
- Noise – increases risk of cardiovascular events: 5dB increase can cause 34% increased risk
- Active offices – active employees take 27% fewer sick days; reduced staff turnover of 16%.

Building certifications are available for a range of buildings.

Upskilling areas for the next generation:

- For project managers and planning and development surveyors - how health and wellbeing goals feed into project briefs, and the building construction and management processes
- For quantity surveyors - accurate analysis of the financial elements of health and wellbeing decisions
- For facilities managers - measure performance monitoring and quality, certifications; use of RICS IBOS standard
- For valuers - value-added aspects of healthy buildings; return on investment.

Introduction to Whole Life Carbon Assessment - Charlotte Neal

[Ed – Charlotte is due to write a full article for ACES' Terrier on her topic].

The Challenge – 40% of global greenhouse gas is emitted by buildings, which is predicted to double by 2050 if left unchecked. The profession is not instigating sufficient change (see image).

The RICS standard: "Whole life carbon assessment for the built environment" (September 2023) sets a technical methodology for assessing carbon impacts and there are mandatory requirements to comply with the standard. We need far more data on carbon emissions over the building lifecycle: production – construction – operation – end of life – beyond asset life (see image).

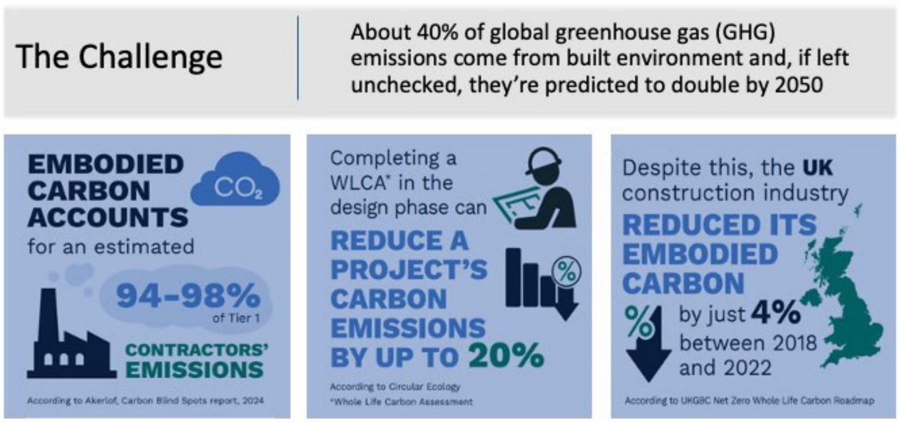
Whole lifecycle costing standard has been adopted by major stakeholders globally and RICS has been invited to co-lead major initiatives.

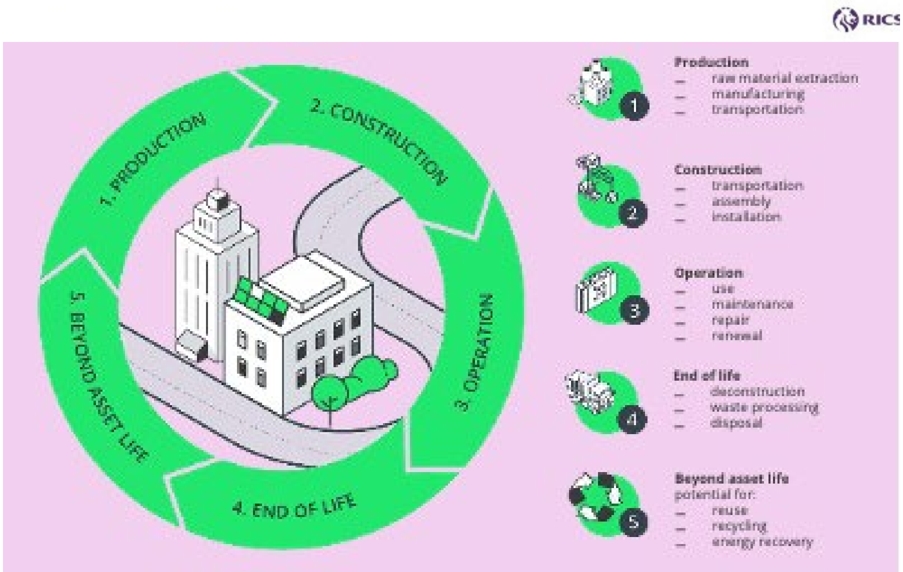
A WLCA toolkit is available on the RICS website with seven course modules to take you through the building lifecycle and the carbon impact at each stage, with case studies. It is an upskilling opportunity for diversifying work undertaken, suitable for a wide range of professionals.

Some of the issues in the profession include labour shortages, financial constraints, materials supply. Labour shortages are caused by housing and big infrastructure projects. 350,000 construction roles are needed. Greater capacity is required across the sector, eg retrofitting skills, minerals, planners, development, technology. Can this be secured through "Advanced Apprenticeships"?

Pattern recognition - Karl Limbert

Karl took another session, this time on the impact of technology and AI on the property sector. He opened [for the Editor at least] a whole new world of micro and macro applications of technology and raised questions. What is AI? What impact is it having on the sector? What use can we





make of it? Have we the skills to use it?

He warned: "Do not be a dinosaur", rather acquire new skills because technology is a massive driver of change.

His presentation centred around the influence of platform companies, which are now the most influential businesses in the economy and are radically different from anything before. They do things in space, not place and are not dependent upon the physical environment, operating in virtual space. They specialise in users, not owners, enabling millions of users to access the same product all at the same time. Karl described this as a 'write' rather than a 'read' economy which harvests vast amounts of information which is recalibrated to do with whatever they want. A good example is Apple music, which holds 140m songs at its disposal, to allow individual personalised downloads.

Until recently companies could not act at scale and deliver a personalised service. Algorithms now take data and correlate it with individual and personal needs. Another example is Klarna banking which provides online financial services for e-commerce. The company's AI assistant now performs the work of 700 employees!

Now that AI can do the work of multiple employees, this impacts upon the built environment. Office vacancy rates were already well above average by the impact of Covid. The Turing Institute this year undertook research to look at the potential effect of AI automation in government departments, which could radically reduce the amount of office space required. The same is true for all knowledge-intensive industries eg professional and business services, education and health, and information services, all of which already employ remote working practices.

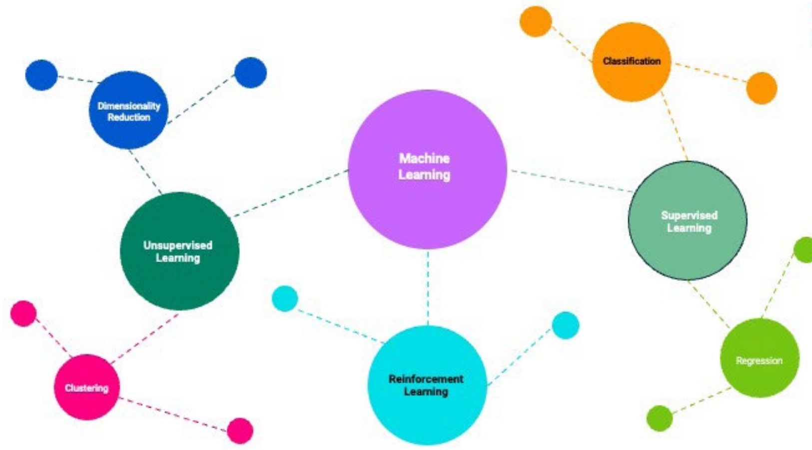
On the flip side, different types of building are now emerging, particularly massive data centres with accompanying massive electricity demands.

So what does this mean for skill sets?

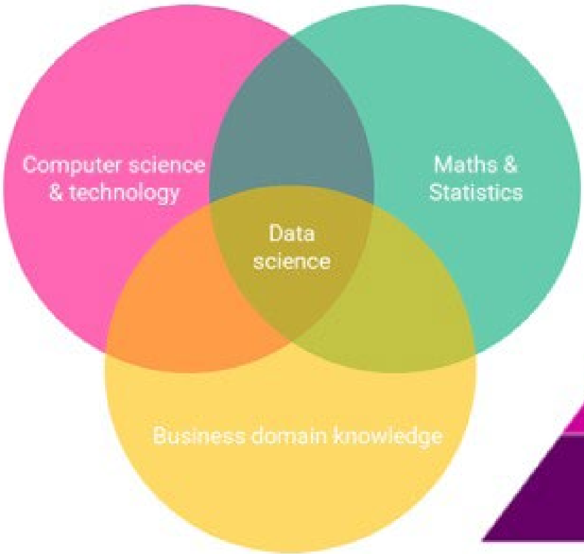
A whole new skill set is needed to be successful in AI technological advancements ((see images below and page 22). The change needs to be embraced. Surveyors need to be aware of these changes and understand how different types of data can be used, eg for asset lifecycle management to predict capital expenditure; legal and commercial risk analysis; employee performance. Overall, be clued up on the opportunities and the challenges.

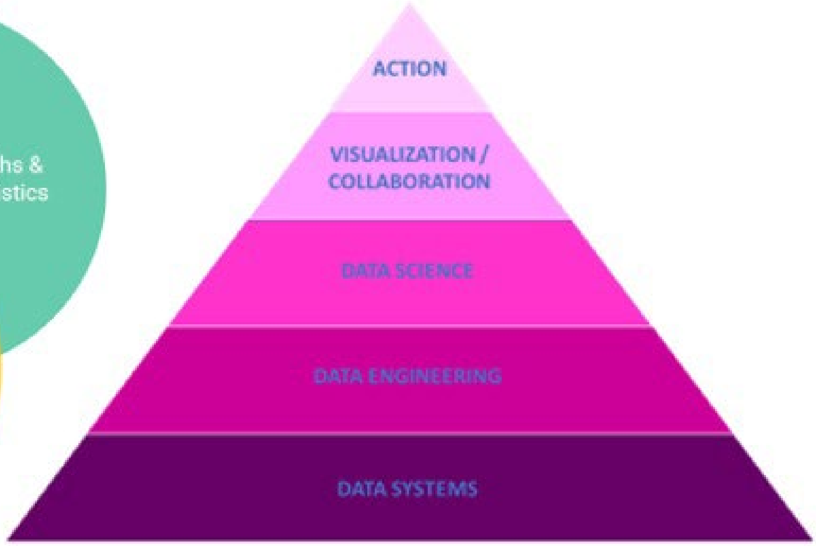
Questions for Session 3

Rachel and Jessie were brought into discussions. Rachel is a founder of a performance technology business, which is a platform company which uses sports performance psychology and makes it available by accessing individuals' data. She can relate to Karl's presentation.



l to r Alex, Ben, Tim, Jeannine and Steve





Jessie acknowledges that the demands to implement a lot of change is almost overwhelming; not everyone can embrace the technology. We all (especially "mid-career people") need support to make the most of the opportunities.

- Government and local government have an important role to prevent personal data falling into others' hands and need to maintain control of it. Is there a role to upskill employees to enable them to retain the knowledge so it benefits society in the right way? Karl agreed with the point. It is about the handover of power from the state to big tech. The state no longer has a monopoly on data and platform businesses already have more information than the state, but their value pitch to government is compelling. Charlotte believes this is an ethical point for government to grapple with, which needs to understand how data is being used by others. AI should be seen as manipulating available data in a different way
- How sustainable are the AI platforms? Karl emphasised that they are unsustainable as far as energy usage in the massive data centres is concerned
- Chartered Surveying is a people business – we need to use our own intellect to determine outcomes. Does remote working mean that data is not managed? Karl emphasised that he was not advocating for AI, but professionals need to plan ahead to contend with the technological forces.

SESSION 4 – EXCELLENCE IN THE EAST

The session was chaired by Mike Rigby, who is the CEO of Eastern Promise, which is dedicated to championing the East of England. Before starting Eastern Promise, Mike spent 15 years as a Parliamentary researcher to a Norfolk MP. He is also a media and PR consultant, white-label podcast producer, occasional stand-up comedian and lecturer, although not simultaneously.

He was joined by three members of the Lambert Smith Hampton team, Jeannine de Sousa, Alexandra Houghton and Ben le Coq from Drivers Jonas, and Tim Holland, all of whom outlined case studies in the eastern region to illustrate 'Excellence in the East'.

This issue of ACES Terrier contains in one article write ups of all the presentations in this session, so notes here are purely to guide you to the more detailed information in the specific article.

Richard O'Connell, Lambert Smith Hampton

Chelmer Waterside, Chelmsford - town centre, prime waterside location; LSH supporting council on developer procurement.

Steve Norris and Simon Bachelor, Lambert Smith Hampton

Great Yarmouth – place-based approach in partnership to achieve regeneration. Aim to restore town centre and to align with the tourism offers. North Quay, gateway project with complex land ownership challenges. Brief mention also of Northstowe, one of the largest urban developments in the UK, and Hitchin market town redevelopment

Jeannine de Sousa, Norfolk County Council

Kings Lynn Multi-Use Community Hub (MUCH) Project to include learning support, education facilities, library,etc

Alexandra Houghton and Ben le Coq

Science and technology in the east; the range of sub-sectors and regional market.

Tim Holland

Southend-on-Sea City Council's retrofit journey. The ACES Award-winning retrofit show home and future projects.

President's closing remarks

Thank you for sticking with us all day. To the speakers and chairs of our panels, thank you for your insights, your expertise and your time today. It's been an excellent programme - I couldn't have done it without you!

A huge thanks to our corporate members Lambert Smith Hampton, Carter Jonas, Norse Group, BNP Paribas and Avison Young.

Thank you all the delegates for being here today I would really appreciate your open and honest feedback, so please do e-mail me once you've had time to reflect on the day – good, bad, and anything else. ACES officers are really keen to learn and take it forward for the next conference. And on that subject, I hand over to Dan.

Senior Vice President, Dan Meek – National Conference 2025

Before I outline plans for 2025, all the guests, speakers, sponsors, and our hosts have been thanked tirelessly today, but one person who hasn't been thanked is ACES' "President on Tour" Sara Cameron.

We have heard a lot today about AI and how AI is changing the world, but as far as I'm aware, there's one thing that AI can't do - and that's organise a conference. Organising a conference, as I'm rapidly discovering, takes an immense amount of hard work. Sara has unquestionably organised a splendid conference in a beautiful environment, preceded last night with a wonderful dinner in a wonderful venue. So thank you Sara.

I have been busy putting in place preliminary plans for next year's conference and I'm very pleased to be able to say that it's coming to the West Country and to the beautiful city of Bath. We are hoping to have the reception dinner in the wonderful historic Roman Baths, and the following day, the conference in the Grade One Listed Guildhall in the centre of Bath. The provisional dates are 24 and 25 September, so please pencil those dates in your diary.

AVISON YOUNG BNP PARIBAS REAL ESTATE Lambert Smith Hampton norse group Carter Jonas

Marcus is Branch Liaison Officer and unofficial social programme organiser

CONFERENCE SOCIAL PROGRAMME

Adventures on the Norfolk Broads, Norwich, 18 to 20 September 2024

Marcus Perry

We were down on numbers this year. When planning the social programme I was anticipating 25 participants, but many of our regulars opted to take early autumn holidays which clashed with the dates of our conference, so we ended up with just 8 of us. No matter, I like to think those that joined me in Norwich had a good time.

Wednesday evening, 18 September – the President's Dinner

The event was a big success and highly enjoyable, and the 66 who sat down for dinner in the Sainsbury Centre for Visual Arts within the University of East Anglia campus enjoyed an excellent dinner served by attentive staff in a lovely setting. With a speech of welcome but minimum formalities, this was the perfect start to the National Conference.

Thursday, 19 September – to the Norfolk Broads

Journey to Aylsham

We needed an early start to fit in all elements of our programme, and our minibus arrived on time at the Maids Head Hotel to take us to Aylsham, north of Norwich – and the Bure Valley Railway station. We had allowed time to explore the station facilities, café and shop, which was just as well as our driver took a wrong turn as we approached the station, and he had to double back to get en route.

The Bure Valley Railway – journey to Wroxham by steam train

This was fun, particularly for steam enthusiasts like me. This narrow gauge (15 inch) railway is built on the bed of a former full gauge railway (leaving room for a footpath), from the historic market town of Aylsham to the busy "boating" town of Wroxham, 9 miles away, in the heart of the Norfolk Broads. The journey, which takes 45 minutes – so no rush! - took us through the pretty Bure Valley countryside, at times close to the meandering River Bure, through meadows and pasture. We admired the small-scale steam engines, parked up at the start, beautifully polished by the enthusiasts and volunteers who drive them. The small carriages which we sat in were very cosy as we enjoyed good chat along the way, arriving bang on time at Wroxham. We stopped to watch our driver and engineer drive our engine on to the turntable to turn the engine around for its return journey to Aylsham – made me reminisce of playing with my boyhood electric train set some 65 years ago……….

Wroxham – Broads Tours boat trip on the Norfolk Broads

A short walk from Wroxham railway station, next to the mainline railway station from Sheringham to Norwich, took us into the town of Wroxham, a popular and busy boating centre, on the River Bure. We were in good time to board our launch for a relaxing 90 minutes "cruise" of Wroxham Broad and neighbouring broads (all man-made lakes, shallow in depth - less than 4 metres - formed from the flooding of ancient peat mining works). The boat's skipper gave us the perfect commentary – not too much information, nor too little.

Lunch at the Kings Head pub

Located a 10-minute walk from the boating jetty, the Kings Head pub enjoys a fine riverside setting. It wasn't quite warm enough to sit outdoors, it being overcast all morning, so we took up our table in the comfy interior and had a perfect lunchtime meal.

Journey from Wroxham back to Norwich

Post prandial after our unrushed stop at the Kings Head, we reversed our walk to the railway station, this time to the BR station next to the narrow-gauge railway station. A short wait and the Greater Anglia service from Sheringham to Norwich arrived on time at Wroxham. The train was busy, almost full but all eight of us managed to find seats for the short, 20-minute journey back to Norwich [Ed – see Simon Eades' 'Musings' for a surprising coincidence].

Norwich railway station to the Maids Head Hotel, via the Adam & Eve pub

As anticipated, some of us had had enough excitement for the day so very sensibly opted to take a taxi from the railway station back to the Maids Head Hotel. The remaining 5 of us set out on the pleasant riverside walk back to the hotel, at a very leisurely pace. By now the sun had come out, which added to our enjoyment of the walk. Twenty minutes later and we were at the Adam & Eve pub, and sat outdoors at the pubs bench tables, but we all had a look inside at this historic pub's interior. The pub claims to be the oldest pub in Norwich, and some of its interior looks to be original.

Conclusion of the day's official social programme

There was a fair amount of walking between venues, not too far but long enough to be challenging for some of us – so very well done to all my companions for managing the walking – you all dun good!

I enjoyed the day and from their generous and kind feedback, my colleagues seem to have done so too,

which made the effort of organising the programme well worthwhile.

Thursday evening, 19 September – the conference informal dinner

A few of us social delegates intended to join the business delegates in Norwich Castle for the President's post conference drinks reception, but by the time we arrived, delegates were leaving for journeys home. I hope the reception worked for – and was enjoyed by – ACES delegates, speakers, guests and sponsors [Ed – I can confirm the reception was a fitting end to a very busy conference].

We had booked the Benoli Italian restaurant in Norwich for our post conference informal dinner on account of the restaurant's reputation for being one of the best in England for authentic Italian food. We wanted somewhere really memorable post conference to top off the day in the best way.

Benoli did not disappoint. 23 of us sat down at tables on the top floor of the restaurant, set aside exclusively for ACES. Best Italian wine was waiting for us on the tables to complement our meals. After the young waiting staff had interpreted the Italian menus for us, we ordered, and some delicious starters soon arrived, followed by even better main course pasta dishes. Those that had room for dessert spoke highly of them, too – presentation and taste.

I believe all of us had a good time – and enjoyed and appreciated a special gourmet experience. A big thank you goes to the young waiting staff who were friendly, attentive and more than efficient.

Friday morning, 20 September - tour of Norwich Cathedral

10 of us set out from the Maids Head Hotel for the short walk to Norwich Cathedral's visitor entrance for our pre-booked guided tour. Our guide, Nigel, proved to be a brilliant guide, full of infectious enthusiasm for the Cathedral's historic and architectural "gems" (he had been forewarned we were a group of surveyors, interested in history and architecture). Our booked hour had already overrun by 30 minutes and Nigel was still in full flow, keen to continue when we had to ever-so-politely tell him, please "enough" - some of us have trains to catch! This was a nice way to conclude our visit to Norwich.

The Maids Head Hotel

I must give myself a "pat on the back" for choice of conference hotel! I thought the Maids Head was perfect for our needs – a building with character, comfortable, well-appointed rooms, attentive, friendly, efficient staff, great location, superb breakfasts, and so on.

So, it's goodbye to Norwich after an eventful – and hopefully enjoyable - few days. We look forward to reassembling in 2025 for next year's Presidential conference in Bath, Somerset.

Postscript – and a serious bit

Only numbering 8 was disappointing. Hopefully next year our regular attendees will plan their holidays around the Bath conference [Ed – likely to be 24-25 September. See the conference write up where Dan Meek, Senior Vice President, outlines his plans].

Sadly, the conference social programme is not attracting any new members. I'm not sure why this is. Our current attendees have an average age well into the 70s, and have been attending for many years. Until recently, business delegates brought their partners with them to enjoy the wonderful friendship and fellowship of ACES, which sets us aside from other professional associations: no partners of working delegates this year, and only one last year. I accept times have changed since my working days, and since Covid, attitudes, commitments and priorities now seem to be different.

To you working delegates, please consider bringing along your partner – a great time is not guaranteed but it is usually had on our social programmes. We make an effort for this to happen! The addition of newly or recently retired members, and partners of business delegates joining us, will reinvigorate the social programme. Personally, having been a member of ACES since 1996 I have attended all but three Spring and Presidential conferences to date; notwithstanding changing times, the social programme has been an integral part of our excellent conferences for many a year and methinks ACES will be the lesser if it disappears.

[Ed – many thanks to Marcus for putting on such a full programme. The 'family' of ACES is an unique organisation, reinforced by its conference social programme. I often feel tempted to miss the professional programme and default to the 'Light side'].

PRESIDENT ON TOUR

Sara Cameron President@aces.org.uk

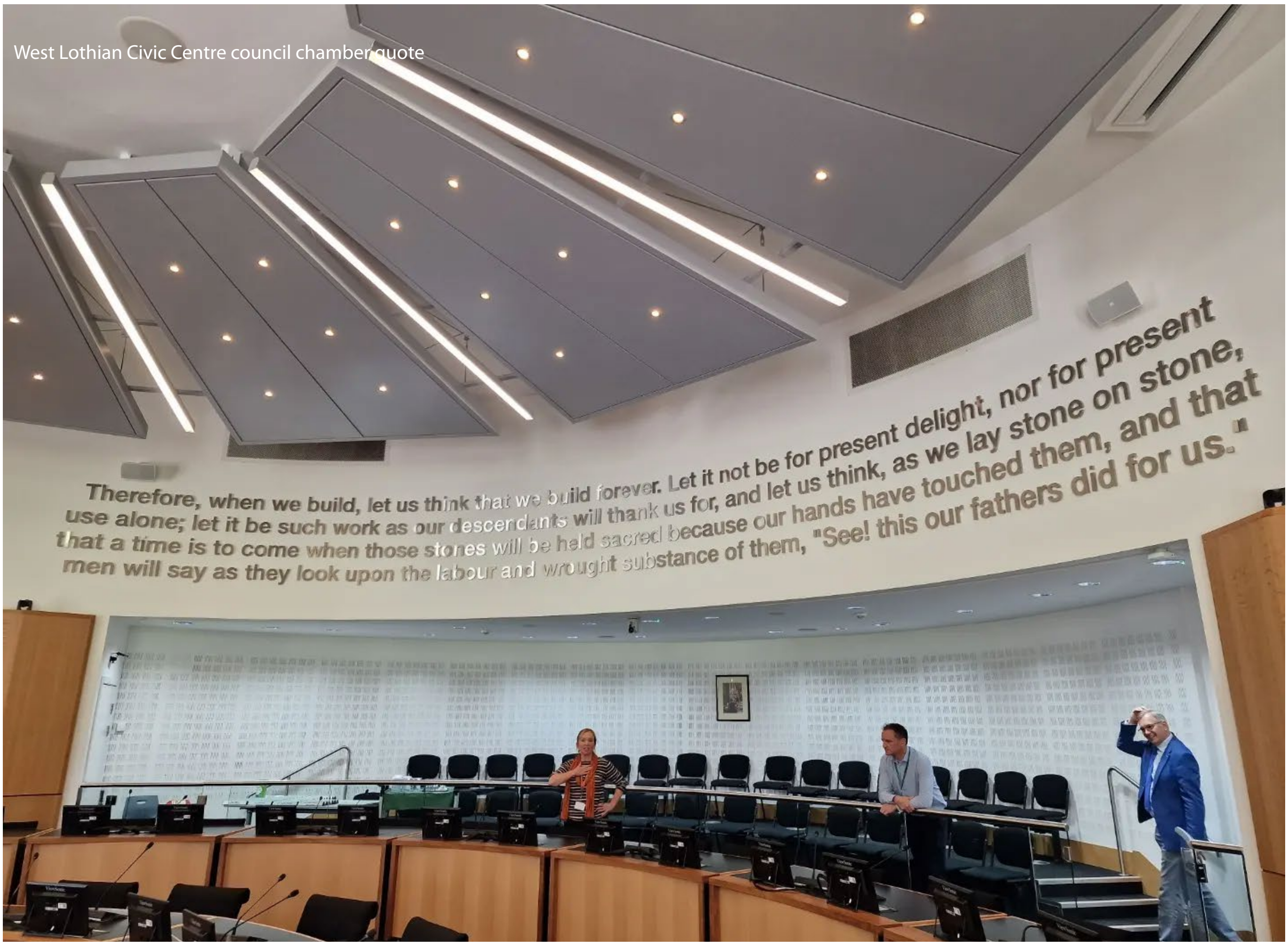
This is the one where I broke the van!

Van life in the summer can be adventurous. But the British summer really does keep you on your toes! In truth this past few months has been more trains and hotels than van life, but it has been just as busy and then some.

In July, I had the busiest week of my Presidency:

- North East Branch meeting in Darlington. It was great to hear and see the amount of placemaking and regeneration around Darlington Station as well as hear how much the small property team at the council was moving forward with strategic projects. Overall, my key takeaway was that these shared experiences are not only great examples of ACES members and colleagues deliver but that they demonstrate the kind of local leadership that is vital to our residents and communities [Ed – see NE Branch report]
- It was a pleasure to join Alex Gee (CIPFA and Vice President SPACES), Simon King (edenseven), Cecilie Booth (S151 Officer and Exec Director Corporate Services at Peterborough City Council) and Billie Heafield

Glencoe



West Lothian Civic Centre council chamber quote

(Bluelight Commercial) as part of a roundtable discussion at CIPFA's Public Finance Live in Manchester, focussing on property portfolio management and net zero. As you can imagine the challenges of lack of resources, poor data and the skills gap were hotly debated

- I made it back to London to attend the RICS Summer Event. I've been to RICS HQ in Westminster more times than I can count and it always makes me proud to be an RICS member, particularly so when you get invited to attend celebratory events and end up leaving with so much positive feedback about ACES and our place as the pre-eminent voice of public sector property professionals (you can thank Neil Webster for that elevator pitch!) - and knowing despite our membership size we are absolutely making an impact inside the sector and across the industry
- To end this busy week, I travelled back up north to Preston and ACES National Council. Unfortunately relying on the trains ended up with multiple train tickets due to missed connections (thanks TransPennine) and an emergency Premier Inn stay in London as I couldn't get back to Norwich! Van life is so much easier.

I had a quiet August until venturing back up to Scotland to meet the Scottish Branch. It was this trip that I got a massive reality check on van life. While walking the West Highland Way I'd left the pop-top roof up at the camp site. The weather got stormy and when I got back, I noticed a missing bolt on one of the roof braces; its fine I thought, I've got 3 points of contact, I'll lower the roof and it'll be okay...dear reader, it was not okay! Little did I know the other brace was also missing a bolt and so 3 points of contact became 2, and those poor hydraulic arms couldn't


Presidential team post-conference – l to r Alan, Sara and Dan

bear the roof. The roof got stuck at a very odd angle on the awning and panic set in. Thankfully 3 very tall and kind men helped me get the roof strapped and stable and 2 policeman who were passing assured me I wouldn't get stopped on my way to Yorkshire, then Norwich.

I won't write much about the Public Sector Challenge - Yorkshire 3 Peaks as our intrepid ACES team has written a wonderful article about their collective experience [Ed – see this issue]. What I will say is THEY WERE BRILLIANT!! My experience as a volunteer was also the best voluntary experience I've had, and as a former Girl Guide Leader, I took the guides to Disneyland Paris and I thought that couldn't be beaten. Everybody - and I mean everybody - was kind, calm and just lovely to deal with, from the crack of dawn 'til the end of the celebrations. It makes you so proud to be part of the public sector.

September and the summer hiatus was over. Not only did the conference in Norwich become all-consuming, I was still travelling – back to London to take part in The Festival of Government Property – part of Government Property Month - focusing on supporting early career professionals and networking. Then travelling to Ashford to meet South East Branch and get a tour of the fantastic Coachworks on the doorstep of the civic centre and train station.

National Conference

Back to Norwich for the 2024 pre-conference networking dinner at Marvel Avengers HQ - aka the stunning Sainsbury Centre for Visual Arts - on 18 September. What a night! Excellent local food, wine sourced by Adnams, we heard from Norfolk County Councillor Jane James about how blooming brilliant Norfolk, is and from Sophie Cabot, Norfolk Museum Services, about the Royal Palace reborn project at Norwich Castle, all among chat, laughter and networking [Ed – see Marcus Perry's social programme write up].

The conference itself on 19 September was so well received. I was thrilled that the programme of speakers and themed panels worked well to keep delegates engaged and with us until the drinks and canapes were served at the end of the day. My thanks to our corporate members Lambert Smith Hampton, Norse, Carter Jonas, BNP Paribas and Avison Young for their unwavering support. To our panels and speakers, Karl Limbert (Equans), Sarah Butler (Drees & Sommer), Rachel Moan (Cheshire West and Chester Council) Alan Richards (Junior Vice President ACES and Southend on Sea City Council), Dr Steve Norris (Lambert Smith Hampton), Daniella Barrow and Melvyn Stone (Norse Group), legends Jackie Sadek (Urban Strategy) and Ingrid Hooley (Local Partnerships), Sir Chris Haworth (Gateway 14) and Saul Humphrey (Saul D Humphrey LLP, Professor at Anglia Ruskin and Vice President of CIOB), Olga Turner Baker (Ekkist and Standards & Regulation Board member at RICS), Charlotte Neal (Director of Surveying Practice at RICS), Jessie Leung (Gloucester Council and FACES), Alex Gee (Cipfa and Vice President SPACES), Richard O'Connell and Simon Bachelor (Lambert Smith Hampton), Alexandra Houghton and Ben le Coq (Carter Jonas), Tim Holland (Southend on Sea City Council) and Jeannine de Sousa (Norfolk County Council). Without all their time, expertise and insights there wouldn't have been a conference.

I've been bowled over by the immediate feedback received and can't help but immortalise some of it here:

"Really great event, the sessions were excellent and I learnt so much as well as thoroughly enjoying speaking!" Ingrid Hooley, Local Partnerships

"Buzzing after my first ACES conference. Jammed with fascinating talks and great to catch up with old colleagues and contacts and make new connections" Simon de Whalley, Office of Government Property, Cabinet Office

"A-MA-ZING A great conference from start to finish" Daniella Barrow, Norse Group

"It was a great day, excellent speakers and a full house" Alan Richards, Junior Vice President ACES

"Blooming brilliant!" Sara Cameron ACES President

"Blooming brilliant indeed Sara!" Dan Meek, President-Elect ACES

I must say I am beyond proud of Team ACES and Norwich.

As I write this, September is over and I had a flurry of London based events to close out the month – including attending the 125th celebration for Lionheart and London Branch meeting at RICS HQ.

Next stop Heart of England AGM on 7 November and National AGM and the big handover to Dan Meek on 15 November at Fieldfisher's offices in London [Ed – see details on ACES' website].

Where has the year gone!

Jackie is Chair of the UK Innovation Corridor and EG Public Sector Forum, working with investors and local authority/other public sector partners to encourage private sector investment into places. She is also an Honorary Fellow of ACES.

Ingrid is Service Director, Growth & Regeneration and Chief Planner at Peterborough City Council. She was formerly Strategy Director – Place, at Local Partnerships.

WORKING IN PARTNERSHIP

Place and Partnership – a 12 Point Plan

Jackie Sadek jackie.sadek@urban-strategy.co.uk
and Ingrid Hooley Ingrid.hooley@peterborough.gov.uk

Jackie and Ingrid made a presentation at the National Conference in September, in Session 2: Sustainable placemaking and regeneration. Ingrid kindly agreed to spread the message about how the public and private sectors can better understand each other's objectives and work together in "A 12 Point Plan".

The funding challenge

As local authorities across the UK grapple with declining budgets and rising costs, just three options of financing remain open to them – raising council tax, securing central government funding, or attracting private sector investment.

Raising council tax to any great degree is a political non-starter, while a flood of funding from central government is something of a pipedream. That means securing private sector investment and proper partnership is the only option if the UK really is to build back better.

To enable this, EG (Estates Gazette) established a Public Sector Forum to sit alongside its investor and advisory forums, with an initial aim of creating a go-to document allowing public and private sectors to do better business together. As this industry's critical and forever friend, EG finds its purpose in bringing the public sector, private capital and real estate's professionals together to build a better UK.

The three groups collectively represent the large majority of the real estate sector, with key local authority leaders, major investors and the top advisers all members.

We live in unprecedented times, foreign direct and domestic investment has become ever more important, in fact crucial, to our local and national economies. Put simply, the need to align potential investors with local leaders and form on-the-ground partnerships is greater than it has ever been.

The Public Sector Forum and "Working in Partnership"

The Public Sector Forum came together as a group of local authority leaders, networkers and facilitators, to think afresh about how we can work more productively with investors.

Working with advice from the Investor Forum, chaired by Andy Martin, former UK chief executive of BNP Paribas Real Estate, the Public Sector Forum has created a Working in Partnership guide, offering a simple 12-point plan to functional, equitable and profitable partnerships, with case studies outlining just how fruitful a truly collaborative approach can be.

The document – freely available to all public and private bodies – offers practical advice for both sides of a potential partnership, reminding investors that local authorities are not corporates, and that the complexity of the political environment and the local government decision-making process needs to be properly considered and understood throughout any potential partnership process.

The report calls on investors and developers to be mindful of communities, and procurement processes and warns that local government is driven by more than profit.

12 practical measures

For public sector bodies keen to secure private sector investment, the report provides 12 practical measures:

A 12 Point Plan

1. Offer a key point of contact.
2. Agree a long-term strategy, across political parties, to provide stability for investors.
3. Offer a joined-up approach to planning, spanning boundaries and reducing costs of reports.
4. Be clear about your asks on planning gain, section 106 and community infrastructure levy.
5. Promote your area, not just a site.
6. Find the innovation in your area.

Think Long Term

7. Tell a story about the key sectors you have locally.
8. Be honest about your local infrastructure.
9. Build partnerships with trust.
10. Be able to have conversations about energy capacity for developments.
11. Be forward thinking on the green agenda and social responsibility.
12. Prepare well for networking events: know your offer and sell it.

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The report recognises the essential role local authorities can play in both moderating the discussion and unlocking a future path to prosperity, not least through their site enabling role. Good plans attract good funding and without these, the investment needed to create new jobs and housing through regeneration and renewal is lost.

Real estate is and always will be about place. It is about creating homes, workplaces, destinations and the places in between for all of us. It is about wealth and health, for people, the planet and for UK plc. But to really deliver on that true purpose, it needs a new personality. It needs a new look that can change that perception once and for all. It needs to be seen as a true partner by those that build and invest, by those that control and protect place, and by those who offer the services to enable.

The Harrington review and investment

The report comes on the back of the Harrington review of foreign direct investment, published last November, which concluded the UK was missing out on investments that have gone to competitor countries with clearer industrial strategies and stronger government support.

It found that most of the UK's competitor countries have about 12% of GDP in business investment compared to our 10% – a difference of about £50bn a year.

To get private investment flowing, government needs to work with us to move quickly and be prepared to take and manage risk. We need to be comfortable with investors making money and we need to know how to take a pragmatic view of state aid and procurement processes to strike sensible commercial deals. Most of all we need expertise. We need people who really know how to contract with the private sector. And that means having people in post with relevant experience, both in local authorities and in Whitehall. We need a team of proper experts at the centre supporting us on the frontline.

Lord Harrington is calling for Whitehall to push for investment with an empowered, informed and skilled team, who have commitment, knowledge, interest, and above all, passion. People who know about inward investment. We are seeing the new government making moves to put this in place.

Working in Partnership – A guide to positive and effective public/private sector collaboration can be found here EG Supplements (pagesuite-professional.co.uk)

RETHINKING THE GREEN BELT

Sophie Davidson and David Churchill David.Churchill@carterjonas.co.uk

With the government's eye on investigating Green Belt land for housing, Sophie and David summarise topical Carter Jonas research about the Green Belt: "it is no more than a planning policy tool and largely mirrors land use for the UK as a whole. It is certainly not a landscape or ecological designation as some might imagine." The authors believe there is scope to better use some of this designated land.

Sophie is a Senior Analyst in the Research team at Carter Jonas, reporting on market trends and themes across both the rural and commercial divisions.

David is a planning partner in Carter Jonas' London office. He has over 20 years' experience in the public and private sector and specialises in the promotion of large-scale projects in the housing, retail, employment and major infrastructure sectors. From feasibility and project inception stages, David leads the planning and Environmental Impact Analysis processes, through to delivery of development.

A source of controversy since its introduction, the Green Belt describes multiple rings of land (not necessarily open space) around urban areas that are protected from development. It is a strategic planning tool and a land-use policy aiming principally at preventing 'urban sprawl' and safeguarding the countryside. The surrounding debate is complex, with mounting pressure to allow more development on Green Belt land competing with pressures to maintain the status quo.

Meanwhile, the shortage of developable land is a major obstacle to addressing the housing crisis and equally limits commercial development opportunities. We have analysed data on the structure of the Green Belt and looked at examples of places where growth is constrained to understand the cost of the Green Belt and how greater flexibility could increase levels of sustainable development.

Structure and expansion

The Green Belt has expanded rapidly since it was formally adopted in 1955. It now extends to 1.6m ha across 180 local authorities (LAs), covering 12.6% of land in England. In the two years to April 2023, land designated as Green Belt increased by 25,443 ha, or +1.6% (+1.5% in the first 12 months, then +0.1% in the second 12 months). This follows 10 years of contraction of the Green Belt (see figure 1) and puts its coverage at its largest since 2004.

Changes to land area

At a LA level, 12 authorities increased their Green Belt in the two years to April 2023 and 30 authorities reduced it. Most of these changes have been minor, with only 3 increasing Green Belt area by 1% or more, and 13 decreasing by at least 1%. Northumberland County Council had the greatest impact as it increased its Green Belt by 26,771 ha (or +61.5%). Meanwhile, Central Bedfordshire released 1,284 ha (-4.6%) of Green Belt land after identifying these areas as being the most sustainable locations for development in its Local Plan review. It is worth noting that if Northumberland was taken out of the analysis, the overall size of the Green Belt would have decreased (albeit by a marginal 0.1%).

While the National Planning Policy Framework (NPPF) guides local policymaking by defining the principles of the Green Belt, it can be flexed to suit local circumstances and needs. Changes to Green Belt boundaries are made through (often lengthy) local plan reviews. As LAs are impacted by a diverse range of pressures and priorities, the review process often leads to varying approaches to the Green Belt.

Composition of Green Belt land

The latest data from the Department for Levelling Up, Housing & Communities (DLUHC) shows that agricultural land makes up the greatest proportion of the

154

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Carter Jonas

Figure 1: Area of Land Designated as Green Belt
Source: Department for Levelling Up, Housing and Communities

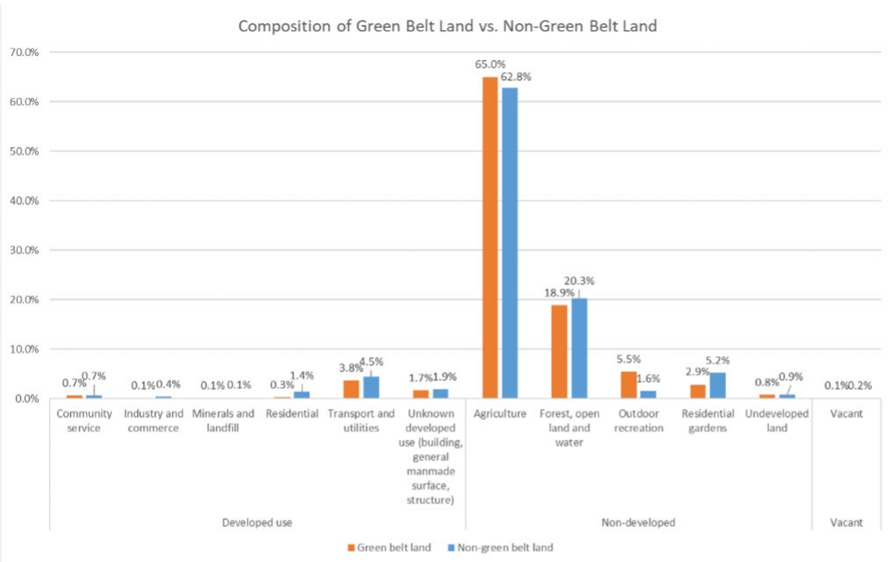

Figure 2: Composition of Green Belt Land vs. Non-Green Belt Land
Source: Department for Levelling Up, Housing and Communities; Carter Jonas Research

Green Belt (65.0%), followed by forest, open land and water (18.9%). 6.8% of Green Belt land has been developed, predominantly for transport and hardstanding, such as a car parks, paved or tarmacked area (5.2%). Land developed for buildings accounts for 1.2% (0.7% for community buildings, 0.3% is residential and 0.1% for warehousing).

These figures are not vastly different to the rest of England, which may be surprising to some, but it confirms that the Green Belt is not as unique as commonly assumed. Agricultural land accounts for 62.8% of the remaining land (when Green Belt is excluded), just 2.2% lower than in the Green Belt, while forest, open land, and water accounts for 20.3%, 1.4% higher than in the Green Belt. Only 9.0% of non-Green Belt land is developed, 2.2% more than in the Green Belt alone. Of that, 6.1% is used for transport or hardstanding and 2.5% is developed for buildings, 0.9% and 1.3% higher than in the Green Belt, respectively. This highlights that Green Belt is no more than a planning policy tool and largely mirrors land use for the UK as a whole. It is certainly not a landscape or ecological designation as some might imagine.

Protecting the environment?

Despite having the word 'green' in its title, the Green Belt is not an environmental designation. Unlike conservation areas such as National Parks, National Landscapes (previously AONBs), Sites of Special Scientific Interest, and Ramsar Sites (wetlands of international importance), for instance, the Green Belt was not created with the primary purpose of protecting the environment. While some land in the Green Belt is covered by environmental designations, and is thereby protected through other means, it does not denote high-quality landscape or habitats.

Environmental designations cover 21.0% of the Green Belt (accounting for overlap, and including parks and nature reserves), with the rest of the land having no specified environmental importance. This doesn't necessarily mean that the remainder is of no environmental value as, in many areas, it is perceived to protect the natural environment by account of simply being open. For instance, providing a buffer between urban areas and the countryside can help sustain air and water quality. Yet, much of the Green Belt is ecologically poor grassland, brownfield or roadside verges, for instance, which are not always well maintained. Protecting and improving richly diverse areas of land is better pursued through statutory protections designed for these purposes.

Figure 5 shows how varied this is by Green Belt area. Surrounding London, for instance, 38.7% of the Green Belt is covered by an environmental designation or public use. In particular, Surrey Hills, the Kent Downs and the Chilterns National Landscapes overlap extensively with Green Belt land (see figure 4). Whereas, at the other end of the scale, York's surrounding Green Belt has only 3.6% of other designations, and Stoke-on-Trent has only 2.8%.

The rhetoric surrounding the Green Belt can be powerful and politically charged. Take for example the common claim that building on the Green Belt amounts to 'concreting over the countryside'. While some Green Belts contain larger proportions of environmentally protected or publicly accessible land, there is also a significant amount of land with little environmental or amenity value (recently coined the 'grey belt' by the Labour Party'). This raises the question of whether it is necessary to protect so much land, and whether greater flexibility within the Green Belt would allow for better allocation of land. It is possible to use the Green Belt for green purposes, by identifying and preserving amenity and biodiversity rich land, while permitting some development on land with lower environmental importance.

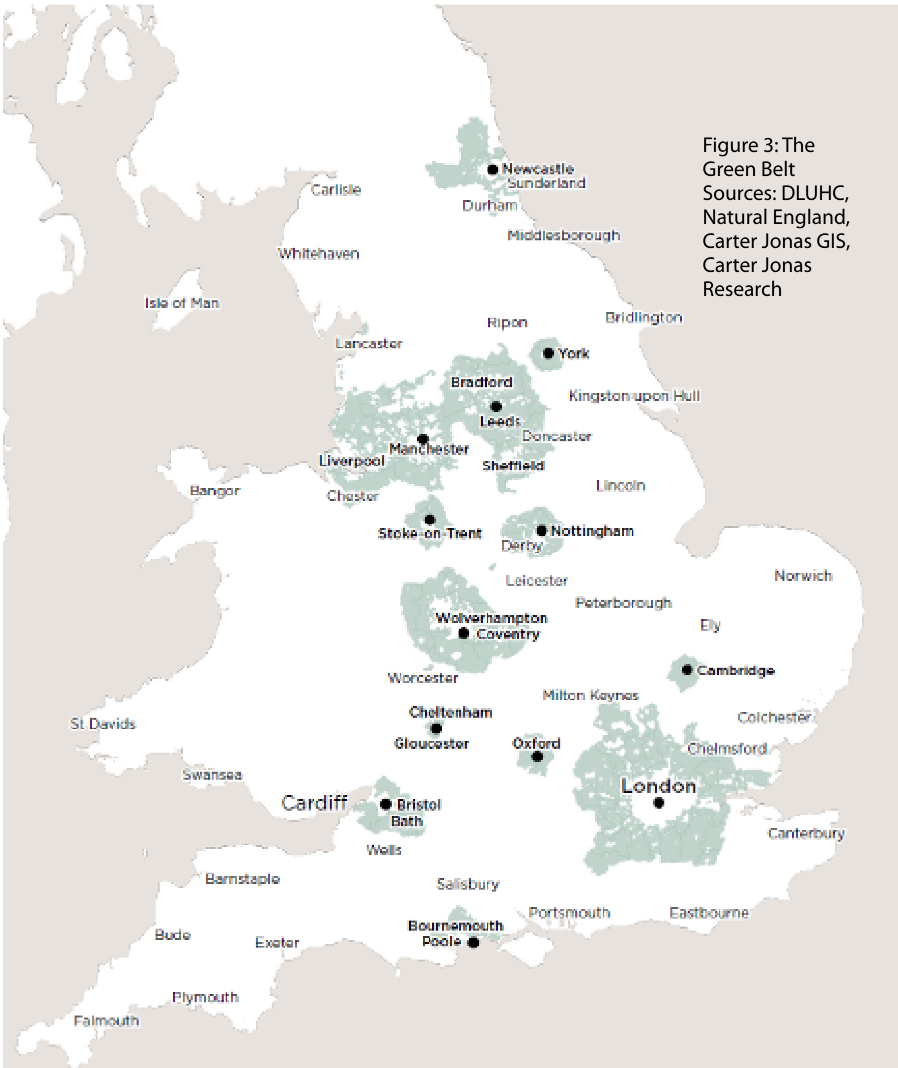

Figure 3: The Green Belt
Sources: DLUHC, Natural England, Carter Jonas GIS, Carter Jonas Research

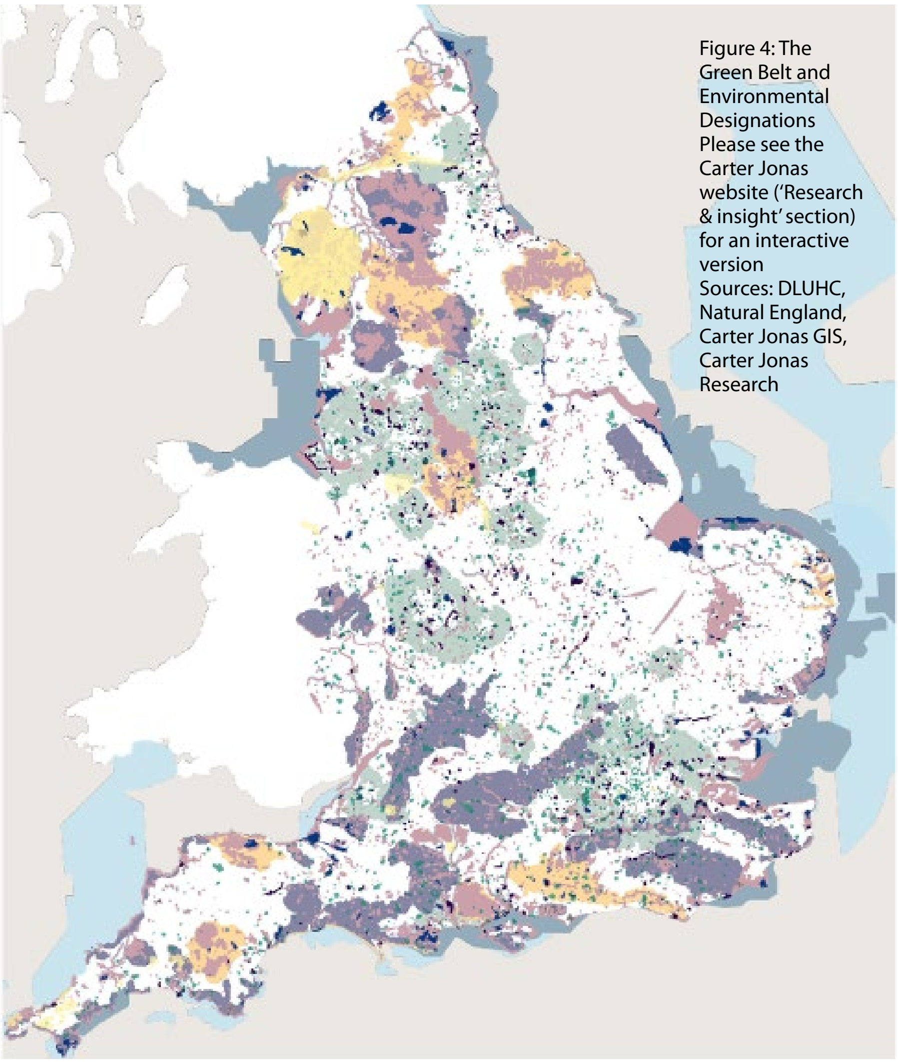

Figure 4: The Green Belt and Environmental Designations
Please see the Carter Jonas website ('Research & insight' section) for an interactive version
Sources: DLUHC, Natural England, Carter Jonas GIS, Carter Jonas Research

Land releases for development can even present an opportunity for biodiversity improvements. Many LAs are prioritising biodiversity, with some declaring ecological emergencies alongside climate emergencies. Increasingly, local policies are reflecting a strong desire to reverse the decline in biodiversity, particularly by use of biodiversity net gain (BNG) policy. The Environment Act 2021 mandated BNG at a national level, requiring developers to increase the ecological value of a development site by a minimum of 10%. Yet there are local variations, with some policies (either adopted or in consultation) requiring developers to deliver higher levels of net gain and some prescribing where or how BNG is to be delivered. For instance, Greater Cambridge's emerging Local Plan (covering both Cambridge City Council and South Cambridgeshire District Council) is calling for a minimum of 20% BNG. New development on Green Belt, especially large-scale projects, will then provide even greater environmental benefits, alongside much-needed housing and employment space.

Potential housing need

<u>Housing demand</u>
According to official statistics, the number of households in England is expected to grow by 5.4% by 2030 (from 2022), adding further strain to the already tight housing market. The expansion of the Green Belt coupled with population growth in urban centres has given rise to 'leapfrog' development. Developers have been forced to build further away from urban areas, which often means developing areas with worse access to services and jobs and creating longer commutes. As the population (and number of households) grows, this trend will only intensify.

<u>How many houses do we need to build?</u>
Opinions vary on how many houses the UK needs to build to cope with the projected population growth and account for existing backlogs. In the 10 years to March 2023, housing completions in the UK averaged 184,317 p.a. This is 11.8% below the 50-year average (206,016 p.a.). However, the UK has been building an insufficient number of houses for decades, with the last year exceeding 250,000 completions being 1979-1980.

Analysis from the Financial Times estimated that England needs 421,000 new

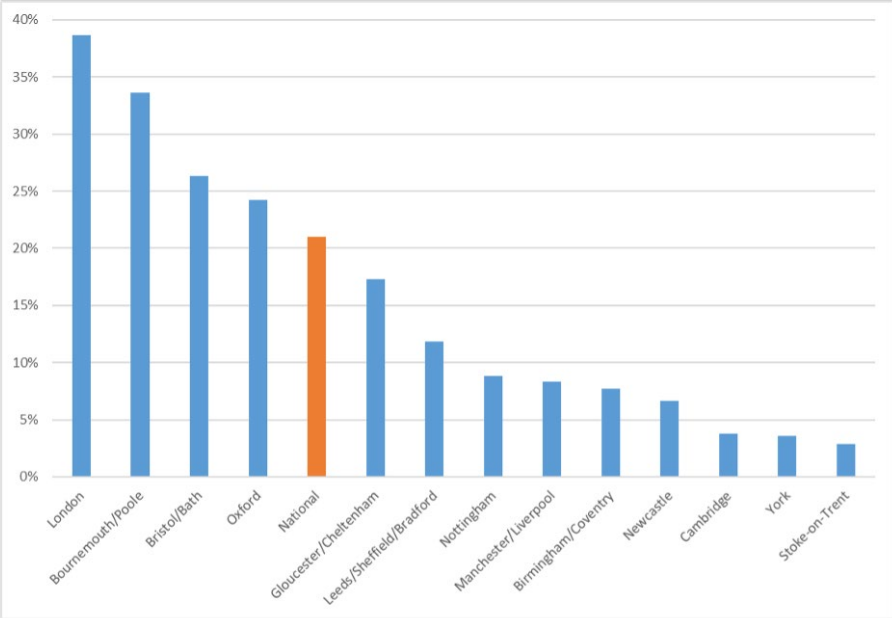

Figure 5: Percentage of the Green Belt Covered by Another Environmental Designation by Green Belt Area
Sources: DLUHC, Natural England, Carter Jonas GIS, Carter Jonas Research

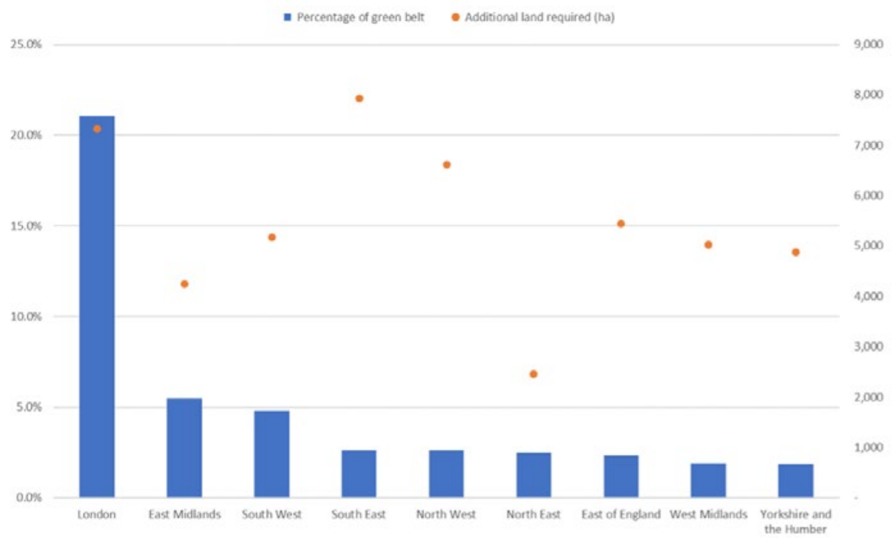

Figure 6: Percentage of Green Belt Land Required for a Housing Increase of 6%
Sources: DLUHC, Carter Jonas Research

homes p.a., but this number could be as high as 529,000 if current net migration levels persist, while the National Housing Federation says we need to build 340,000 homes p.a. The Labour manifesto has committed to a mandatory housebuilding target of 300,000 p.a. over the next five years (in line with the previous government's target).

Increasing housing stock by 300,000 p.a.
Increasing the UK's housing stock by 300,000 p.a. over the next five years (or 1.5m in total) would increase the total housing stock by 6.0%. Assuming an average plot size of 0.033 ha (Carter Jonas research), the land required would equate to only 3.0% of the Green Belt. While this scenario assumes Green Belt land is the sole option for new housing, which is clearly unrealistic, it highlights its potential for development.

Figure 6 shows how much land could be required if housing stock was increased by 6.0% in each region. It is important to note that the actual housing needs are likely to vary across regions. The Office for National Statistics forecasts vary from 6.7% household growth by 2030 in the South West to a more modest 3.1% increase in the North East. However, these projections could change if the government implements effective regional investment strategies, or if net migration into the UK changes. And, ultimately, housing development needs to not only cater for future growth, but also address the current backlog.

London faces the greatest pressure in this scenario, with a 6.0% increase in housing stock potentially requiring a larger land area, representing 21.1% of Green Belt land if new housing is built entirely on it. However, a more likely scenario would involve denser development, reducing the overall land requirement. In six regions (South East, North West, North East, East of England, West Midlands, and Yorkshire and the Humber), a 6.0% increase in housing would equate to less than 3% of Green Belt land (see figure 6).

Exploring options
There are several options to address the urgent need for housing, each with their own benefits. The modest release of land from the Green Belt forms part of the solution, either for edge-of-town development or along major transport arteries (as discussed in the next section). By selecting sites of lower environmental value and those not designated for conservation, the impact on nature can be minimised. Considering a low percentage of land across almost all regions (see figure 5) is designated for environmental purposes, there is greater scope to release Green Belt land. And, despite higher percentages of crossover of Green Belt and other designations in London, there is still a significant proportion of land without an environmental designation that could be used strategically.

This could be used in combination with densification in some towns and cities, allowing for greater accessibility to services and transportation. This often means building upwards, which typically involves demolishing existing buildings and can be time-consuming and costly. The Centre for Cities report, 'City Space Race', argues that building out (expanding) enables faster development and, in most cases, this means releasing some Green Belt land. Additionally, as proposed by the Labour Party, the UK could revisit the approach of new town development, leveraging post-WWII successes to increase housing supply significantly. This option, however, requires long-term planning and substantial upfront investment in infrastructure.

Maximising travel routes

Due to Green Belts typically being in the form of rings around urban centres, major transport routes often pass through them to connect one urban area to another, or rural areas to city centres. There are numerous existing transport corridors and interchanges that present potential for development, saving both the time and money needed to build new ones. Flexible use of Green Belt land in areas served by existing motorway junctions or railway stations, for instance, would allow for more sustainable patterns of development than 'leapfrog' development, without creating urban sprawl.

We have listed examples of where development along transport corridors could help ease pressure on housing in city centres.

<u>M1 between Sheffield and Leeds</u>
This major transport route connects two of the largest cities in Yorkshire. It is used by millions of people each year, commuting to work, travelling for leisure and transporting goods. It is a vital part of the region's transport infrastructure. Stretching approximately 27 miles, 74.4% of the route is in Green Belt land. It also has numerous major intersections in the Green Belt in sparsely populated areas. Releasing land around these for development could reduce travel distances for those living outside of the city centre.

<u>Rail route between Birmingham and Stratford-upon-Avon</u>
The commute between Birmingham and Stratford-upon-Avon is popular with those who prefer to live outside of a large city, while retaining access for work and leisure. There are two main routes, both of which are approximately 25 miles in length and almost entirely located in the Green Belt. We have identified 10 train stations that are either partially or wholly contained by the Green Belt, three of which are encircled by Green Belt land spanning at least two miles. Facilitating development around these stations would optimise the utilisation of existing infrastructure and minimise the need for extensive travel to access a train station. This simultaneously addresses the pressing need for housing and fosters a shift towards greener transportation.

Looking forward

At a time when there is an acute housing shortage and a need for high-quality commercial space, it is vital that we look to measures to unlock opportunities for development. Many urban centres have very little developable land, which is acting as a major constraint on affordability and growth. Green Belt land offers the opportunity for valuable edge-of-town development within close proximity to transport connections and amenities.

While it is important that we preserve high-quality, biodiverse, and environmentally sensitive land, the Green Belt does not necessarily fit into these categories. Many of the perceptions of the Green Belt are myths and are impinging on the ability of the local planning authorities to bring forward managed and sustainable development. A more pragmatic approach to releasing Green Belt land that is not productive or covered by an environmental designation would not only streamline the local plan review process but could accelerate in-demand development.

The use of Green Belt land (at the edge of cities or along major transport arteries) only forms part of the solution, with other potential approaches including densification, and the development of entirely new towns. The former was an assumed priority for the Conservative government, with Michael Gove (the previous Secretary of State for Levelling Up, Housing and Communities) discussing plans to allow shops and offices to be converted into homes. This has been criticised (notably by the Local Government Association) as offices and shops are not always suitable for housing, and it may create 'poor quality residential environments'.

The government's consultation draft NPPF, while continuing to attach importance to Green Belts and advocating a 'brownfield first approach', may pave the way for a more flexible approach to use of the Green Belt. The proposal of 'the targeting release of grey belt land', strikes a balance between protecting land that is important to protect, and that which can be appropriately developed for good social and economic reasons. Subject to the outcome of the consultation, a shift in approach may be round the corner.

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GREEN BELT DEVELOPMENT
What lessons does Cambridge green belt project offer?

Tony Mulhall TMulhall@rics.org

Government's proposed use of grey belt land has reopened discussion about green belt. The RICS recently held a round table in Cambridge asking if the city's approach to reallocating green belt land could be adopted elsewhere. RICS is grateful to Matthew Johnson and Catriona Freestone of the University of Cambridge and Jonathan Rose of Prior + Partners for making the round table happen. I am grateful to Tony for writing up this meeting and to submit it to publish in ACES' Terrier.

The green belt concept

Nearly 100 years after the introduction of the green belt – one of Britain's most popular planning measures – is its original aim still valid? If so, is the green belt itself the best way to achieve this objective, while fulfilling other equally important obligations to create sustainable communities?

The concept emerged as a way of providing a boundary for new garden cities in the late 19th century, and by the 1930s had become a broader response to sprawling development. Formally proposed in the London Plan in 1935, it was then incorporated into the Town and Country Planning Act 1947.

The policy encouraged local authorities to curtail urban sprawl by creating a ring of open, undeveloped land around their towns and cities, protecting this area from development and restricting the outward expansion of settlements on valuable agricultural land.

However, the context for urban development in the 21st century differs significantly. Affordable housing for a growing population that is close to employment has become a critical objective of the plan-led system, and people's expectations of their cities have changed. But is this sufficient justification for a comprehensive review of such a popular strategic planning measure?

To answer this question, RICS is looking at how more housing could be provided, and reviewing its own position on the way green belt policy should evolve to inform public debate.

Data contradicts impression of access and loss

People often assume that all green belt land is accessible to the public but that it is steadily being reduced in area. In fact, the latest government data shows:

- the green belt was estimated at a total of 1,638,420ha in 2023, around 12.6% of land in England
- between March 2022 and March 2023, green belt land in England increased by 860ha
- in 2022–23, ten local authorities adopted new plans involving changes to their green belt, resulting in a net increase.

Successive governments have announced that they would strengthen green belt policy. The National Planning Policy Framework (NPPF) 2023 describes its purpose, and the exceptional circumstances in which its development may be permitted through plan-led changes to its boundaries.

Perhaps the new Labour government's identification of so-called grey belt land in the green belt as potentially suitable for development denotes that at the very least the subject is up for discussion at the highest level.

At the time the redesignation of the Cambridge green belt land was proposed, national green belt policy was set out in the Green belt: Planning policy guidance. This document was replaced by the NPPF in 2012, though this made little difference to national green belt policy.

Reflecting the diversity of stakeholder views now being voiced, in 2021 the Commons Housing, Communities and Local Government Committee – subsequently the Levelling Up, Housing and Communities Committee – called for a review to examine the purpose of the green belt, which was published in 2023.

Experts discuss Cambridge redesignation

As part of its reflections on the green belt, RICS held a round table last November in Eddington, north west Cambridge. This is an area of former Cambridge green belt land owned by the University of Cambridge, which is currently being developed for residential, educational, research and recreational purposes. The result will be a roughly 50–50 split between developed area and accessible open space.

The focus of the round table was whether the successful development of Eddington, which has taken several decades to realise, could serve as an exemplar in the redesignation of green belt land for sustainable development elsewhere, or whether the circumstances were unique to Cambridge, with its patient funding sources, and could not be replicated.

In contrast, Oxford for instance has resisted changes to its green belt, and some have attributed its extreme housing shortage to the rigid pursuit of this policy, though flood-plains and transport may also be factors.

Nevertheless, the broader question is whether green belts can be partially developed to service their expanding communities, while at the same time providing beneficial access to open areas.

Participants at the RICS round table, which was hosted by the University of Cambridge, included its development director and master planner for development, as well as its former estates director and Cambridge City Council's former city planner. Both of the latter had been instrumental in the redesignation of the land in the 1990s.

Also participating were a number of practitioners, including RICS members, representatives of Homes England, the British Property Federation, the Home Builders Federation, the Country Land and Business Association and the Royal Town Planning Institute, and academics from the London School of Economics, University College London, and the University of Cambridge itself.

University scheme supported by regional planning

In the 1990s the University of Cambridge owned two working farms in the green belt to the north west of the city, totalling around 150ha, and it started to redevelop these.

Although the regional level of the UK planning system is now defunct, regional planning guidance published in 2000 went on to advocate the city's expansion to the north west, and critically informed development policies during the early planning stages.

North west Cambridge was again identified in the Cambridgeshire and Peterborough structure plan 2003 as the site for major change, anticipating the release of green belt land for development following a boundary review.

Once released, that land was only to be brought forward for development as and when the university could show a clear need to do so. The university duly identified a need for affordable housing for its key workers, and was active in advocating reclassification of this green belt land through various consultations from regional to area action plans (AAPs).

In 2008, the draft development plan's examination in public focused on the needs of the university, the mix and viability of development, and matters relating to the green belt, environmental footprint and open space. This draft plan was approved the following year, and the north west Cambridge AAP was adopted, reflecting best practice in environmental sustainability.

While the plan would entail revision of the green belt and the creation of a new landscaped urban edge, these would preserve the unique character of Cambridge, enhance its setting, and maintain the separate identity of the nearby village of Girton.

After consultation, a more detailed masterplan formed the basis of the university's outline planning application. This was granted permission in January 2013, and the scheme is still under construction.

Overall, along with 1,500 homes for its key workers, it is providing accommodation for 2,000 postgraduates as well as 1,500 homes for sale and 100,000 sq m of research facilities. Plans also include a local centre, as well as parklands, playing fields, sustainable transportation, and an extensive cycle network. As the scheme has evolved, open space increased to 50% of the site area.

Phase one of construction in 2013 provided more than 1,300 homes. There were also central amenities including a school, community hall, shops and a health centre, as well as a hotel and key primary infrastructure. Many of these necessitated capital expenditure to ensure that early residents were fully supported.

Participants focus on circumstances of reallocation

During the round table discussion, participants were acutely aware of how contentious and time-consuming reallocating land from green belt land may be. In Cambridge's case, it took 14 years from the initial decision to take the land out of the green belt in 1999, to the grant of planning permission in 2013. The construction stage was conceived as a 20-year programme dependent on meeting arising need.

Most cities with green belts are now experiencing housing shortages, and redesignation may be one option to remedy this; but they would have to bear in mind this potential time frame for expansion if operating through the current planning system. Nevertheless, although public policy implies that green belt development is only permissible in exceptional circumstances, such reallocations in fact take place all the time.

What justifications or incentives might enable redesignation from green belt to development land? The fact that more than 50% of land reallocated is becoming recreational open space was a significant incentive for the local community in north west Cambridge.

In this case, the university's unique requirements, its ownership of land immediately adjoining it in the green belt, the quality of development proposed, and the proximity of students and employees – including key workers – to their place of study, research or work provided a compelling argument for reallocation. But even then it took a long time to process through the existing planning system.

One academic who had researched the London green belt questioned whether there should be a super levy on developers benefitting from such reallocations, given the historically ascribed permanence of the designation, and the fact that windfall gains are similarly obtained by local authorities when reallocating agricultural to development land.

Community considered vital to Eddington progress

Changing the status of green belt to development land is one of the most contentious proposals to take through the planning system. But this was managed through the then regional framework that addressed future development growth needs.

Once the regional planning guidance had identified north west Cambridge for development, the AAP and detailed masterplan fleshed out that guidance. The decision-makers reported a generally positive response from the city council and the community, although the risk of congestion around Girton village drew objections from its parish council.

The proposal was subject to extensive consultation at various stages. The university also proactively engaged with local and national stakeholder groups, encouraging the establishment of a residents' association to develop a consolidated view with input from Cambridge Past, Present & Future, and the Campaign to Protect Rural England among its stakeholders.

As part of the open debate to inform RICS' position, the round table discussed whether green belt redesignations can be more constructively dealt with through a regional scale of planning in a designated hierarchy, rather than working through a patchwork of individual plans at local authority or district council scale, without any binding obligations to cooperate.

Unique context still prompts wider policy critique

Given the challenges to be overcome in reallocating land from the Cambridge green belt to development uses, there was a general view that the approach taken here would be difficult to reproduce in a more commercial environment.

The international status of the University of Cambridge provided a compelling case for its expansion, particularly at this location. There were a few objections to the plan, mainly because of its proximity to Girton, as the project focused on the university rather than the city community. However, the university's record of stewardship of its estate over centuries makes it a credible master developer and custodian of a multi-phased complex development on green belt land, once considered sacrosanct by residents.

Recently, there has also been greater willingness to discuss the role of green belts around towns and cities more generally. Research from 2016 carried out by the London School of Economics and the London Society, for instance, is being re-examined by academics and others in the sector, while incremental adjustments have been made to green belts by offsetting development with the provision of land elsewhere.

Eddington is probably the most comprehensive proposal of this type being implemented, and will be completed either to level 5 of the former Code for Sustainable Homes or, for non-residential property, to a BREEAM rating of excellent.

Yet despite the rhetoric of previous governments, reform in the planning system has historically been glacially slow. The Cambridge development was achieved through the existing planning system and advanced through regional planning guidance and the local plan-making process, and even then, it took a long time.

To recreate the Cambridge case study elsewhere would require a long lead time to prepare, control of the land during that period, significant upfront investment, and would be dependent on a long pay-back period. Clearly the long wait for a return on investment requires a different business model for development. Capital expenditure on infrastructure that contributes to significant capital appreciation in the long run, will require a patient funding partner [Ed – see also the Welbourne case study in 2023 Autumn Terrier].

Strategic approach can enable housing development

The green belt has for more than 70 years been a national policy to contain urban settlements. However, what seems to be needed now is a strategy that allows for expansion, identifying optimal locations for housing, employment and infrastructure.

This strategy should also have regard to the diversity of demands being placed on land, from food production and natural habitat, to urban development and renewable energy. Such a strategy would provide the context in which an objective review of green belt policy could take place, alongside other options.

North west Cambridge shows what one version of development on former green belt land looks like: the space being developed; the open space accessible to all; the density and mix of uses; and the quality of the built and natural environments.

As a spatial concept, this approach could result in the green belt ceasing to be a ring of private land around a settlement and instead becoming a series of wedges around the perimeter that alternate between development and publicly accessible open space.

Such wedges could be bounded by rail lines and roads radiating from the town centre. Could this arrangement fulfil the desire for openness advocated by the existing green belt policy, albeit in a different shape?

There is international precedent for such a concept in the form of Copenhagen. Although circumstances in one country are not always transferrable to another in their entirety, the Danish experience may help to understand how such an approach evolved.

There is an additional rationale for seeking to expand existing settlements: many declining town centres need to have their population catchments reinforced, and expansion could boost local consumption and give an incentive for modernising infrastructure.

There are of course considerable challenges to be overcome in reconfiguring former green belt land, to maintain openness while developing sustainable, housing-led settlements. The first thing to do is understand what could be achieved in an appropriate framework. The second is to understand the consequences of not reviewing the green belt as a legitimate response to the UK's pressing need for housing.

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CREATING NEW COMMUNITIES

What is needed to create genuine communities?

David Churchill David.Churchill@carterjonas.co.uk

David recognises "there are too many examples of new communities failing to provide adequate facilities early enough in their development to meet the needs of the new residents." As with the Cambridge green belt development, "the best means by which master planners and developers can achieve this is through a planned and well managed approach to 'legacy'".

Introduction

We all know what defines a successful community: not just a range of homes to address a range of requirements, but also attractive and safe areas in which to spend leisure time and enjoy a healthy lifestyle, the provision and maintenance of appropriate community facilities and services, and a sustainable approach to both the construction and operation of a community. Perhaps most importantly, the most successful communities are those which benefit from long-term investment (both financial and otherwise) following delivery [Ed – see previous article].

But what I have described here, sadly, is more idealist than typical due to the very many restraints that lie in the path of creating a fully functioning and sustainable community.

The funding issues behind the provision of community facilities and infrastructure were recognised in a working paper by the Competition and Markets Authority (CMA), Private Management of Public Amenities on Housing Estates. The report considered that, whereas historically it was standard practice for amenities on new housing estates intended for communal use – such as roads, sewers and drainage and public open spaces – to be adopted by the local authority, this has changed in the past five years, partly due to local authority concerns about the ongoing costs of maintaining amenities. On behalf of the housebuilding industry, the Home Builders Federation responded to the CMA's report, recognising the importance of public open spaces, amenities and infrastructure, but raising questions about the ownership and increasingly complex maintenance of community assets.

Constraints

Due to these funding and management issues – and, it should be recognised, despite the aspirations of both developers and local authorities - there are too many examples of new communities failing to provide adequate facilities early enough in their development to meet the needs of the new residents.

Again, the constraints are largely financial. The ever-increasing demands on the developer are one contributing factor: planning contributions (s106 and CIL), direct delivery of infrastructure, community facilities and services, sustainable urban drainage systems, nutrient neutrality, water neutrality, biodiversity net gain – all before we get to the affordable housing. I would not dispute the importance of these items for the benefit of existing and future communities, but there is no doubt that the longer the list of developer contributions becomes, the more risks there are in the process and the more expensive it becomes. This is reflected in property prices and can result in important benefits being delivered late in the development process.

Successful communities

The most successful communities are undoubtedly those with a strong sense of neighbourliness in which individuals, working together, can support both the built environment and the community as a whole. But the challenge for developers in creating successfully a truly sustainable community is the effective long-term management of resources.

Funding issues aside, the best means by which master planners and developers can achieve this is through a planned and well managed approach to 'legacy'. The increased propensity of legacy-inspired developments over the past decade is partly due to the role of master developers and an increase in 'legacy' landowners. Master developers understand the benefits of this approach in terms of the immediate value that a 'placemaking premium' brings to a new community (not just the house prices that can be achieved, but also its attractiveness to the market) and also because of their long-term role as the owner and operator of spaces within them.

The legacy approach uses covenants for the long-term means of overseeing management. Covenants provide simplicity by putting parameters in place and providing a structure through which the community is served on an ongoing basis. They may initially be administered by an immature management company, but as the new community takes shape, they are passed on to a mature management company which can oversee ongoing maintenance efficiently and effectively.

The Oxford English Dictionary provides two definitions of legacy: (1) 'money or property that is given to you by somebody when they die' and (2), 'a situation that exists now because of events, actions, etc that took place in the past'.

While is it undoubtedly the second definition that corresponds the most enlightened developers' understanding of legacy, the monetary aspect is also worthy of consideration. Legacy cannot be disassociated from financial considerations, but when managed well through a covenant-based approach, comes in the form of value, not cost.

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With a passion for creating better spaces for communities, Daniella has played a vital role working with public sector partners on many significant projects, working closely to deliver outstanding properties and places in the built environment. With over 20 years of experience working at a senior level across local government and Norse in professional property consultancy, Daniella has a wealth of knowledge and expertise in leading teams to deliver on all aspects of property consultancy, including design, surveying and asset management.

DESIGN FOR LIFE
The smart regeneration journey to 2030

Daniella Barrow Daniella.barrow@norsegroup.co.uk and
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Daniella and Melvyn made a presentation at the National Conference in September, in Session 2: Sustainable placemaking and regeneration. Their colleague, Richard Gawthorpe, kindly agreed to prepare this insight into the recently launched "Design for Life" research report produced by Norse and Localis which "..calls on policymakers and local leaders to prioritise regeneration in the next political cycle."

Introduction

At the ACES Presidential Conference 2024, Daniella and Melvyn shared valuable insights with delegates on the research report "Design for Life: The Smart Regeneration Journey to 2030". Their presentation delved into the critical themes of urban regeneration and its impact on housing, health, and climate resilience. This article captures the essence of their presentation, summarising key insights and recommendations. A call to action at the end encourages readers to explore the report in greater detail for a deeper understanding of the comprehensive strategies discussed.

Challenges and strategies

In the face of pressing challenges, including a deepening housing crisis, an overstretched health system, and the looming threat of climate change, the UK must explore innovative solutions that address these interconnected problems. Urban regeneration emerges as a powerful tool for tackling these issues, providing an opportunity to reshape the built environment in ways that promote sustainability, well being, and economic growth. The "Design for Life"report presents a strategic vision for leveraging urban regeneration to meet the challenges of the next decade.

Melvyn is Operations Director, Estates and Advisory, Norse Group. He leads a team of property consultancy specialists and is responsible for developing new business, including joint ventures, portfolio reduction programmes, strategic asset management and facilitating housing developments.

With more than 35 years' experience in property estate asset management, Melvyn has taken projects from concept to delivery, navigating the partnerships through a business case and risk-based decision-making processes to ensure the right outcomes are delivered to drive projects forward. Throughout his career, Melvyn has managed and developed a diverse range of property portfolios for clients. His extensive experience encompasses client representation, financial strategies for portfolio management through asset strategies and regeneration initiatives.

One of the most urgent problems facing the UK today is the housing crisis. Over the past decade, local government spending on planning, development, and housing has been cut by more than half. This reduction in capacity has strained councils' ability to meet housing demand, while homelessness has surged, costing local authorities billions in temporary accommodation. The report highlights that regeneration projects must prioritise the development of new, affordable housing, especially in areas that have been hit hardest by austerity measures.

By repurposing derelict sites and underutilised urban spaces, local authorities can create much-needed homes without encroaching on greenfield land. Furthermore, regeneration can enable councils to meet housing targets while maintaining their other statutory duties, such as providing education, healthcare, and social services. However, the process of building new homes is fraught with challenges. Planning departments have been under-resourced for years, resulting in significant backlogs and delays. Regeneration, therefore, requires not only physical space and investment, but also a revitalisation of local government planning capacity. Without adequate resources and a streamlined planning system, housing projects will continue to falter, and the crisis will only deepen.

The Covid pandemic exposed the fragility of the UK's health system, which has been buckling under the strain of an ageing population and short-term fiscal policies. As life expectancy increases, healthcare systems must evolve to prioritise preventative measures, rather than simply reacting to acute issues. This is where urban regeneration can play a transformative role. The report stresses that upstream healthcare measures—those that prevent illness and promote well-being—must be integrated into urban planning. Regeneration projects offer a chance to design cities and towns in ways that encourage healthy living. This includes creating pedestrian-friendly streets, building parks and green spaces, and ensuring that homes are designed to support mental and physical well-being. Studies have shown that access to nature and open space significantly reduces stress and improves overall health outcomes.

Place-based health solutions are another key aspect of successful regeneration. Collaboration between local authorities, health services, and the private sector can create health-focused urban environments. Such efforts not only relieve the pressure on hospitals and GPs but also reduce healthcare costs in the long run. For example, ensuring access to quality housing and safe recreational spaces can prevent chronic diseases such as diabetes, heart disease, and respiratory conditions. Additionally, mental health is significantly influenced by the quality of the built environment, with poorly designed urban spaces often exacerbating issues like anxiety and depression. Urban regeneration must be viewed as a public health intervention. By fostering active, connected communities, regeneration projects can have a profound and lasting impact on the health and well being of residents. In the context of an overburdened health system, this approach offers a promising path to reducing long-term healthcare costs, while improving quality of life.

As global temperatures continue to rise, the urgency of addressing climate change has never been clearer. The built environment is a major contributor to carbon emissions, with construction, housing, and transportation accounting for a significant portion of the UK's carbon footprint. Historically, urban regeneration has been a highly polluting process, with construction practices that often harm local ecosystems and increase carbon emissions. The report calls for a radical shift in how regeneration projects are conceived and executed, placing decarbonisation and climate resilience at the core of the regeneration agenda. This involves adopting low-carbon construction techniques, prioritising sustainable materials, and integrating green infrastructure into urban designs.

One of the key strategies for achieving this is the retrofitting of existing housing stock. Many of the UK's homes are poorly insulated and energy inefficient, contributing to both high energy costs for residents and significant carbon emissions. Regeneration programmes must include large-scale retrofitting initiatives to bring homes up to modern energy efficiency standards. By investing in retrofitting, local authorities can reduce carbon footprints, while simultaneously addressing fuel poverty and improving residents' quality of life. Furthermore, regeneration efforts should prioritise biodiversity and climate resilience in urban spaces. Incorporating

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nature into the built environment—through green roofs, urban forests, and community gardens—can help cities adapt to the impacts of climate change, such as heatwaves and flooding. These natural elements not only improve environmental outcomes but also enhance residents' well-being by creating more attractive and liveable spaces.

Achieving successful regeneration requires strong leadership at the local level. The report emphasises the importance of place leadership in guiding regeneration efforts. Local authorities have a unique role to play in bringing together stakeholders—from private developers to healthcare providers and environmental groups—to ensure that regeneration projects align with the broader goals of housing affordability, public health, and environmental sustainability. However, local government faces significant challenges in this regard. Years of austerity have left many councils struggling with reduced budgets and limited capacity. To overcome these barriers, the report advocates for a return to strategic regional planning, which would allow for greater collaboration between councils and better resource allocation.

Key recommendations

To tackle these complex issues effectively, the report offers five key recommendations. First, place leadership must be strengthened, with central government legislating for a return to strategic regional planning, supported by infrastructure strategies and housing targets. Second, financial capability should be improved by creating single budgets or separate regeneration accounts for local authorities, enabling holistic project management without the constraints of the current revenue/capital budget split. Third, regeneration efforts must be tightly linked to net zero goals, with government support for retrofitting homes to improve energy efficiency and climate resilience. Fourth, sustainable partnerships with the private and third sectors need to be built, with long-term financing frameworks established to avoid the pitfalls of short-term bidding cycles. Finally, health and wellbeing must be integrated into local and regional regeneration plans, ensuring that public health objectives are met alongside economic and environmental goals.

Urban regeneration presents a powerful opportunity to address the UK's most pressing challenges. By focusing on housing, health, and climate resilience, regeneration projects can create cities and towns that are not only economically prosperous but also socially and environmentally sustainable. The "Design for Life" report calls on policymakers and local leaders to prioritise regeneration in the next political cycle, ensuring that the built environment supports a healthier, more equitable, and more resilient future for all.

For a deeper exploration of the strategic recommendations outlined in this article, you can read the full "Design for Life" report at Design for life - Norse Group

We are deeply committed to regeneration, viewing it not just as a policy or a strategy, but as a core principle that should lie at the heart of local government operations.

Justin Galliford CEO, Norse Group

Working in partnership: norse group LOCALIS

Lydia is an associate director in the Savills residential research team. She joined as an analyst in 2017 and her focus includes the wider development market, affordable housing, public sector and key worker housing. Before joining Savills Lydia read History at the University of Oxford.

KEY WORKER HOUSING

Housing affordability is a major threat to the recruitment and retention of key workers

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This briefing note looks at the current state of play for key worker housing, and the potential for creating new key worker-led housing solutions to provide both affordable and quality housing for key workers, supporting recruitment and retention and local workforce stability.

Housing affordability challenges

Key workers make up around a third of the UK workforce, but they are finding it increasingly difficult to find a home that they can afford. This is a real problem for recruitment and retention of key workers in health, education, and so many of the sectors on which we all rely on for our wellbeing and our capacity to contribute to a growing UK economy.

For many, the concept of "key workers" first became familiar during the Covid pandemic. In practice, key workers make up a broad cross-section of society, including medical staff, teachers, police officers, and civil servants in both local and national government.

Recent high levels of inflation have heavily impacted public services. Limited in their ability to raise wages, many employers have struggled to fill key worker

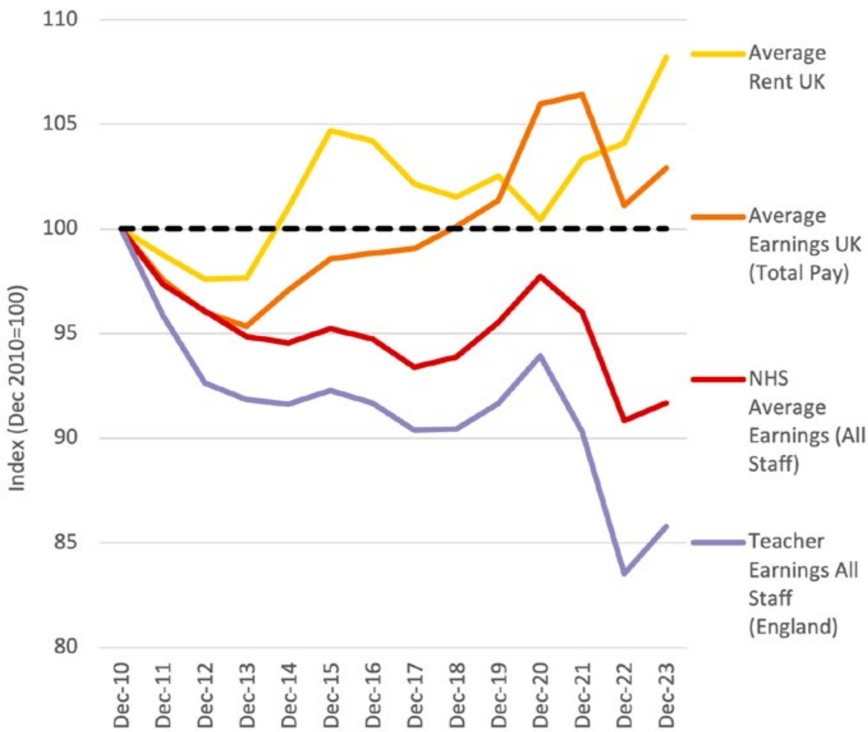
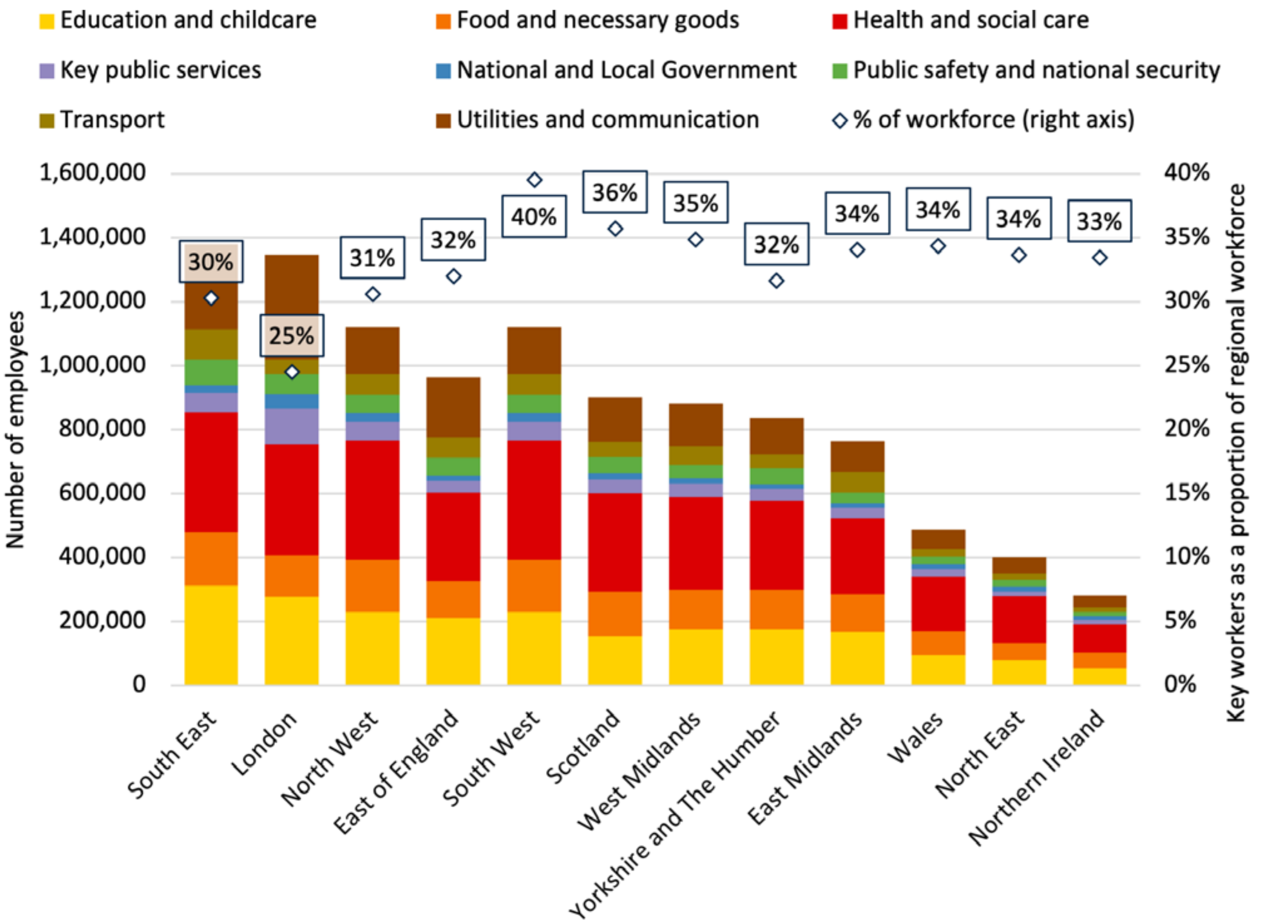


Figure 1 Rents and earnings in real terms

Figure 2 Key workers in numbers



roles. Earnings in many key worker roles have failed to keep pace with either UK average earnings or the cost of living.

Using the NHS as an example, in real terms (taking account of inflation), earnings in the health service have fallen 8% since 2010, compared with a 3% increase in average earnings across the UK. The cost of living squeeze on NHS staff has been severe since 2020, with a 6% decline in real earnings, compared with the 3% experienced by the average UK earner. The situation is worse for teachers in England: wages have fallen in real terms by over 14% between 2010 and 2023.

Coupled with rising interest rates significantly impacting mortgage costs and a lack of available rental stock causing rapid growth in rents – a critical part of solving the shortfall in key workers is helping to reduce housing costs and for employers to provide affordable housing solutions within workforce strategies.

How many key workers are there?

Definitions of key workers vary significantly, creating challenges in determining who should be prioritised. These definitions range from the current national planning policy focus on essential frontline workers in health, education and community safety, to much broader definitions in London housing policy. At the highest level, the Office of National Statistics (ONS) estimated there were around 10.6m key workers in the UK in mid-2020. This equals about 15% of the UK population, and a third (32.6%) of the total workforce. Within regions, the share of the workforce can vary, from 25% in London, to as high as 40% in the south west of England. Over half of all key workers work in either health and social care (31%) or education (20%).

With a median age of 39.4 years, key workers are marginally older than the working-age population at large (39.0 years). This is largely due to fewer young key workers: only 9.2% are aged 16-25 compared to 11.5% among all workers.

What about their current housing situation? 70% are estimated to own their home either with a mortgage or outright – a little higher than working-age households at large at 65%, likely due to fewer key workers under 25. Key workers who live in the private rented sector, however, face considerable affordability challenges.

Impact on staff recruitment and retention

Recruitment and retention of staff is a key challenge impacting the sustainability of key worker employment. In particular, there is an acute shortage of staff relative to requirements across the NHS. There were 121,070 full time equivalent vacancies in the NHS in September 2023, equivalent to 8.4% of the total staff workforce, according to NHS data. A recent report by the NHS Homes Alliance noted that "the lack of available affordable, quality homes in appropriate locations" was "a common theme", impacting staff recruitment and retention. 68% of staff surveyed at Oxford University Hospitals Trust stated that a lack of affordable housing would be a key driver in leaving their current job in the near future.

The link between a lack of affordable housing and housing of a suitable quality, and staff recruitment and retention, has prompted many key worker employers to look at more direct housing-led solutions, including the provision of key worker housing for staff. Various key worker housing schemes, including schemes for affordable rent, discounted market rent, or long-term

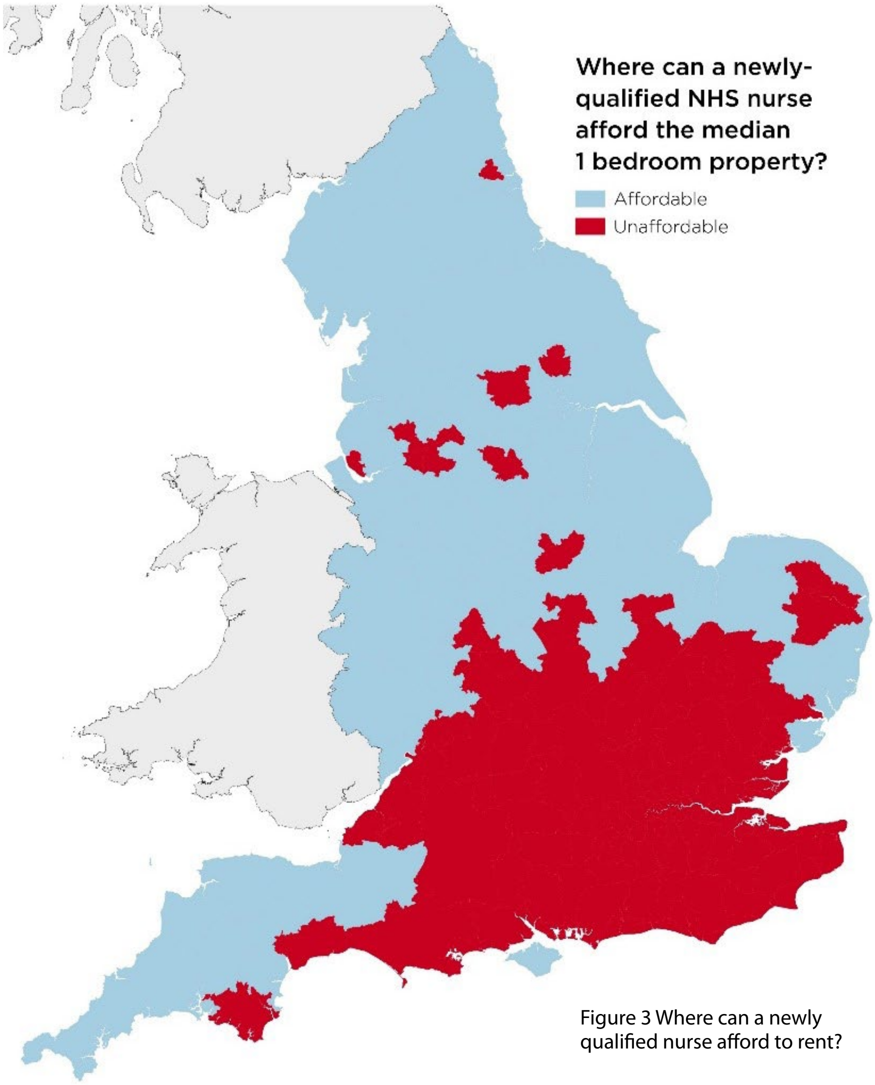


Figure 3 Where can a newly qualified nurse afford to rent?

agreements with external housing providers where homes are reserved for key worker staff, have been explored.

The housing challenge

Key workers renting in England struggle to afford decent homes. Rapidly increasing rents and long-term house price inflation have considerably impacted the affordability of housing across much of the UK. A recent ONS survey found that 40% of adults found it somewhat or very difficult to meet their rent or mortgage payments. Affordability of housing is a critical issue for the recruitment and retention of key workers (as demonstrated by reports from The Royal College of Nursing and more recently NHS Providers), especially key workers who live in private rented homes.

To understand how steep the affordability challenge has become, we have looked at median rents across England, as a proxy for homes of a suitable quality (around 25% of homes in the private rented sector do not meet the Decent Homes Standard, according to the English Housing Survey). On top of this, another fundamental challenge is the availability of affordable rental stock in local markets.

Using a newly qualified NHS nurse as an example, across most of England they will earn a salary of around £28,400. Assuming they spend 30% of gross income on housing costs, they can afford to pay around £710 a month on rent. Thanks to pay allowances, salaries rise the closer one gets to London, peaking at just over £34,000 for inner London. Due to much higher costs, Londoners also typically end up paying 35% of their income on housing costs, giving a maximum budget of £994 for properties in the capital.

Put all that together and compare with median rents, and a stark picture is revealed: a newly qualified nurse is unable to rent the median one-bedroom property in over half (58%) of England's local authorities.

Behind this figure is a sharp geographic divide (see Figure 3). While the nurse can afford the median one-bedroom property in almost every part of the north east, they are priced out of every borough of the capital and all but one district in the south east – even after adjusting for higher pay and spending on rent.

What about a young family with children? In this case, we have assumed our family has one and half incomes equivalent to a nurse's salary and have factoring in childcare costs. Generally, they can afford to spend circa £940 on rent, with this rising to a maximum of £1,340 for inner London. Despite the increased budget, our young family would find themselves unable to afford to rent the median two-bedroom property in over half of the country (53% of authorities). The situation is even worse if they found themselves with a need for greater space and family housing. Nearly three-quarters of England's housing market is inaccessible, with the median three-bedroom property affordable in only 23% of authorities.

Even a relatively experienced key worker, such as a teacher several years into their career, earning at least circa £38,300 or more in high-cost areas, would struggle to rent a median one-bedroom property in over a quarter (27%) of districts. For a family looking for a three-bedroom home and where the teacher is the main earner, half (50%) of local authorities prove unaffordable.

The planning context

Staff housing is typically secured through retention of land or through using the s106 agreement to secure the staff housing when disposing of the land as part of a planning permission. This of course comes with a time and cost implication, and sometimes the purchaser goes back through the planning process. This can add costs and take time.

Currently, housing for particular groups of workers or key workers is recognised in national planning policy and in some local plan policy. However, there is a general need for more local councils to raise key worker housing as a priority in local plan making and local housing strategies to allow key workers higher priority in affordable housing allocation policies, helping to support local workforce stability.

Within the terms of the National Planning Framework, essential local workers are recognised as a priority for affordable housing provision. However, under the current Affordable Homes Programme 2021-26, there is no allocation of capital grant funding for building affordable homes for key workers.

As an example at a more local level, the Oxford Local Plan, adopted in 2020, identifies employer-linked housing as a form of housing that would allow employers to address their recruitment and retention challenges. In exchange for being relieved of the usual affordability requirement (typically 50% of new homes), employers can use their land to provide housing to their employees, in perpetuity at a rent affordable to these groups of staff. Eligibility for this type of housing is subject to a legal agreement with the council.

NHS key worker housing

How are employers thinking about key worker housing?

In the face of the housing pressures facing key workers, many public sector employers are addressing this challenge directly to improve staff recruitment and retention. This can take various forms. A recent paper from the NHS Homes Alliance considered several models, from working with housing associations to joint ventures with private partners, while staying within government accounting rules for the public sector. The preferred option proposed in the paper was that the trust and a partner organisation would outsource staff accommodation to a third-party vehicle. The housing would be built on land owned by the trust, be rented to trust key workers, and upon expiry of a long lease, be returned to the trust. Though this model has yet to implemented, it would provide steady rental income for the partner and control of the assets for the NHS, ensuring the benefits of the housing – most importantly, retaining staff – are enjoyed over the long term.

What next for key worker housing?

Given the complex and chronic challenges facing many employers to recruit and retain key workers, and the associated challenge of improving the housing options for their employees, creative approaches are essential to support workforce stability in local communities. Key worker housing will continue to grow in importance providing a key benefit-in-kind for employers to offer staff secure, affordable and high quality homes and helping to address recruitment and retention challenges as housing is an enabler of workforce strategy.

Key considerations for employers

- Identifying the scale and profile of housing need among staff
- Reviewing the use of public sector land holdings and identifying surplus or underused land and existing assets that could be unlocked for development of key worker housing
- Collaboration and partnerships across public sector landowners to bring forward land for uses that help meet local policy objectives and include the provision of key worker housing
- Local planning policies and local housing strategies to recognise employer-linked housing as a type of affordable housing product that would allow employers to address their own recruitment and retention issues using their own land supporting local workforce stability
- Exploring the role of the NHS charities. NHS trusts are constrained in their ability to deliver housing at the expense of clinical delivery and also face restrictions entering joint ventures with partners. Charities are not subject to the same constraints, and are able to leverage other sources of income
- Ringfenced funding allowing public sector employers to release land for staff housing without significant impact on best value and focus on delivery of public services.

Case study - University linked housing

Both the Universities of Oxford and Cambridge, as world leading universities, are nurturing and employing high value talent, but are challenged by some of the least affordable housing in the country. The universities are exploring initiatives to provide more affordable housing to research staff and other employees to ensure they can retain talent.

The University of Cambridge has taken perhaps the most direct solution, building out the first phase of an entirely new community, Eddington, set within the North West Cambridge Development. When complete, Eddington will provide around 1,500 homes for university and college staff and accommodation for 2,000 postgraduates, as well as 1,500 private houses for sale to help support wider affordability issues in the city. The scheme offers a model for how public sector and aligned employers might tackle housing challenges for their staff [Ed – see Tony Mulhall's article on the green belt and Eddington case study].

Charlie is a Project Manager at Watts. He studied at Oxford Brookes, gaining a BSc (Hons) in Real Estate Management. He worked as a construction project manager delivering a residential project in London, and now works as a consultant PM. Charlie's portfolio includes work for both private and public sector clients across a range of project types, from commercial offices to fire safety improvement/remediation projects at all stages of design and construction.

Charlie first became interested in sustainability in the built environment while at university and based his dissertation on sustainable building practices in the residential sector. Since joining Watts, he has continued to educate himself on the issue.

RETROFITTING COMMERCIAL BUILDINGS

How to retrofit unsustainable commercial buildings - And why landlords will be stranded if they don't

Charlie England Charlie.England@watts.co.uk

Charlie asks "What can be done to retrofit commercial stock in the UK, and why do landlords and the industry need to face up to the challenge?" He identifies some key steps to address the challenges of retrofit.

From housebuilding to hospitals, the industry is abuzz with ideas about new sustainable building.

There is less talk about the UK's existing, mostly carbon-unfriendly commercial buildings, particularly those unloved ones struggling to find tenants in a post-Covid-agile age.

When Watts attended the zero carbon property conference Foot Print 2024, the focus was firmly on new builds such as the Velindre Cancer Centre in Wales, where local materials are being sourced for construction, and the Sara Cultural Centre in Skelleftea, Sweden, which at 75m is one of the tallest timber buildings in the world and a carbon negative template for high rise construction.

It wasn't all about new builds. On Foot Print's retrofit stage, we heard from John Christopher, a campaigning architect who has retrofitted 2,000 homes in his home town of Balsall Heath using a little-known pot of local authority money.

These and other examples are seriously impressive, but what about commercial buildings?

What can be done to retrofit commercial stock in the UK, and why do landlords and the industry need to face up to the challenge?

Long way to go

The UK's 1.6m commercial buildings burn around a third of the country's energy use, some 141TwH a year. Much of it is wasted. That has put the sector in the crosshairs for regulators seeking to meet Britain's carbon target.

The government's Minimum Energy Efficiency Standard states that by 2030, commercial properties must achieve an EPC energy rating of B or they cannot be let. Yet, according to a survey by Savills last year (2023), 87% of UK office stock rates C or below.

Clearly, the industry must act. Of course, it is the right thing to do for the environment, but there is now a business imperative to ensure the longevity of commercial property assets and values in London and across the UK.

Stranded not so far from home

Assuming the 2030 deadline remains, landlords with substandard properties will be left with stranded assets.

The impact for owners, investors and occupiers will be seismic.

"Stranded assets have suffered from unanticipated or premature write-downs,

devaluations or conversion to liabilities … caused by environment-related risks that are poorly understood and regularly mispriced, resulting in significant over-exposure to environmentally unsustainable assets throughout our financial and economic systems." (Smith School of Enterprise and the Environment).

It can be done: Future -proofing commercial

Watts attended a presentation from investment trust Shaftesbury Capital which is breaking new ground on the retrofit of commercial assets in London. In 2014, it delivered 22 Ganton Street, in London's Soho district.

Taking an original 1920s build, the team retained 99% of the structure, 80% of the façade, and most of the woodwork, including the roof. Environmental impacts have been limited by recycled materials. The retrofit building achieved EPC B and a BREEAM Very Good rating. Not only is it future-proofed against the impending MEES standards, but the rental value has also increased.

The project shows it is possible to retrofit a commercial building now that will meet environmental standards down the line.

There may be trouble ahead

If you have a commercial property, what do you need to be thinking about to make it 2030-ready?

Shaftesbury Capital advise on early engagement, reviewing the project's potential sustainability as early as RIBA Stage 1.

Naturally, as well as opportunities, there are potential pitfalls so it's important to understand the risks.

Here's a guide to the challenges in retrofitting an existing asset.

1. <u>Survey the existing structure</u>
   If you plan to retain most of an existing building through a retrofit, review its condition. Underlying issues with the structure or fabric of a building are often not immediately apparent. So carry out extensive survey work early in the process to mitigate this risk.
2. <u>Understand fire safety requirements</u>
   Fire safety requirements can limit the scope of a retrofit. Some requirements, such as a secondary means of escape, are simply not feasible in some existing structures. It's important to understand how the BS9999 Code relates to the planned use of the building. Significantly increasing the occupation of a building or adding additional floors are key risks that need to be monitored.
3. <u>Identify and deal with hazardous materials</u>
   It's important to identify hazardous materials and condemned areas. An extensive survey should identify risks such as asbestos or reinforced autoclaved aerated concrete.
4. <u>Be aware of planning and heritage restrictions</u>
   With listed buildings, planning can be a tougher than usual challenge. For example, you may be required to retain existing windows. These items must be picked up early in the design process, and early engagement with planning officers is required. In your favour, when dealing with planners and conservationists, that retrofit is a way to retain listed buildings, while making them suitable and profitable for the future.
5. <u>Use a consultant to assess energy requirements and connectivity</u>
   It can be difficult to get the energy and connectivity you need into an antiquated building but there are ways to do this, and there are many consultancies in this field. Use in-house or consultancy expertise early in the design process to analyse the building's future use, its existing infrastructure and the technology you'll need.

Exciting future

At Watts, we are excited to work with our clients to take on the challenge of retrofitting existing stock to support the UK's carbon targets, and make our commercial buildings profitable and fit-for-purpose for the next generation.

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Lesley has 25 years of cross-industry experience covering retail, technology, and business services. Prior to joining Avison Young, Lesley was the Head of Research at Capita plc, where she provided strategic support across five business divisions. Previous to this, she was Head of Research at proptech firm, Datscha, where she was responsible for reporting and commentating on trends and insights within the commercial property investment market.

SECTOR NET ZERO

On the road to building net zero in the retail and industrial sectors

Lesley Males lesley.males@avisonyoung.com

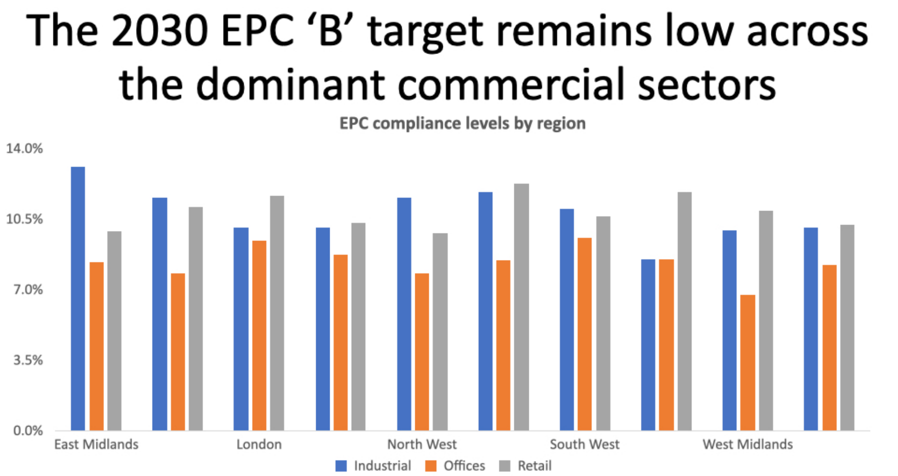
Lesley presents a very apposite article which complements the theme of ACES National Conference held in September. "Despite the headwinds, sustainability is high up on many retailers' agendas, with a focus on how they can reduce their energy consumption and the amount of carbon their organisations emit." However, there are mouth watering costs to upgrade many buildings.

How are the industrial and retail sectors progressing on the road to net zero?

The impact of climate change is one of the biggest challenges facing society and the economy. With almost 40% of all global carbon emissions coming from real estate, the sector has a huge role to play in helping cut these emissions. We're seeing more organisations, both within the private and public sectors, applying innovative solutions to address the challenge. Many private companies have already set their own net zero carbon targets, but the previous government, as part of its plans for the UK to be net zero by 2050, introduced legislation to ensure that commercial buildings were energy efficient.

In 2018, this legislation was introduced, which set a minimum energy efficiency standard (MEES) for non-domestic buildings to achieve a set level of energy efficiency, benchmarked through energy performance certificates (EPCs), which the landlord/owner was responsible for procuring. This meant that any commercial building, either sold or newly let, needed to hold a minimum EPC grade of E or above, with some exceptions. In 2023, this was extended to all non-domestic properties, including those under existing leases, unless a valid MEES exemption was registered. By 2030, the minimum EPC grade required for a non-domestic building will increase to a B or above, although there is currently a proposal, under consultation, which could mean a minimum C grade is introduced in 2027.

Analysis from the EPC register for England and Wales shows that only 16% of existing commercial property is a grade 'B' or above. With the deadline just under six years away, this will result in huge challenges ahead for landlords to retrofit their properties. At Avison Young, we undertook further research in the retail and industrial sectors, to understand the scale of the problem in relation to the potential cost of upgrading buildings and the types of measures organisations in



Source: EPC Register UK Government

these sectors are undertaking to reach their own net zero targets.

Retail sector - the challenges

Despite challenges encountered in the sector, some retailers are leading the way on sustainability initiatives, but the cost of upgrading the UK's retail stock to meet EPC targets remains significant.

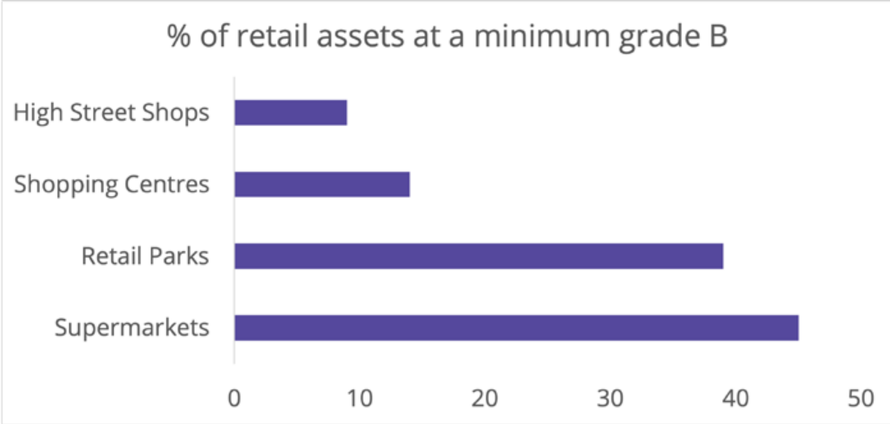
The retail sector has been grappling with a host of challenges for more than a decade, with consumer behavioural changes, such as the surge in online shopping, resulting in high retail vacancy rates across the country. This has been followed more recently by a perfect storm of the pandemic, the cost-of-living crisis, retailers battling with supply chain inflation, the higher cost of goods, higher interest rates, higher staff costs and huge energy bills. Despite the headwinds, sustainability is high up on many retailers' agendas, with a focus on how they can reduce their energy consumption and the amount of carbon their organisations emit.

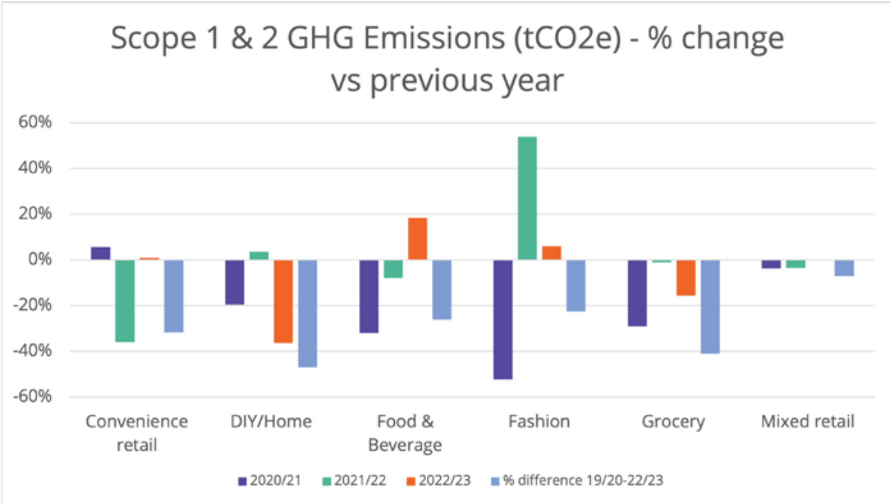
While all companies have supply chains, those involved in distribution and retailing are very carbon intensive. The food and fast-moving consumer goods value chains make up a third of all global emissions alone, and both industries are connected across the entire value chain - from production and processing to logistics, losses and waste management. This provides significant opportunity for change. As retailers move towards their own net zero carbon targets and commitments, the demands placed on their suppliers will continue to rise.

Following the legislation introduced in 2023, over 90% of retail property is at the minimum EPC E grade, (those that are not compliant should hold an exemption certificate), highlighting that government measures, to date, appear to have been somewhat successful. However, considering the 2030 requirements for the recommended B rating, an existing property with an EPC rating of E will require substantial investment from the building owner to upgrade.

Retail subsector differences

Within the retail sector, there are wide variations in the quality of retail buildings across the different subsectors, with supermarkets and retail parks having a significantly higher share of properties





already at the minimum EPC B grade. This is because these tend to be newer buildings, following the exponential rise in the number of supermarkets and retail parks built in the UK over the last 30-40 years. Shopping centres are much less compliant with the proposed 2030 B grade requirement as many were built over 40 years ago. Therefore the fabric of these buildings tends to be of poorer quality. Additionally, many have suffered from a lack of ongoing investment due to plummeting capital values over the last 15 years.

Almost 40% of all retail park stock in England in Wales is already compliant with the 2030 B target and it is a similar story for supermarkets, where 45% have a minimum 'B' rating. These numbers are particularly strong when you compare them to shopping centres, where only 14% have a minimum 'B' rating. This is down to the fact that many of the retail parks and supermarkets were built in the late 1980s and 1990s and tend to be newer and of better build quality than the other retail subsectors such as shopping centres and shops, many of which are much older buildings in comparison. And there has been continuous improvement in the build quality of new retail assets over the last few years, despite the fact that the construction of new retail buildings has decreased significantly over the last 10 years. New supermarkets are still being built across the country, particularly from the German discount chains (Aldi and Lidl), with some of these newer buildings listed on the EPC register as net zero, highlighting the importance of ESG in new build developments.

While the compliance levels are high, what does it all actually mean in terms of the cost of upgrading non-compliant stock? We worked with Arbnco (a building performance platform) to determine the estimated costs of upgrading the UK's retail parks, supermarkets and shopping centres to meet future EPC targets. Arbnco's modelling program is able to provide retrofit outcomes for buildings, including the potential impact on the EPC grade, the cost of the upgrade and the time taken to recoup the initial investment through cost savings (the payback period).

A minimum and maximum cost was calculated to reflect measures that were mandatory to meet MEES and measures that were exempt from

MEES. Improvements to meet higher sustainability requirements typically need more invasive and expensive structural improvements, but this will result in a higher reduction in carbon emissions and, potentially, an improved EPC grade. Despite the high compliance levels, the costs were still significant, and we have estimated that it will cost between £3.2-£4.2bn to upgrade retail parks, and between £3.9-£4.6bn to upgrade supermarkets. But when you compare this to the staggering £10.2bn-£15.4bn to upgrade shopping centres, then the scale of investment does not look as bad for these subsectors

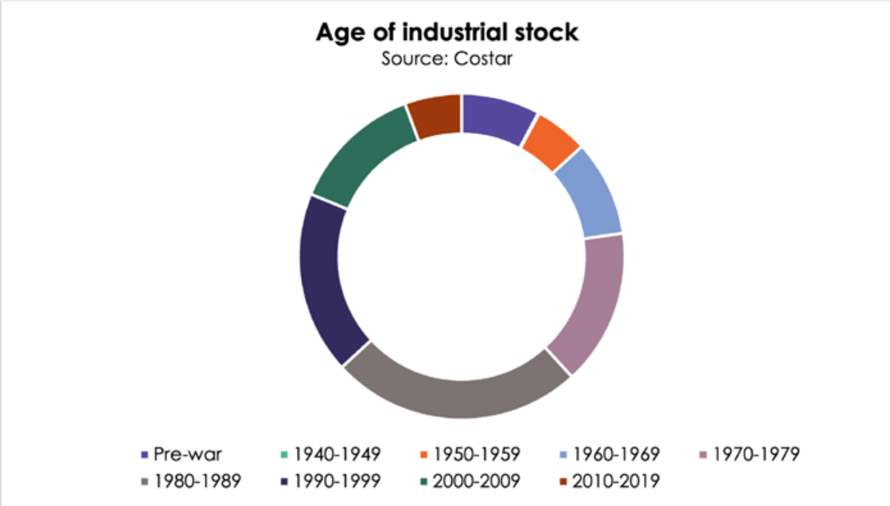
While EPCs are important, they are only a small element of how organisations can reduce their emissions. There are much bigger challenges ahead though for occupiers on cutting carbon emissions. According to the World Green Building Council, operation emissions (from energy used to heat, cool and light buildings) in the built environment account for 28% of global carbon emissions.

From an operational perspective, looking at data from some of the UK's largest retailers, we have already seen positive change in relation to greenhouse gas emissions, which have declined year on year since 2019. For example, the grocery sector saw a 16% reduction in emissions between 2022 and 2023, while the DIY sector saw a 36% decline over the same period).

Fortunately, a clear trend is emerging across the retail industry. Leading retailers in the UK are reducing their impact on the planet, with significant emissions reductions occurring in the last year. Since 2020, 27 leading UK firms have reduced their scope 1 & 2 GHG emissions by nearly 1.6m tonnes, with nearly half of these reductions occurring in the last 12 months. And the quality of many retail buildings, particularly supermarkets and retail parks, are already at a high standard, meeting MEES requirements. Despite its perceived challenges, the retail sector remains a strong sector to invest in, with many opportunities ahead in the future.

Industrial sector – the challenges

22% of industrial stock is compliant with the 2030 MEES target, which is higher than the national average, but still lots of work to undertake.



Demand for industrial and warehouse space remains strong, with take-up levels of grade A big box stock higher than at pre-pandemic levels. While some developers are already striving for carbon neutrality, BREEAM Outstanding and EPC A ratings on new stock, the greatest challenge is how to upgrade existing stock. Approximately 78% of existing industrial stock still needs to be upgraded to meet MEES, according to the EPC register.

Historically, industrial and distribution warehouses have suffered less from obsolescence than other asset classes and have also benefitted from relative ease of new build development. As a result, much of this existing stock remains largely fit for purpose and in many instances, previously disused 1970s edge-of-town industrial units are now being used for last-mile logistics.

However, older stock built before current standards tends to underperform in sustainability measures. These ageing assets are encountering environmental obsolescence as climate policies and energy efficiency requirements become more stringent. According to Costar, over 35% of industrial stock is over 40 years old.

As with the retail properties, we wanted to assess the cost and scale of challenge of retrofitting existing industrial units (in England and Wales) to meet MEES. In relation to the work required to upgrade existing stock, there are a variety of options available to building owners which will improve a building's EPC. This can include lighting efficiency and utilising natural light, which can be a good first step in reducing emissions, particularly in large modern warehouses which, typically, have high levels of energy consumption. Other, more expensive options can include improvements such as the installation of heat pumps, solar PV and energy storage systems. While the initial outlay of these measures can be costly, these do bring many benefits, including the potential to reduce expensive energy bills and to generate on-site energy.

To highlight the necessary cost of upgrading industrial buildings we, again, conducted detailed EPC modelling with Arbnco. For the analysis, we created three hypothetical buildings with characteristics typical of their particular strata of the industrial real estate landscape. All three buildings used the same building archetype as their base: a typical single-storey, 50,000 sq ft warehouse. The three models were then assigned certain roofing, cladding, mechanical and electric characteristics specific to buildings of their built year periods – 1960s, 1980s and 2000s.

The 2000s building had the highest EPC rating at the start and required between £8,000 and £10,500 worth of retrofitting work to meet the grade B level. The 1980s and 1960s properties, which started from worse EPC ratings, required between £98,000-£127,000 and £332,000-£611,000 in efficiency improvements, respectively.

We also modelled the maximum EPC rating that could be achieved by each property, and the costs that this would entail. The 2000s building achieved the highest rating of a grade A for a cost of £459,000-£468,000. The maximum energy efficiency level that the 1980s and 1960s buildings could achieve is grade B. In order to improve the 1980s building to grade B would cost between £657,000-£732,000, but this increases significantly, to between £1.1-£1.7m for the 1960s building.

With all properties achieving a grade B or above, these maximised measures provide some reassurance that the industrial sector could bring its properties in line with the UK's net zero target, albeit requiring significant investment.

Overall, to upgrade the UK's industrial, manufacturing, logistics and warehousing stock to meet the minimum EPC 'B' grade will cost approximately £30.5bn.

Owners and developers of warehousing and logistics space are setting increasingly stringent carbon and sustainability targets for both new and existing portfolios, responding to demand drivers from across real estate and the consumer base. While change is already underway and visible – and often cited as an 'easy win' compared to other sectors – the scale of the task ahead in terms of making a sustainable industrial sector is vast, as we can see from the estimated costs and scale of work involved. While this cost and scale of the change required to improve the UK's industrial stock is significant, there is a huge opportunity to inject value into the sector's built environment, particularly in urban locations where last mile delivery premises are in low supply and high demand.

Matthew is a Senior Architect at Boyer's Design Team, with over 7 years' experience in residential design. His aim is to provide a personable service, taking design and administrative lead to help acquire planning approvals, as well as deliver building regulation and working drawings to client expectations. Matthew offers an expertise in general layout and detail design of housing to help maximise a development's potential.

Matthew studied in Portsmouth and Kent before obtaining qualification as an architect from Bath. He has experience working for domestic clients, land developers and public housing associations.

COMMERCIAL TO RESIDENTIAL USE

Amendments to Class MA commercial to residential development rights

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Matthew makes a practical case for how to achieve successful conversions of commercial buildings to residential use, using the extended Permitted Development Order provisions introduced in 2024.

Following changes to Class MA commercial to residential development rights in February 2024, there has never been a better time to convert a commercial building to residential use – but there are still challenges as well as opportunities. Here is an architect's view on how to best address the practical, design and procedural hurdles of Class MA conversions.

PDOs 2021 and 2024

In August 2021, the General Permitted Development Order introduced Class MA conversion rights. This enabled commercial buildings (Use Class E) to be converted to residential use (Class C3) via permitted development (PD). Further amendments to this order published in February 2024 (and actioned from 5 March) removed any previous restriction on the size of buildings to be converted, as well as the three-year vacancy requirement. This legislative change has therefore created new opportunities for the conversion of larger commercial buildings, as well as those still in use.

The amendment came about following changes to the NPPF in late 2023, which put greater emphasis on utilising brownfield development and increasing density in urban areas. Class MA conversions offer a tangible strategy in achieving this goal.

On paper, commercial to residential conversions present a favourable option for developers, as they are generally quicker to deliver and are therefore a more cost-efficient option. When designed well, conversions can offer a meaningful contribution to the housing shortfall, as commercial areas are usually well connected to public transport and within walking distance of local amenities. Having an existing building skeleton to convert rather than building new also reduces associated embodied carbon, therefore often making conversion the more sustainable option.

What then are the hurdles faced in practice?

In terms of planning legislation, the amended Class MA rights still do not apply to listed buildings or those subject to Article 4 Direction, within a site of scientific interest, outstanding natural beauty or agricultural tenancy, which does somewhat limit viability.

For opportunities that do fall within Class MA rights, the main challenges of conversion relate to design: notably, access to natural light and ventilation; ability to make improvements to the existing building fabric regarding thermal and sound performance; provision of external amenity space, and lack of privacy and security. This is all because commercial buildings are of course not designed for residential use, and the suitability of commercial buildings for conversion varies drastically.

Any external changes to an existing building needed to address these challenges are usually outside of PD rights and are therefore subject to further planning applications. Developers will then find themselves at the mercy of local authorities. Just because the planning route is more direct, the path to a completed residential conversion may well be more complex than how it looks on paper.

In summary, these are the main considerations of conversion from an architectural perspective:

- Ensure there is adequate access to natural light. Dark and isolated homes are not well regarded by planning authorities or the housing market, so it is therefore imperative to provide adequate levels of natural light for every home created. The existing availability of daylight can be improved by installation of rooflights or new windows. However any external changes to an existing building are subject to an additional planning application. It is therefore more cost effective to select buildings that have sufficiently sized and orientated windows on most or all elevations. Buildings with a shallow floorplate or access to an internal courtyard are well suited to conversion as they will have better access to natural daylight. Commercial buildings often have deep floorplans with windows only on the narrow elevations. This does not easily convert to residential; therefore a shallow floor plan with windows on the long elevation or dual aspect works best for conversion
- The quality of the existing building fabric, in terms of thermal and sound performance, must be considered. Thermal insulation, either by retrofit or upgrading the existing fabric, is almost always required to meet current building regulations. Single pane windows and single skin buildings will usually require more work to meet current performance thresholds, although some older buildings with 9" (215mm) thick brick walls make good conversions if they are of good build quality. Upgrading an existing building's thermal performance can be demanding, as older buildings often have crooked walls and are prone to air leakage, therefore not best suited for high thermal performance
- Sound insulation is also difficult to improve without significant alterations to an existing building. Replacing windows, for instance, will be subject to a further planning application and will likely be required to meet current building regulations and provide a comfortable space for living. An alternative can be secondary glazing; however, the cost and user convenience must be considered
- Windows of commercial buildings are likely to be the sole means of ventilation in a PD conversion. If it is impractical to keep windows open, for instance if the building is public facing with no or little separation from public realm, there may be little or no ventilation. If this is the case, it may be best to submit an additional planning application to enable increased ventilation, either passively through more windows or through (additional) mechanical systems
- Security and privacy are big considerations. Most commercial buildings will be located in well trafficked public areas which do not naturally make secure homes. Living in a converted ground floor flat on a busy high street, for instance, is only going to appeal to some residents as there is a perceived greater risk to safety and wellbeing. Defensive measures such as landscaping or providing a perimeter wall around the property can provide security and defensible space. However, these measures may be subject to additional planning applications
- Landscaping can provide external amenity space, which is not easily found with existing commercial buildings. Most if not all local authorities will want homes to be provided with private and communal amenity space through the provision of balconies, patios, gardens and open landscaped spaces
- PD conversions are now subject to national space standards (March 2015). When converting existing buildings, this requirement may lead to peculiarly shaped rooms, due to the nature and build quality of older buildings or the existing structural elements. This may result in bespoke designs that are more challenging and costly to build.

What is the solution?

These challenges can be avoided by intelligently sourcing existing buildings that are best suited for conversion. Buildings that were once residential are obviously best suited to being converted back, because they will have more domestic proportions, with smaller, more frequent windows, and are usually set back from the public realm, offering better security and potential for external amenity space.

As noted, a shortfall in any area of consideration can be compensated by submission of further planning applications. This can create a more valuable end product and help achieve greater opportunities for natural light, ventilation, amenity space and security, helping to address the considerations that potential residents will be looking for.

If there are too many constraints, such as contamination or a poor existing structure, then it may well be better to demolish and rebuild.

Summary

The amended class MA PD rights will provide more brownfield development and more opportunities for housing within urban centres. There are, however, several considerations that will determine whether a building is suitable for conversion, as outlined above, which will need to be assessed on a case-by-case basis.

Engagement with architects and planning consultants from an early viability stage can enable developers to select the most suitable buildings for conversion, and help avoid unforeseen challenges. This collaboration will determine the success of the Class MA amendments in achieving its aim: to provide more good quality housing in sustainable and deliverable locations.

Andy is Group Director, Corporate (Investment Sales, Lettings and Build-to-Rent) at LRG. He has worked in the private rented sector for over 25 years and joined LRG from his previous role at Greystones Management Consultancy where he advised clients on property investments across the UK. He has experience dealing with all property services, from lettings to managing and disposing of large scale institutional owned property portfolios. Previously, Andy has worked at Allsop Letting & Management, and LSL Property Services Plc Group where he was responsible, as Director, for helping to establish the corporate lettings team in 2007.

INVESTMENT IN RESIDENTIAL

Local authority property sales: how will the market respond?

Andy Jones acjones@lrg.co.uk

Andy outlines opportunities for cash strapped councils and investment funds.

Research carried out by UNISON ahead of its annual conference in September showed a collective hole in local authority finances amounting to more than £4bn for 2025/6.

This follows a government decision earlier this year that 19 local authorities in the worst economic circumstances would be allowed to sell property and other assets to pay for services, in a break with the rule which bans councils from selling assets to cover day-to-day spending.

So how receptive is the property market to local authority assets and where do the opportunities lie?

Clear evidence of demand

Despite some negative press regarding the private rented sector, larger professional landlords are continuing to expand their portfolios as the residential property market continues to deliver an excellent return on investment. Handelsbanken's annual survey of professional landlords is a useful indicator of sentiment in the market. Its 2024 survey showed that residential flats are believed to be the most in-demand sector over the next 12 months, with 63% property investors ranking flats first in a list of options (up from 53% doing so in 2023). Residential houses rank third, at 61.5%, up from 46%. Overall, the mood is confident, with 62.5% planning to increase the size of their portfolio over the next 12 months (up from 59%).

Currently, supply in the private rented sector is outweighed by demand: according to Rightmove, the number of tenants in the UK increased by 6% in 2022 but this coincided with 50% fewer properties being available. We have seen similar figures play out across our LRG owned local lettings brands and we expect the Renters' Rights Bill to exacerbate this trend.

And it's not only residential properties that address this demand. Commercial property – whether office, retail or hotel accommodation – can also help meet the considerable demand for homes.

Opportunities presented by change of use legislation

Many investors are taking advantage of the recently extended permitted development rights (PDR) which allow for the relatively easy and cost-efficient conversion of commercial buildings to residential. I have seen large profits achieved by clients buying an office building or retail unit (which now no longer needs to be long-term vacant to qualify for PDR), converting it to residential use and then either selling or managing it, benefitting from the substantial value uplift that residential property now offers over commercial.

A recent example of a successful change of use scheme is Chatham Waterfront, which sits alongside some purpose built build to rent (BTR) apartments managed by LRG. Chatham Waterfront is undergoing a very successful retrofit of an office building which will provide over 106 high specification apartments for rent. Conversions created through PDR, and therefore with minimal external alterations, can have limitations. But if done well – as Medway Developments has done in this instance – it can be extremely effective in utilising redundant office buildings and creating much needed rental homes. As an investment, is provides significant value in one or a small number of units.

Another example is Peartree House, a former office block in Harlow, Essex. LRG was instructed to sell the 26 apartments; with an annual yield of 6.58%, it will have strong investor appeal.

Many local authority owned commercial buildings, specifically retail, hotel or office premises (some of which may have originally been built as residential) can be well suited to residential use with very few changes required. Frequently these are attractive, perhaps historic, buildings, ideally located in popular areas close to amenities. On seeking planning consent for change of use to residential or doing so under PDR, full planning permission is required if a property owner wishes to make structural changes in converting it for residential use. However, the relatively recent option of PDR can also provide permission for change of use without the need of a full planning application.

The popularity of newly converted schemes is demonstrated in HomeViews' 2023 Build to Rent report, which surveyed over 36,000 residents and found that office to resi conversions achieve the highest resident approval ranking for all criteria, including design. Repurposed schemes, the report explains, are often located in central locations with easy access to local amenities and tend to be well managed with responsive maintenance.

Increasingly, change of use is extending to the burgeoning 'alternative' residential sectors including student accommodation and later living – again increasing the potential market for local authority properties of all kinds.

The private rented sector shifts in favour of the 'professional' landlord and Build to Rent

Partly in response to some amateur landlords leaving the sector, the requirement for professional investment in residential property is more pressing than ever. A major piece of research for the BPF published earlier this year found that £250bn of investment is needed in BTR alone in order to meet future rental demand. That demand has been brought about by high house prices, greater geographical mobility, and many people choosing the BTR sector as a life-style choice.

No fewer than 5m households (one fifth of all households) live in rented homes, of which 90,000 live in BTR and 4.9m live are in the buy-to-let sector, forming the majority of the private rented sector today. As circumstances change, including government legislation, additional regulations (including the increasingly real prospect of EPCs of C or above being required of all landlords) and interest rates bite, some amateur landlords are leaving the sector.

Many BTR properties, specifically in urban areas, are converted commercial buildings. Furthermore, BTR is increasingly seen as a particularly safe investment opportunity, because it is able to spread risk through a blend of tenures. BTR appeals to investors over outright sale, not only because of the ongoing return on investment, but because due to lettings being faster to secure than sales, development timeframes can be shortened and profits delivered faster. The shift towards more rental properties also allows for site-wide infrastructure to be brought forward sooner, expediting the creation of a new community. This results in a value increase at an earlier stage in the development lifecycle.

For investors, there are other distinct advantages of BTR suburban communities. In our 40 years' experience as lettings and management agents, we have seen institutional investors disregard investment in individual residential properties, on the basis that they are too fragmented and management-intensive. In BTR, on the other hand, a variety of property types (residential, commercial, retail and leisure) exist within a single portfolio, creating a combination of immediate sales revenue and long-term rental revenue with the potential to spread the investment according to the market conditions.

Portfolio investment services to support a growing market

As the portfolio investments market grows, services that enable the efficient management of portfolio investments are developing. In this 'professionalised' rental sector, it's vital that sellers and investors benefit from quality, timely advice and an understanding of the intricacies of the market conditions. At times, making the right investment choices requires expertise on planning, surveying, management and lettings advice, such as that offered by LRG.

Whereas previously most forms of investment were managed through stockbrokers and asset managers, advances in technology make it very simple for individuals to buy into a professional service, while also retaining considerable autonomy in their investment. This professional support may encourage many more investors to enter the market – again, increasing the likelihood that they will opt to purchase either residential portfolios or properties suitable for conversion to residential.

Conclusion

The investment sector believes the residential property sector will continue to escalate in value; increasingly the sector is being supported by a raft of relevant services, which are in turn encouraging further investment. Consequently sales of council property should be well received and deliver a good return.

SUSTAINABLE PLACEMAKING & REGENERATION

How can we deliver attractive, healthy, and sustainable towns, high streets and shopping centres?

Dr Steven Norris SNorris@lsh.co.uk

As part of the ACES Conference session on Sustainable Placemaking & Regeneration, Steve presented some of the significant issues and challenges facing our towns, high streets and shopping centres, and set out his thinking on how we can deliver attractive, sustainable and healthy centres fit for the 21st century. The full report "Places & spaces reinvented" can be found on the LSH website.

Steve is an Executive Director at LSH. He is Head of their Planning, Regeneration + Infrastructure business and also leads LSH's specialist Town Centre & Economic Regeneration team. He was also an expert adviser to the previous government's High Street Taskforce.

This article provides some of the key headlines from Steve's presentation. It is informed by recent research carried out by LSH; including the 5th annual research report prepared jointly with Revo, "Places & spaces reinvented: What is the future for our towns, high streets and shopping centres" (https://www.lsh.co.uk/explore/research-and-views/research/2024/july/lsh-revo-report).

By way of background, the LSH/Revo research draws on over 250 responses to an online survey conducted at the start of 2024. The research was supported by our partners and their members. The respondents comprised a good mix from the public and private sectors, and from all stakeholders with a vested interest and role in the planning, management, development and funding of our centres.

At the outset, it is important to recognise that "sustainability" can mean different things to different people, but the definition by the High Streets Task Force provides as good a framework as any for this article and discussion:

- *"A high-quality town centre is sustainable when it promotes economic vitality, fosters environmental integrity, and encourages a lasting sense of community*
- *Sustainable development promotes health, conserves energy asnd natural resources, is well connected to the community, and is economically successful".*

Issues and challenges

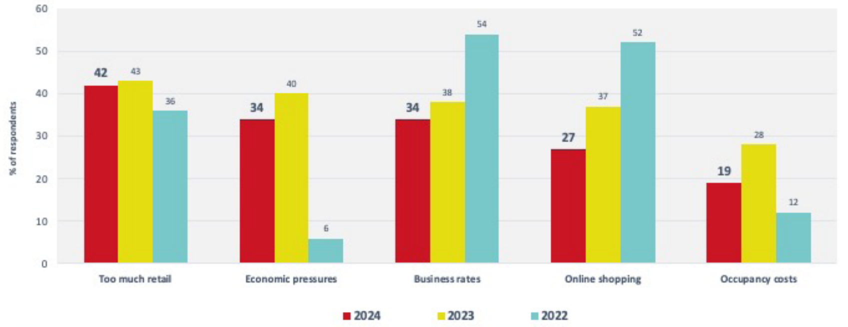
When LSH/Revo first started the annual research back in 2019, the main concerns were focussed on the impacts of Brexit, online shopping and climate change. In 2020/21 the pandemic inevitably dominated everyone's thoughts, and in 2022/23, the surveys were conducted against the backdrop of Russia's war in Ukraine, which precipitated an acute economic, energy and cost-of-living crisis.

But what do the respondents to the 2024 survey think are the biggest issues and challenges facing our centres?

As the Big Issues graphic shows, the economy remains a big concern, as identified by over one-third of

THE BIG ISSUES?

What do you think will be the top challenges facing Britain's towns, high streets and shopping centres over the next 5 years?



Source: Lambert Smith Hampton & Revo 2024

TACKLING THE CLIMATE CRISIS

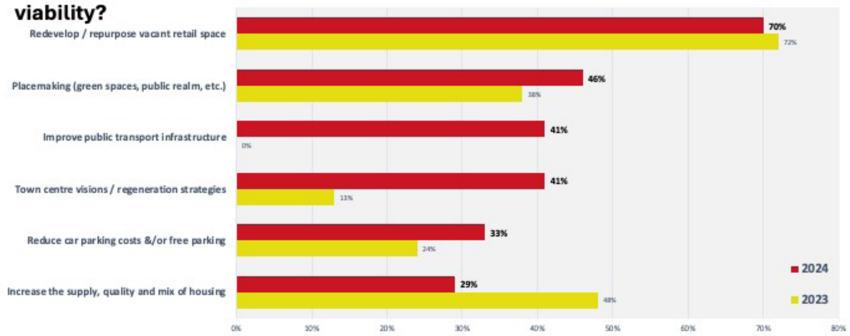
Which 3 main actions/initiatives for cities, towns, high streets and shopping centres do you believe will most help address the UK's pledge to tackle climate change over the next 10 years?

Top Interventions	2024	2023	2022	2021
Improve public transport networks	56%	69%	66%	31%
Net Zero Carbon buildings / targets	29%	19%	53%	25%
Improve building energy efficiency	29%	42%	N/A	N/A
Provide more green space / improve public realm	26%	29%	40%	19%
Prioritise retrofitting over demolition and rebuild	26%	43%	30%	N/A
Provide more infrastructure for electric vehicles	24%	43%	53%	41%
More renewable energy sources	23%	37%	39%	18%
Prioritise pedestrian/cycle routes only over the car	21%	43%	44%	25%
Promote 10 minute "walkable neighbourhood" concept	20%	33%	44%	N/A

Source: Lambert Smith Hampton & Revo 2024

INTERVENTIONS AT THE LOCAL LEVEL

What initiatives at the local level do you think will help build greater resilience in our town centres over the next 5 years to help support their overall vitality and viability?



Source: Lambert Smith Hampton & Revo 2024

respondents. Online shopping is 4th in the rankings (the same as last year), albeit down from a high of 70% in 2020 at the height of the pandemic. Aligned with business rates (ranked equal 2nd), high and rising occupancy costs are ranked 5th, the same as last year.

But the biggest concern is the oversupply of retail floorspace, which is the top ranked issue identified by respondents for the 2nd year running. Put simply, our cities and towns have too much retail space: 60% of respondents consider that, on average, between 20% to 39% of retail floorspace in centres is no longer "fit for purpose". This is broadly in line with previous years. It further confirms the scale of the structural challenges our centres are facing, and the need for ongoing and radical surgery.

But probably the greatest existential challenge of all at the local, national and global scale is the climate crisis. Our survey asked what main interventions at the local level will best help tackle climate change over the next decade. The top intervention mentioned for the 3rd year running is the need to improve public transport networks. Improving building energy efficiency and delivering net zero carbon buildings and meeting targets are joint second. Providing more green spaces and prioritising retrofitting over demolition are joint 4th.

Opportunities, interventions and reforms

Having identified some of the key issues and challenges facing our high streets and centres, the 2024 LSH/Revo research once again canvassed opinions as to the potential interventions and reforms needed to support their future recovery. At the local level, the main interventions identified are very similar to previous surveys.

- 70% of respondents called for the redevelopment and/or repurposing of vacant retail space, followed by improvements to town centre environments through placemaking; including providing more high-quality public realm and green spaces. This is up to 46%, from 25% in 2022
- 3rd equal is the call for improvements to public transport and accessibility; along with the preparation of town centre visions and regeneration strategies
- And 29% called for increases in the number, mix & quality of homes, although this was down from 48% last year and 37% in 2022.

So, if the research is telling us that our centres have on average up to 40% too much retail space, and 70% of respondents prioritise the need to redevelop and/or repurpose vacant space, what are the critical mix of uses that should ideally make up a successful town centre over the next 5 years?

- Interestingly, and for the first time since the surveys began, there are no retail uses in the top five
- Also, notwithstanding the challenges facing the hospitality sector, cafés, restaurants and bars are still valued as vitally important to the lifeblood of our centres – helping to drive trips, footfall and spend, and support daytime and evening economies
- The need for more homes in our centres

OPTIMUM MIX OF TOWN CENTRE USES

Lambert Smith Hampton

Over the next 5 years what do you think will be the optimum CRITICAL MIX of uses & services that will best help underpin successful centres & new development?

TOP INTERVENTIONS	2024	CHANGE IN RANK	RANK 2023	RANK 2022	RANK 2021
1 Hospitality	63.5%	↔	1	1	1
2 Mixed tenure homes	59.2%	↔	2	10	14
3 Art, culture & heritage	38.9%	↑	6	5	7
4 Public realm / green spaces	34.6%	↔	5	6	4
5 Healthcare / dentists / CDCs	34.1%	↑	10	14	10
6 Street markets / indoor markets	33.2%	↑	8	7	11
7 Non-food retail	28.9%	↓	3=	2	5
8 Food / convenience stores	27.5%	↑	9	3	2
9 Low cost & flexible retail / commercial leisure space	20.9%	↓	3=	4	3
10 Flexible workspace	19.4%	↑	13	11	6

Source: Lambert Smith Hampton & Revo 2024

DELIVERING TOWN CENTRE LIVING

Lambert Smith Hampton

Which policy and investment initiatives do you think will best help deliver an optimum mix of new and affordable homes in town centres over the next 3 years?

TOP INTERVENTIONS	2024	PRIVATE SECTOR	PUBLIC SECTOR
Create more attractive environments (e.g. green space / public realm)	37.4%	34.1%	43.8%
Prepare up-to-date and viable town centre visions & strategies	30.8%	34.1%	24.7%
Speed up the processing and determination of planning applications	30.8%	42.0%	9.6%
Introduce more flexible planning policies to support a mix of new & affordable housing	26.1%	25.4%	27.4%
Improve public transport & reduce reliance on the car	19.0%	15.2%	26.0%
Homes England investment/funding	17.1%	11.6%	27.4%
Public—private partnerships	16.6%	14.5%	20.5%

Source: Lambert Smith Hampton & Revo 2024

was the 2nd most popular use, followed by art, culture and heritage uses, and the call for more and better public realm and green spaces.

Interestingly healthcare has moved into the top 5 critical town centre uses for the first time. This resonates with the NHS's drive to move medical services into the heart of communities – which was accelerated by the impact of the pandemic. A good example of this is the 165 Community Diagnostic Centres (CDCs) that have opened across England since July 2021. These CDCs are widely recognised as a game-changing healthcare service, delivering over 9m additional screening tests, checks and scans since 2021; including ultrasound, X-ray, and bone density scans.

These CDCs not only help to take some of the day-to-day pressure off already congested hospitals, their convenient and highly accessible locations in shopping centres and on high streets, mean they are also generating linked trips and spend to the benefit of other shops, services and facilities. For landlords they also offer secure tenants on long leases with a guaranteed income.

Education also has an important role in supporting the renaissance of our centres, and helping to address social and economic challenges. A good example is the 6th Form Centre which opened in the heart of Corby in September 2023. LSH helped secure over £20m from the government-backed Towns Fund in 2021, of which half was spent on the transformation of the Chisholm House building which had been vacant in the town for over a decade. Delivered in partnership by The Bedford College Group, North Northamptonshire Council and the owners of the asset, it is the only dedicated sixth form centre in Corby. The net zero carbon building will eventually accommodate up to 660 students per academic year and create some 50 new jobs. These students and staff will clearly make a significant contribution to the local economy, benefitting the wider Corby area.

It is another example of how different uses like education and healthcare can help build town centre resilience & sustainability – by promoting trips, footfall and spend, and diversifying the consumer and age profile of towns.

The message is clear. Our towns need to adapt and diversify to survive. They need to provide more flexible and resilient space, and a blended mix of uses that can respond to dynamic economic, consumer and market trends. Aligned with this, delivering a good mix of homes in, on top of, and on the edge of our centres is probably the most obvious response to addressing some of the issues and challenges they face; as well as helping to tackle the country's acute housing crisis. But it is not that simple, as many failing centres that would clearly benefit from new homes are not necessarily attractive or viable propositions for housebuilders or investors.

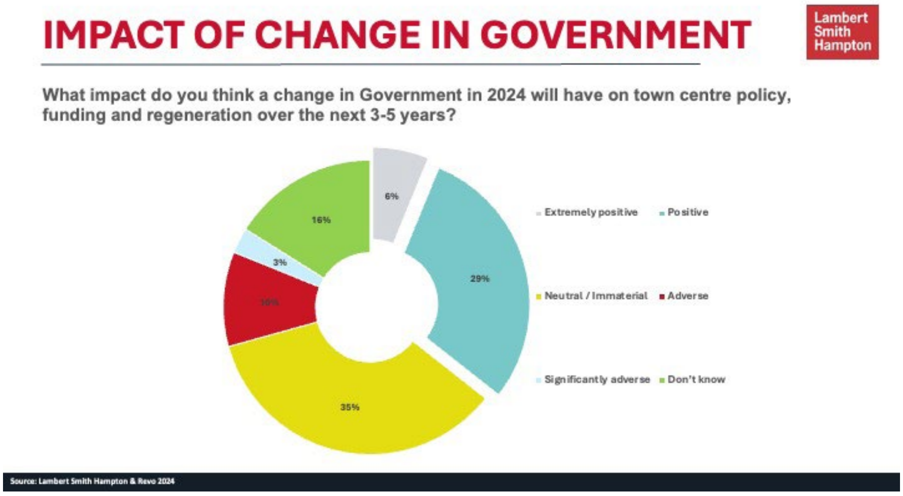
Some of the barriers to delivery include:

- Low residential values, making development unviable
- Fragmented ownerships and complex sites that are difficult to assemble and develop; and
- Poor town centre environments.

It is therefore not surprising that the research identifies the need to create more attractive environments, shaped by up-to-date visions & strategies, ahead of speeding up planning.

Placemaking is clearly critical to the future sustainability and viability of our high streets and centres. Thankfully we are seeing many of our more brutal urban landscapes transformed by the introduction of high-quality public realm and green spaces. This is helping to deliver many tangible benefits – for the environment, for habitats, and for the health and well-being of communities. Interventions can range from big statements, like introducing new town parks into centres; to smaller interventions, like simply planting more trees, or introducing pop-up parks or parklets.

On a much larger scale, Stockton Borough Council is delivering probably one of the most radical placemaking visions and regeneration plans in the UK. After acquiring the Castlegate and Wellington Square shopping centres in the town for £20m in 2019, the council is now taking forward their £40m vision to create a "High Street for the 21st Century". This has involved the demolition of the failing 1970s Castlegate Centre; an area equivalent to 3 times the area of London's



Trafalgar Square. The remaining tenants have been relocated to the Wellington shopping precinct, to create a more viable and active prime shopping core. In its place, the council is delivering a Waterfront urban park, connecting the River Tees with the high street. The wide-ranging plans include an amphitheatre with terraces, events spaces and an oval lawn in place of the Castlegate Centre, along with a new library, leisure centre, and community diagnostic centre. The project is funded by £20m investment from the Tees Valley Combined Authority, £16.5m from the government's Future High Streets Fund, and £5m of the council's own capital. The plans have attracted national and international interest - and are providing some inspiration for more radical visions for the future transformation of our high streets and town centres.

Future prospects and lessons learnt?

So what have we learnt? Notwithstanding the long-term challenges facing our centres - accelerated by the pandemic and the current economic downturn - I still honestly think that we are now entering into one of the more exciting and creative periods in their long history -what I optimistically refer to as a centre renaissance.

But don't just take my word for it. The graphic 'Reasons to be cheerful' shows that despite the economic and political headwinds, some 42% of respondents are either optimistic or very optimistic about the future. This is higher than the 36% recorded in 2020 (at the height of the pandemic), albeit slightly down from last year.

Although the LSH/Revo survey was conducted before the July election, we did ask what impact a potential change in government could have on policy, funding and regeneration over the next 3-5 years. The pie chart shows some 36% believe it will be 'positive' or 'extremely positive'; and only 13% believed it would be 'adverse' or 'significantly adverse'. That said, more than half (51%) thought a change in government will be 'neutral / immaterial' or they 'didn't know'.

It will be interesting to see whether and how sentiment changes when we carry out the next LSH/Revo survey in 2025.

Takeaways

The key takeaway from our research is that our cities and towns have a critical role to play in the country's economic recovery and sustainable growth. Furthermore, the pandemic clearly demonstrated they are valued by their communities for more than just their shops and services.

There are undoubtedly more economic, market and political headwinds on the horizon, and there is no "one size fits all" approach to revitalising and reinventing our centres, but there are a mix of actions and interventions that I believe, taken together, should help deliver healthy, viable and sustainable centres.

What we have learnt is places cannot stand still; they need to evolve and diversify if they are to survive and flourish. Although retail and leisure will still provide the bedrock for many centres, the most successful and sustainable centres in the future will be those that can reinvent and revive vacant and underused assets, places and spaces, and provide a blend of new types of workspace, civic, education, healthcare, community and other uses. Flexibility is key.

Aligned with this - and to help address the housing and climate crisis - we need to build more new homes and more affordable/social homes in our centres that meet the needs of all socio-economic and age groups. Bridging the viability gap will be a significant challenge, but we need to find solutions. This is where Homes England could have an important role to play.

Creating successful centres will also need strong leadership and partnership-working from the start, underpinned and informed by robust and deliverable evidence-based regeneration frameworks that balance high quality visions, with critical commercial, environmental and social value objectives.

Notwithstanding the challenges, placemaking - creating beautiful centres, places and spaces - should be the ultimate objective for everyone involved in the planning, development and management of our centres.

Chris spent nearly 25 years working in local government, involved in estate management and strategic asset management. Having moved on to CIPFA in 2003, Chris has been delivering property consultancy and training across the public sector. In 2019, he established his own consultancy, Chris Brain Associates, and he continues to support the public sector with property consultancy and training throughout the UK, in strategic asset management, organisational efficiency, and asset valuation.

Chris is a member of ACES and is one of ACES' Valuation Liaison Officers.

CHARITY LAND

Council as trustee of charity land – traps for the unwary

Chris Brain FRICS chris@chrisbrainassociates.com

Chris raises another unusual but important topic of council trusteeship of charity land. To avoid running the gauntlet against the Charity Commission, Chris identifies two case studies which "are a timely reminder of the need to manage council assets and charity assets separately, and to make sure that officers can readily identify and account for those charity assets to the Charity Commission."

Blurring of roles?

There will not be many UK local authorities that are not a trustee of a charity in their local area. In fact, it has been estimated there are over 1,200 local authorities that act as trustee. Often, that can be as the only trustee, with sole responsibility for running the charity in accordance with charity law. And of course, many of such charity trustee roles are in relation to running public facilities such as recreation grounds, public gardens, concert halls and historic buildings.

As a couple of local authorities have recently found out, it is really important that these trustee responsibilities are taken seriously, and ensure that they are able to separate decisions made in their local authority capacity, with decisions made as charity trustee. Sometimes the two areas of decision making can become blurred, which can result in the authority getting into a pickle with the Charity Commission.

But its not just decision making where blurring of roles can take place. It can also happen in terms of financial statements, property records, valuations and property running costs – where over time the organisational memory of the status of trust land has been lost.

One example of this came to light recently in the case of Calderdale MBC, which has received an official warning of misconduct and/or mismanagement from the Charity Commission when it found the authority had, for "several years", failed to file accounts for 13 trusts of which it was the trustee. It is the first time the charity regulator has issued a local authority with an Official Warning. Now they are alert to it, perhaps more could follow.

Charities overseen by Calderdale include several assets which are important to the local community, include Bacup Road Recreation Ground, The People's Park, Tetley Memorial Park, Long Wood, Halifax Open Spaces, Roils Head Road Recreation Ground, Beacon Hill Recreation Ground, The Heath Charity and Public Central Library.

To rectify the mismanagement set out in the Official Warning, the Calderdale council was told to file all outstanding accounts, and the Charity Commission also recommended the council to:

- Implement processes to ensure all 13 charities are compliant with their accounting responsibilities going forward
- Provide up-to-date contact details for all charities
- Locate and identify all 13 charities on a local register containing details about the charities and their assets
- Hold regular trustee meetings, ensuring all councillors are aware of their duties and responsibilities – treating all charities as separate entities
- Review financial controls of all charities, taking steps to record and implement processes as well as provide evidence of this action to the Commission.

A Charity Commission warning to all councils

The Calderdale situation has prompted the charity regulator to write to all local authorities warning them of the "significant administrative headaches" councils could face from any failure to correctly comply with their duties.

Your authority will have received one of these letters. If you have not seen it, you ought to have done, as it potentially impacts how you manage and make decisions on property assets which you may have been mistakenly treating as owned by your authority.

The letter said: *"As trustees, councils are responsible for running the charity and managing its assets as well as upholding all duties expected of any trustee. This includes filing annual returns with the Charity Commission. As well as causing concerns for local beneficiaries of the charitable asset, it can create a significant administrative headache for the local authority to retrospectively correct the situation."*

Alongside this the Charity Commission has updated guidance for local authorities as charity trustees and supporting guide for councillors, and have warned that *"All local authorities who serve as trustees should take note of our advice to ensure they understand what it means to be a trustee."* You can access this latest guidance here: https://www.gov.uk/government/publications/local-authorities-as-charity-trustees.

In its letter to local authorities the Charity Commission acknowledges that given the challenging financial situation faced by local authorities, it was not surprising that many were looking to dispose of land in order to balance their books. However, if these disposals are not properly carried out, they risk increasing the budgetary pressure instead of alleviating it.

Tracy Howarth, Assistant Director of Regulatory Services at the Charity Commission said: *"All trustees have a responsibility to their charities and beneficiaries to ensure that their charities are well managed. This is a duty that is really important when vital community assets are in their care."*

Is Calderdale a one-off case, or could there be more? The answer clearly seems to be the latter, especially when getting involved in land transactions involving the charity of which they are trustee.

Disposal of charitable land

Problems can often arise when councils change the use or status of charitable land or dispose of it in a way that is incompatible with its charitable purpose, and in the last three years alone, the Charity Commission has dealt with 38 separate cases involving local authorities and charitable land. In some cases, officers at those councils were unaware the land was charity property, and not local authority property.

Where the local authority is trustee of public facilities, the decisions it makes about them can be controversial and attract criticism. This includes decisions to dispose of charitable land.

A local authority as a charity trustee is entitled to consider the suitability and viability of the charitable property it manages, and to make proposals that further the charity's purposes and are in its best interests. This may at times include deciding to dispose of the land.

However, the Charity Commission advises that you make sure you understand your responsibilities when managing or disposing of charity land, including:

- The requirements when disposing of land
- When the local authority is conflicted
- When the local authority is a party to the disposal
- Land swaps.

When selling, leasing or in other ways disposing of charity land, you must:

- Have the power to dispose
- Consider that disposing of the land is in the charity's best interests
- Comply with the legal requirements on disposing of charity land
- Get Charity Commission authority (if it's needed).

Sometimes land will fall within the definition of what the Charity Commission calls "Designated Land", which is land that must be used for particular purposes, as set out in the charity's governing document, for example, recreation grounds or concert halls.

It is important, when considering disposing of Designated Land, to consult with beneficiaries and others who may be affected by the disposal. You will need consider their views when making your decision – not as the local authority, but as the trustee for the charity. In certain circumstances, you may have to give public notice of the disposal. You will usually need Charity Commission authority to dispose of Designated Land.

Things get particularly complicated, where the local authority is to be a party to the disposal, that is, it is proposed it will buy, rent or swap the charity's land.

You must consider that the decision to dispose is in the charity's best interests. You must also manage the conflict of interest. In addition to the usual rules on disposing of charity land:

- if you are disposing to a third party and you cannot manage the conflict of interest, you must get authority from the Charity Commission
- if the local authority is a party to the disposal, you must get authority from the Charity Commission even if you can manage the conflict of interest.

Keep charity property separate

It is important that the local authority separates out charity property from its own corporate assets and does not unknowingly or unwittingly use charity property for its purposes. This is very easy to do if the authority's asset records do not separately identify charity land, or if the financial systems managing both sets of assets have become blurred.

It is so easy to see how, over the passage of time, asset and financial records end up merging, losing the distinction between the council's assets and the charity's assets. One such situation recently arose involving Cardiff City Council and a proposed land swap.

Cardiff City Council proposed to extend Cathays High School using land at Maindy Park (including the demolition of the open air Maindy Velodrome). This would see council land in Caedelyn Park, Rhiwbina being allocated for the uses currently taking place on the land at Maindy Park.

Although Maindy Park is actually owned by a charity, of which the council is sole trustee, this was not at first appreciated. It only appears to have come to light following a campaign by locals that sought to block the proposed land swap because they did not want to see the loss of Maindy Park, in particular the sensitive history around the Velodrome.

As the public campaign developed, inevitably it came to light that Maindy Park was not owned by the council, but is owned by a trust of which the council was sole trustee. As a result, the council had no authority to sanction a land swap, as it had not gone through the proper separate consideration of it as trustee to the charity.

The council has now set up a separate Cabinet dedicated to the Maindy Park Trust, supported by a Maindy Park Trust Advisory Committee, to create separation between the council's role as a trustee and its other functions. A working group has been set up to identify the full extent of other trust assets and any restrictions arising from their trust status.

Another council that has set up a formal separation process for charity land is Ceredigion Borough Council, which has established a Trustee Charity Committee to act as trustee in respect of all property assets held by the council on charitable trusts; to make decisions in relation to charitable assets in the best interests of the charity; to receive reports on charitable issues; and to ensure the requirements of the Charity Commission and charity law are adhered to in so far as they relate to the charitable assets held by the council on trust.

The cases of Calderdale and Cardiff are a timely reminder of the need to manage council assets and charity assets separately, and to make sure that officers can readily identify and account for those charity assets to the Charity Commission. I suspect these will not be the last such cases that we see. If you are reading this article and reflecting that you could end up in their shoes, maybe its time to act now and get ahead of the game.

Mark is a director and founder committee member of ALEP (the Association of Leasehold Enfranchisement Practitioners) and Partner and Head of the Landlord & Tenant team at law firm Bishop & Sewell. A leasehold reform specialist, Mark is recognised as a leading UK authority in this sector. He deals with a range of issues including freehold purchase, lease extension, services charges and landlord and tenant matters.

LEASEHOLD REFORM ISSUES

Leasehold and Freehold Reform Act questions and answers

Mark Chick markchick@alep.org.uk

Mark sets out in seven questions the scope of changes made and anticipated with the enactment of the Leasehold and Freehold Reform Act in May 2024. Mark makes some predictions about how and when other elements of the Act may be enforced.

What is in the Leasehold and Freehold Reform Act 2024?

Essentially, all of the much talked about changes are there including the 990-year lease extension, abolition of the two-year rule, and the change in qualification criteria for mixed use buildings.

In addition, we will see the end of marriage value for leases under 80 years and the end of the ability for the landlord to recover their costs from the tenant under a standard statutory claim. There are also changes that relate to property management.

The valuation changes will mean that most valuations will be on the 'standard' basis – effectively a term and reversion calculation with a presumed 0.1% cap on the ground rent when valuing the freeholder's interest.

In addition, there is a ban on the creation of new leasehold houses.

What is not in the Act?

The much-discussed cap on ground rents, whether that be at £250, a peppercorn (nil) or otherwise. The thinking had been that this might make it into the Bill, if the outcome of the consultation was published prior to the parliamentary stages being completed. It could then have been the subject of a late-stage amendment. The truncated process meant that this could not happen and so changes to ground rents will have to wait for further legislation under the new government.

There is no news at the moment as to when (if at all) the results of the consultation will be published, although the Labour manifesto committed to controlling ground rents and the King's Speech also promised that the draft Leasehold and Commonhold Reform Bill would be "tackling existing ground rents by regulating ground rents for existing leaseholders so they no longer face unregulated and unaffordable costs". This suggests that this may be the subject of future legislation and held over until the new Bill is presented to parliament.

Is it law?

Yes, the Act received Royal Assent in May 2024 at the end of the final session of the previous Parliament.

Where does the Act leave us now?

We know what the new Act provides. What we don't know is the detail of, for instance, how some of the critical rates such as the deferment rate or capitalisation rate will be arrived at. These are to be prescribed by the Secretary of State and reviewed every 10 years (according to Paragraph 26 of Schedule 4 and Paragraph 38 of Schedule 5). This will be critical to determining value in the 'new world.'

We will need to see the secondary legislation to find out how these will be determined. Our understanding (from the previous government correspondence and a parliamentary written answer in the Lords) indicates a determination to facilitate a smooth transition. How the new government will respond to this remains unclear, but at this stage, it seems reasonable to believe that the likely timescale for implementation might well be similar to that envisaged by the previous administration. One key question is how much consultation there will be before the relevant secondary legislation or ministerial orders are produced to bring this into effect.

That could mean that some of it will take some time.

When did the 2024 Act come into force?

Details on commencement are set out in Section 124 of the Leasehold and Freehold Reform Act. A small number of provisions came into force on 24 July, two months after Royal Assent. These are: measures relating to the remedy for rent charge arrears; the repeal of s125 of the Building Safety Act 2022; new procedures under that 2022 Act where an insolvency practitioner is appointed for a higher-risk or relevant building; and a measure which allows the recovery of legal and other professional service costs via the service charge, where they are incurred by a resident management company or right to manage company in connection with obtaining remediation contribution orders under that 2022 Act.

The remainder of the Leasehold and Freehold Reform Act 2024 will come into effect at the discretion of the new government. (i.e. it is not yet in force).

Most of the 'meatier' parts of the Act, as far as leasehold reform is concerned, are likely to be subject to commencement under Statutory Instruments. These Statutory Instruments will need to be made by the Secretary of State, and we also know that in order to be effective, the valuation changes will need various matters such as the relevant rates to be prescribed. These will need to be in place before these changes can be enacted. It is quite possible that consultation on these will be needed before the full detail of the enabling legislation can be produced.

It Is hard to predict, but given the above, the most likely timescale seems to be 2025-2026 because of the need to draft the secondary legislation needed to bring the changes into effect.

What else do we have to look forward to?

The King's Speech on 17 July 2024 revealed the new government's plans to add to the leasehold reform agenda with a new Leasehold and Commonhold Reform Bill. This will aim to make commonhold compulsory for new flats and "end the injustice of forfeiture" for residential leases. In addition, it promises to tackle unfair ground rents and freeholds where estate management charges sit outside the service charge regime.

The draft Bill will also enact the "remaining Law Commission recommendations to bolster leaseholders' fundamental rights". The Law Commission in its report on Enfranchisement made a significant number of recommendations and suggested a larger programme of consolidating and reforming legislation.

This is therefore quite an ambitious programme of work and so a draft Bill is likely to take quite some time to produce. With that in mind, it may well be that this legislation does not make it into the first legislative session of this parliament, given the amount of groundwork that would need to be done to bring this legislation forward.

So anyone expecting an immediate change on the valuation side (or indeed elsewhere) may well have to wait a little while. We may well know a bit more now parliament has commenced sitting, so watch this space.

ACES

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Pierre has over 30 years' experience in Relocation and Systems Audit. As the National Relocation Director for A3/Lambert Smith Hampton, he has grown a highly successful niche business into a recognised national and international market leading UK based relocation provider.

Employed at Countrywide in 2001, Pierre was responsible for growing and developing the emergency relocation business. Utilising his experience and knowledge of sales, systems of the business, continuity planning and project management, Pierre steered the business through significant transformation and evolution to create a market leading relocation solution, providing tangible benefits to the customers that receive the service.

Pierre managed and developed whole market supply chain for the business and pioneered the company's strategy on Olympic relocation strategy and managed its implementation, during a period of accommodation scarcity. He also managed the worst severe weather event to affect Insurers during Oct 2013 to Feb 2014, overseeing the funding of over £57m of alternative accommodation for policyholders across the UK. Pierre continues to pioneer by example.

STRATEGIC RELOCATION

Crafting effective solutions

Pierre Craddock pcraddock@lsh.co.uk

Pierre kindly agreed to write this article after making a live presentation to ACES Eastern Branch meeting in the summer. He includes a comprehensive list of what to consider for an emergency residential relocation, but cannot stress enough, the importance of a robust resident list.

Did You Know?

Recent figures show that only 1 in 20 mass evacuation cases we receive has a validated residents list, staggering when government figures in the year ending March 2023 showed:

- 52.1m properties are at risk of flooding in the UK
- In the year ending March 2023, there were 26,822 primary dwelling fires attended by Fire and Rescue Services (FRSs)
- FRSs attended 725 fires in purpose-built high-rise (10 or more storeys) flats or maisonettes
- 4 out of 5 decision makers believe they are only 12 months from a potential crisis.

Evacuation planning

The UK government recently announced that evacuation plans will become a legal requirement for building owners, particularly focusing on high-rise and higher-risk residential buildings.

This decision is part of the ongoing efforts to improve fire safety.

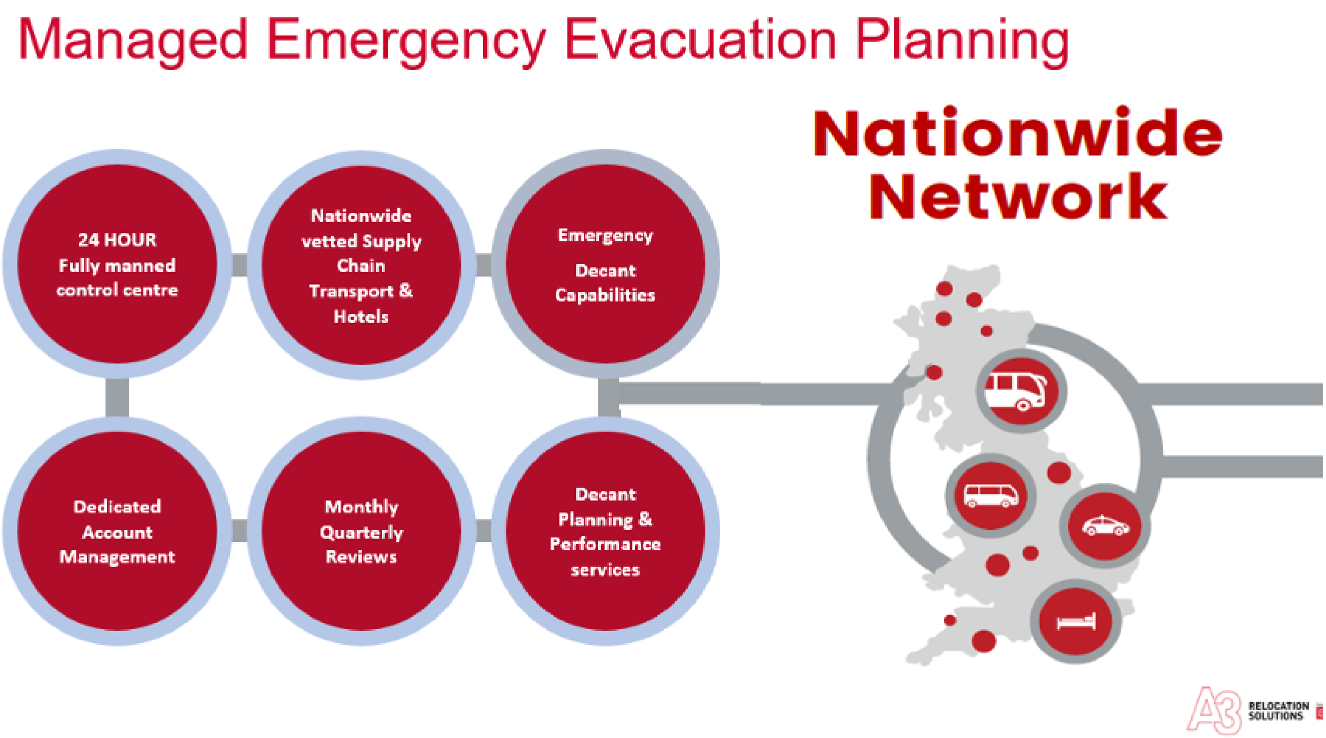
The importance of such evacuation plans cannot be overstated, especially for emergency and planned decants. Effective evacuation planning is crucial for ensuring the safety of building occupants, including those who are vulnerable or have mobility impairments. It involves establishing clear and accessible evacuation routes, understanding the building's capacity for an orderly decant, and ensuring that all occupants are accounted for during an emergency.

Working together in partnership with property management agents to respond positively to major disruption is imperative. Moreover, having a well-prepared evacuation plan is essential for responding swiftly and efficiently to unforeseen disasters and emergencies. It provides a framework for action, reduces the risk of panic, and helps to ensure that everyone reaches safety in a coordinated manner. In the context of planned decants, such plans are vital for minimising disruption and ensuring that the process is conducted in a safe, orderly, and timely fashion.

Relocate, it's what we do

A3 Relocation Solutions, powered by Lambert Smith Hampton, consists of a team of 40+ dedicated and passionate people who relocate people 24 hours a day, 365 days a year, anywhere in the UK.

We work with a wealth of diverse clients from insurance companies, loss adjusters, utility companies, brokers, housing associations, builders and developers, councils, blue chip companies, managing agents, and warranty sectors.



Our services go above and beyond

Our relocation business offers a fully comprehensive thoroughly validated nationwide coverage of rental and let properties, serviced apartments, hotels, temporary kitchen and bathroom pods, removals, storage, and furniture hire suppliers. All of these services are prefunded at the point of delivery, making it a seamless journey for our client's customers.

Proud heritage

We have a proud heritage of delivering emergency and temporary accommodation for over 25 years, including accommodating over 500,000 people into cost effective alternative accommodation solutions, and disbursing due diligence checked suppliers more than £1bn since we began trading. In 2023 we were awarded the Number 1 ranked supplier for temporary accommodation and decants with Procurement for Housing.

Our flexible, adaptable, and collaborative approach enables us to identify, secure and provide a wide range of alternative accommodation tailored to suit the specific individual needs of the customer, whether it be short stay hotel accommodation, mid-term serviced accommodation, or longer-term assured shorthold tenancy accommodation.

By fusing our expert and national accommodation market knowledge, bolstered by the collaboration with our Connells' lettings business, we deliver on our promise to be the most knowledgeable accommodation agency in the market.

What is the right accommodation solution?

Our whole market accommodation search process enables A3 to identify and provide a wide range of alternative accommodation to suit the specific needs of the customer, ensuring that every accommodation option is considered to deliver the appropriate solution.

We endeavour to relocate residents within their home or their local community, considering distance, safety, specific needs, and any mobility challenges from the confidential information received from them when we conduct our initial call. During the initial call, we validate several critical requirements to tailor the relocation search to specific needs. When determining which accommodation solution would be most appropriate for the customer, many factors are considered.

One size doesn't fit all

- Look at their home address, establish what is damaged, can we help to minimise disturbance?
- Location of solution - close to reception? close to local hospital/ doctors/care support?
- Special dietary requirements? Vegan, vegetarian, halal, kosher, diabetes, coeliac, food intolerances
- Is a wet room, or shower unit required?
- Are they deaf or blind? – what is their support system?
- Is a room for live-in carers required?
- Medication that needs refrigeration?
- Locality of property due to carers
- Are stairs a problem? Are they OK in a lift?
- Are ramps required at the property?
- Is there a need to be on one level such as ground floor flat, bungalow?
- Do they need storage space or electricity points for scooters/ vehicles?
- Should we provide a furniture pack/ removals to offer a butler service?
- Do they have children (ages and gender)?
- Do they have pets (breed and age)?
- Do they have vulnerabilities or mobility issues?
- Do they need parking?

Why is strategic planning imperative?

A robust decant policy provides a structured approach for relocation of occupants if a building becomes uninhabitable or requires significant repairs or renovations as part of scheduled, annual property remediation plans.

It is imperative that policies and procedures are in place to manage a decant process, minimise disruption and provide suitable alternative accommodation. This will ensure that there is a clear plan in place to minimise disruption and maintain safety during the decanting process. It outlines the roles and responsibilities of all parties involved, establishes communication protocols, and sets expectations for the duration and conditions of the decant.

Regularly review and update your evacuation plans to adapt to any changes in the building layout, occupancy, or other relevant factors.

- Conduct a portfolio risk assessment
- Have a corporate resilience policy
- Implement your resilience strategy

Having an up-to-date resident list ensures that all residents are accounted for and receive timely and clear communication about the decanting process, which can be a stressful experience. It allows for a fair and equitable assessment of individual needs, ensuring that suitable alternative accommodation is provided.

Overall, it facilitates a smoother transition for all during property renovations or relocations.

Managing your resident list for property decants presents several challenges. Accurate and up-to-date record-keeping is essential, but can be difficult due to the fluid nature of residents' circumstances. Ensuring effective communication with all, especially those who may be vulnerable or have special requirements, is another significant challenge.

The 3 Cs

Finally, your business should have a protocol exit strategy in place to manage the return of occupants and the resumption of normal operations.

Cost, Communication and Care, the 3 strategic levels of any major emergency or scheduled annual property repair decant. Without this plan in place, it is highly likely that expensive hotel costs will escalate, complaints will rise, compensation will become a feature and your team will be swamped in an ever-increasing avalanche of costs and administration.

The importance of planning

In the event of an emergency, clear planning and preparation is essential so all can evacuate quickly and safely, minimising the risk of injury or loss of life.

Some key elements

- A chain of command is essential to ensure that decisions are made efficiently and communicated effectively
- Emergency procedures - Mark all emergency equipment, routes, and exits clearly. Place high-rise building procedures post-evacuation plans on each floor and identify personnel responsible for leading the evacuation
- Have an assistance for occupants plan in place for assisting all building occupants, including those with disabilities, to evacuate safely.

Case studies

<u>Case Study 1 – apartment fire</u>

Challenge:
Emergency hotel accommodation was required for 300+ apartments. This was successfully arranged within 4 hours because the developer had an up-to-date resident list.

Solution:
Residents were evacuated to a nearby hotel in the first instance, making sure they were all safe.

Once we had details on specified works and the timescale, along with specific needs of individual residents, midterm serviced apartment solutions and longer term assured shorthold tenancy arrangements were quickly implemented to reduce hotel accommodation costs.

Furniture removals and storage was arranged for those impacted longer term.

Clear communication throughout ensured cost containment for our client.

<u>Case Study 2 – systematic decant for repairs</u>

We were instructed by a London council on a large scale decant due to building repairs and update works.

Challenge:

- 5 tower blocks (73- 175 flats per block) over a 12-to-24-month period, repairs, and update works
- The requirement was for a mixture of short-term respite stays, and longer term 4-6 month stays, dependent on block repairs
- Short stays to affect residents of 4 tower blocks, requiring stays of 1-2 weeks, 10-16 apartments at a time
- Longer (4-6 month stays) affect one block with move of 16 flats at a time
- This is a rolling relocation of residents into circa 30 alternative apartments.

Solution:

- Site visits, client meetings and attendance at resident's meetings, resulted in an agreed planned schedule treating the short stay "apart hotel" and the block requiring longer term (four month moves) as two separate projects. We arranged for furnishing of show flats, followed by further furnishing of twenty-seven apartments to be used throughout the project
- This project is ongoing and expected to last for a period of 3 years.

Summary

In summary, the latest government advisory on evacuation planning is a significant step towards enhancing building safety and preparedness for both emergency situations and planned decants. It underscores the need for comprehensive planning and the implementation of robust evacuation strategies to protect the well being of all building occupants.

EXCELLENCE IN THE EAST
Crafting effective solutions

Betty Albon editor@aces.org.uk

This article is a summary of the Excellence in the East projects featured as Session 4 of the National Conference held in September 2024.

Introduction

The fourth session of ACES National Conference showcased live projects under way in the eastern region. These were presented by case officers from local authorities and their agents. This report is a resume of the innovative work taking place regionally.

Richard O'Connell, Lambert Smith Hampton

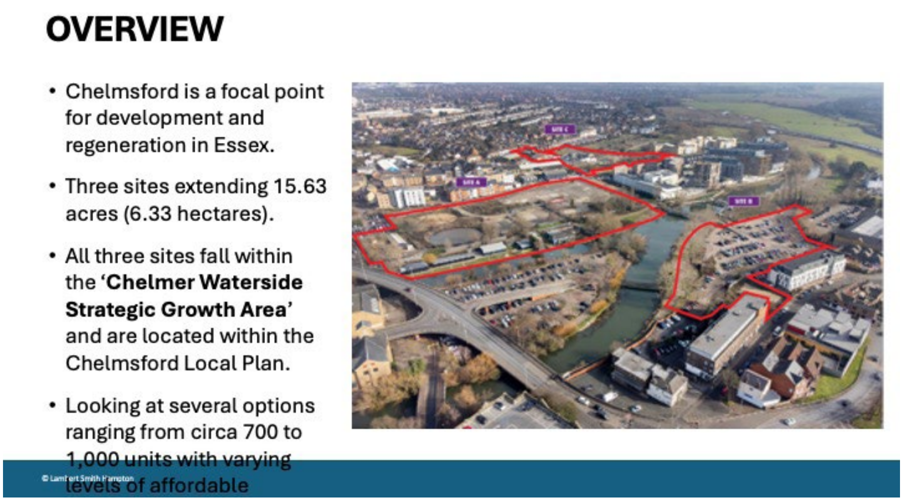
Richard is an Executive Director and the Operations lead for Planning, Regeneration + Infrastructure at Lambert Smith Hampton. He is also the Head of Office in Chelmsford and has over 25 years' experience of working for, or on behalf of public sector clients and has advised several councils and other public sector bodies on disposal and estate strategies linked to complex property portfolios. He is also the lead Director for several of LSH's key public sector contracts including Essex County Council and HS2.

Richard opened the session, to introduce some of the work LSH has done with Great Yarmouth Council, including the North Quay project, which is one of the larger regeneration projects LSH is dealing with at the moment; and then showcase a number of other regeneration placemaking projects that meet the strapline of Excellence in the East. Projects are based in Essex, Cambridgeshire, Hertfordshire and Norfolk.

Each project is at a different stage of their maturity, but all of those projects demonstrate the diversity and the complexity of some of the work and some of the schemes that are happening across the east as a whole. LSH undertakes one-off pieces of work and also has more longer standing relationships, going back in the case of Essex County Council since 2012 and providing the full suite of estate services. Some of the areas that we're working on a lot within the region, but also nationally, is around estate strategy, co-location, revenue generating schemes - whether that's long-term lettings, meanwhile uses of buildings as part of much large larger proposals for regeneration and or re purposing - and minimising the cost of occupation like business rates management, energy performance, MEES standards and carbon reduction focus.

Chelmsford: Chelmer Waterside

The image gives an overview of the project. Working with Chelmsford City Council, LSH has been instructed on 3 sites with a total of 15.6 acres right in the centre of Chelmsford, in the prime waterfront area of the town, to be brought forward for promotion. Options are looking at different tenure types and for integrated



local scale community uses, alongside water-related uses and affordable housing. The options are soon to be presented to the council together with timescales to bring sites forward, either with a single scheme or multiple schemes as a phased development.

Funding from Homes England through the Housing Infrastructure Fund is facilitating a bridge currently under construction to join the sites together. LSH will also assist the council to procure a development partner to move the schemes forward.

Steve Norris and Simon Bachelor, Lambert Smith Hampton

Great Yarmouth

Steve is an Executive Director and National Head of Planning, Regeneration + Infrastructure at LSH. He has over 30 years' experience of advising both the public and private sectors on transformational town centre regeneration projects.

Simon is National Head of Land Assembly & Compulsory Purchase at LSH. A compulsory purchase specialist with over 30 years' experience working in this sector, he has excellent organisational skills through the whole project lifecycle with a strong knowledge of commercial and complex negotiations, stakeholder management, business benefit realisation, estimation, planning, budgeting and financial management. Simon has advised on some of the biggest infrastructure projects in Europe including HS2, the Elizabeth Line and the 2012 London Olympics, includinh undertaking and managing property cost estimates for projects on many different and varied schemes, and regularly reporting progress to the client and assessing risk.

Councillor Smith, Leader of Great Yarmouth Council states that Great Yarmouth is the capital of England's offshore energy sector and is at the forefront of a £39 bn investment in energy over the next 20 years, including in large scale offshore wind. There is a rich cultural heritage including historic buildings, but like many coastal towns, it also faces several challenges including clear pockets of social deprivation, low wages, poor health and education, and decreasing land values and a town centre that's been struggling for a while.

In order to address these complex challenges for communities while maximising the opportunities for investment, the council is taking a place-based approach to planning and delivering, working closely with partners across the public and private sectors, to advance a range of exciting work to support regeneration and inclusive economic growth. Plans are in place to attract and retain further visitors, skilled workers and investment, including regenerating the historic town centre and better aligning tourism, culture and heritage.

The council has adopted an ambitious vision and town centre masterplan as part of its local plan and is delivering major regeneration projects. The key aims by 2025 are:

- Strengthening the heart of the town centre - to regain its vitality with a range of new occupiers and operators including a leisure-based anchor (for example a cinema), cafes, bars and restaurants
- Improving the market and Market Place - trade and custom in the markets is greatly improved, supported by new stalls and service facilities; a newly paved Market Place with an expanded programme of events
- Transforming the Conge - a new mixed-use development and a later phase to connect it to the renewed Market Place
- Creating a sense of arrival at the town centre – around the train station and quayside (North Quay – see below)
- Unlocking the potential of Hall Plain - guidance to ensure existing buildings are conserved and developed appropriately; increased commercial interest with completion of the third river crossing
- Linking it all together - improved wayfinding and footfall significantly increased, commercial vacancies significantly reduced.

The historic market dates back 800 years to the King John's Charter. A new covered market has relatively recently opened to traders, with an investment of £7m through the Future High Street Fund (FHSF). It has a modern fresh offer, with 29 traders able to operate in a new landmark wooden structure in the heart of the historic marketplace. It helped also to attract new businesses to the heart of the town centre and generate new trips and football.

Other projects worthy of mention are:

- Extensive public realm improvements on and around the market area (£5.8m)
- The council purchased the former Palmers department store and is repurposing and re branding the 5-storey building as 'The Place' with a new public library and University Learning Centre in the heart of the town centre (£18m, including £7.5m Town Deal and £2.4m FHSF). This will draw in a younger cohort into the heart of the town. Construction is well advanced, due to open in spring 2025. Partners include Norfolk County Council, East Coast College and the University of Suffolk (£3.5m), to teach degree level courses
- the third river crossing which opened in 2024. It is a £121m investment by Norfolk County Council and national government to improve traffic flows across the urban area and better connect the commercial offshore energy activity. Direct access to the sea front is already alleviating congestion across the urban area.

The image outlines the main features of the North Quay project. One of the challenging aspects is the land assembly, spearheaded by Simon Bachelor, who highlighted a few blockers.

This project has a number of funding routes including levelling up funding (£20m). Approximately 75% of that is dedicated to the land acquisition – a site of 10 acres. The Land Registry records indicated something like 35 land interests identified, but on completion of the land referencing by 2023, it's actually around 130 interests on that site, all of which are compensatable, including 11 houses, many in multi-occupancy, mixed commercial uses and derelict sites. We have developed a land acquisition strategy and an engagement strategy. The funding has a limited life so when we started on this project in May 2023, the money had to be used by March 2025. One of the first things we did was get an extension of time, but the maximum we could get was March 2026.

We are trying to acquire all this land by private treaty to avoid compulsory purchase. To do so, before we can go into a compulsory purchase scenario and into an inquiry, not only do we have to try and buy all the land by agreement, we need we need to have planning consent in place to prove that there's a compelling case for this project. At the moment, we still haven't engaged a partner or developer on the site, and of course to engage them, we have to have worked up a scheme. To be able to serve compulsory purchase notices will take 6 to 12 months, on time-limited funds. So you can see there's a great deal of pressure to spend this money. Therefore I can't emphasise enough talking to all the stakeholders to at least get into positions with them.

Jeannine de Sousa, Norfolk County Council

The Multi-Use Community Hub project

Jeannine has a career spanning over 28 years, with expertise in both the private and public sectors. Her expertise in the private sector extends to property consultancy, strategic delivery of construction projects, and total facilities management, much gained in South Africa. Her current role is Head of Construction, FM, and County Farms at Norfolk County Council (NCC), where she oversees the development and implementation of policies, targets, and objectives that align with the council's operational, legal, and financial requirements. Her expertise extends to the development of strategic decarbonization initiatives, an ambitious programme currently involving 16 active projects.

The old Argus building takes the cake for the ugliest building. The brief from the community was broadly do not design anything that looks anywhere near the Argos building: we want it to be different. The images show proposed transformational change, by changing the whole shape and materials of the building to create something that is quite modern, but following the vernacular of the town. The interior design, as illustrated, will include a beautiful showcase timber staircase, with acoustic ceilings, using at least 60% recycled polyethylene terephthalate, a plastic which would normally go to landfill; timber cladding and the handrails for the staircase and other places will be British ash, a sustainable homegrown durable hardwood that is sourced via responsible forestry practices.

The children's library will be a beautiful playful area reflecting King's Lynn buildings. The entry will replicate the old castle gateways; the soft play area will use custom joinery, with playful ceilings and soft felty play areas for safe play. The carpets will be produced from regenerated and recycled yarns

Sustainability was at the heart of this whole project. During RIBA stage 1, the council agreed four project principles:

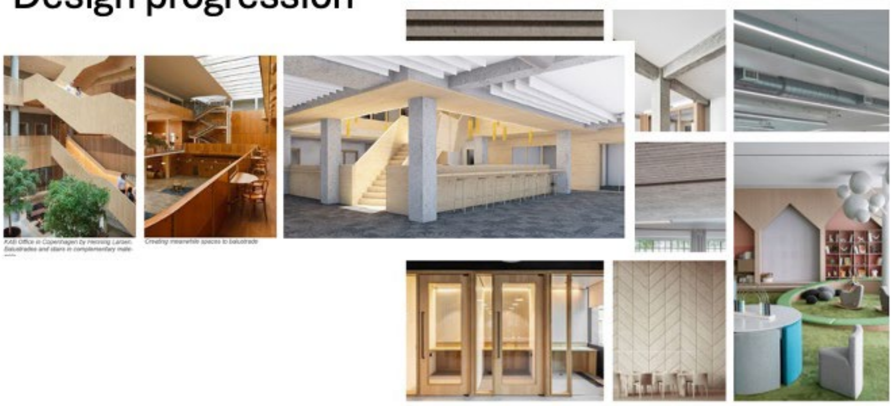
- Sustainable design – focus on using less materials, less carbon, less energy, less natural resources; reuse of building structure, minimise operating costs and align with NCC's net zero goal by 2030
- Community value – provide inspiring spaces and amenities for the whole community through grassroots engagement
- Transformational – create a cultural anchor and sense of identity and pride; rejuvenate the high street
- Financial value – optimise cost, value, viability and delivery in accordance with NCC policies; features to include natural ventilation.

The project is dedicated to achieving a BREEAM Excellent rating. Work on design elements has not yet reached that high target. It is also aspiring to a LETI 2030 design 'A' rating (a measure to achieve net zero by 2030). For this, NCC has set a maximum 410KgCO2e/sq m, and an aspirational 345 target to achieve an A rating.

The initial sustainability assessment of the project was undertaken before NCC purchased the building; it looked at demolition factors and modern methods of construction, to see what elements of the building can be prefabricated. A review of NCC's procurement process led to appointing a Design for Manufacture and Assembly contractor at stage 2 RIBA, to involve the supply chain at an earlier stage.

From this.....

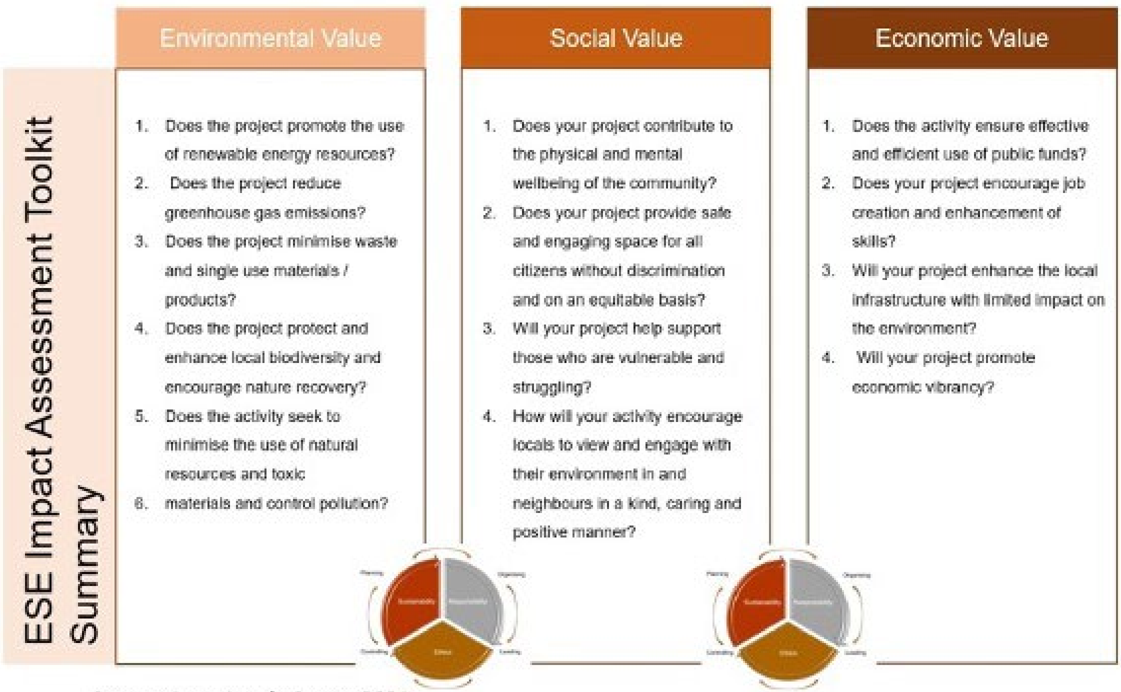
Design progression



Another element of the sustainability initiative is to include NCC's inaugural building passport to track and optimise the life cycle of construction materials, promote resource efficiency, reduce waste and promote longevity. It is still very much new in the market, and we are working with the Universities of Sheffield and Lancaster, to provide case study material. NCC is capturing data on a macro level about the building, with the facade and structural elements, as well as on the product and component level. For example, the building passport will contain information on manufacturers' specifications, warranties and the kind of basic information, all held on spreadsheets at this stage, but with aspirations to link to BIM modelling in the future.

The NCC commitment extends beyond the construction site to the heart of the local community. NCC has devised a formal Environmental, Social and Economic (ESE) framework that integrates sustainable practices to achieve enduring value, including environmental stewardship, fostering social inclusivity, and stimulating economic prosperity. Value elements are itemised in a toolkit (see image).

NCC is doing a lot socially and educationally, and has visited local FE colleges; collaborated with West Suffolk college for training and master classes that are being delivered; engagement with training bodies and 'Meet the Contractor' event, to promote green skills and upskill



Source: Jeannine de Sousa, 2021

the local employment market. NCC has also participated in high school events in Kings Lynn where various workshops have been run; 'Routes into Construction' talks; and ongoing discussions with the Norfolk and Suffolk Careers Hub.

Putting all this into monetary value can be summarised – at this moment - as:

- Educational outreach worth £75.9k
- Wellbeing activities worth £8,664
- Volunteering worth £3,494
- Local employment worth £28.8k
- Apprenticeships worth £99.6k
- Local procurement worth £1.6m.

Alexandra Houghton and Ben le Coq

Science and Technology in the East

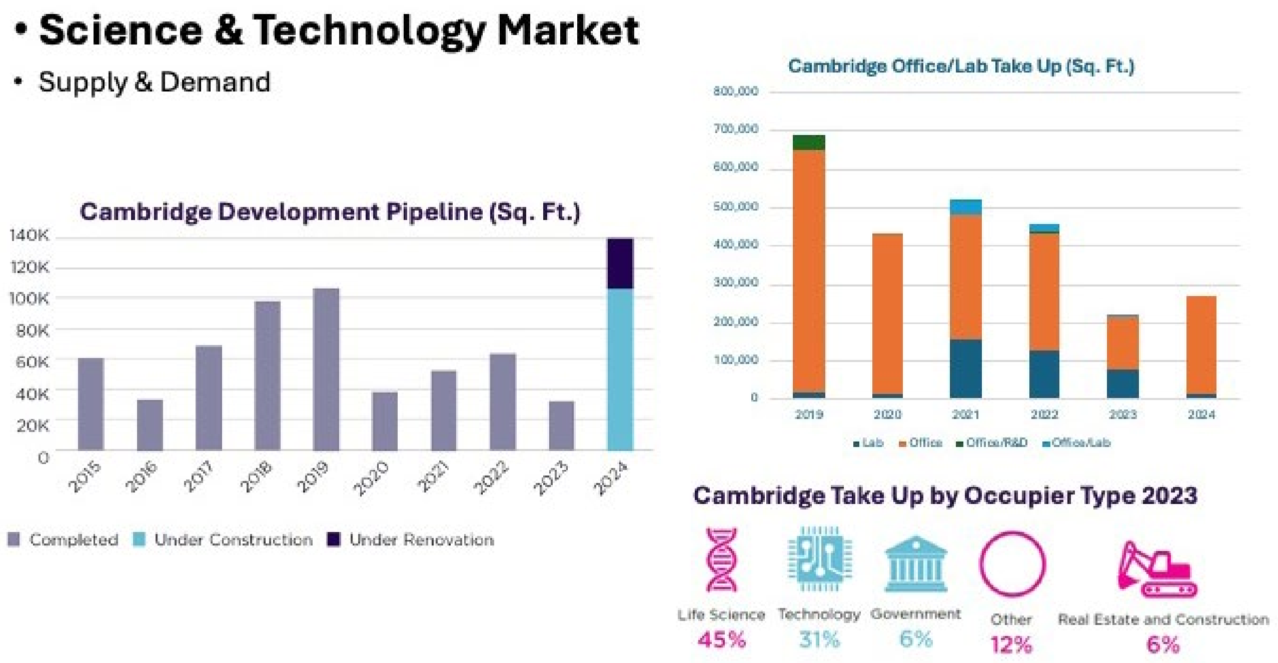
Alexandra is Head of Public Sector and a Partner at Carter Jonas, and a member of the Commercial Board. She has a long history of public sector property consultancy and leads the Consultancy & Strategy team, where she provides strategic advice to both public and private sector clients, focusing on the delivery of solutions to business needs through estate change. She undertakes option appraisals, financial modelling, estate strategies, property asset management plans and the preparation of HM Treasury Green Book compliance Business Cases.

Ben is a Partner in the National Commercial Development team. He has been providing commercial development consultancy and agency advice for over 14 years. He advises a wide range of clients – private, corporate, public sector and institutional, providing strategic development agency and consultancy advice including development viability and option appraisals, site assembly and land acquisitions, development phasing, market assessments, marketing and disposal advice.

Carter Jonas has a strong track record in the science and technology sector and the presentation is based on CJ data and in-house expertise, concentrating on local, predominantly examples from the Cambridge business park and innovation park in north Cambridge.

So what is science and tech? It's effectively the use of manufacturing and engineering technology to make production more efficient, faster and simpler. There are all sorts of subsectors around this, and probably the one that we are most used to hearing about is life sciences – effectively businesses involved in developing and or producing pharmaceutical or medical tech products. There has been a massive increase in that over the last few years and the majority of these subsectors operate from a combination of lab space and office space.

- Life science – pharma, biotech, genomics, diagnostics, precision medicine, digital
- Digital technology - fintech, AI, big data, machine learning, digital health, gaming, cloud tech



- Advanced materials – including composites, metals, semiconductors, graphene and 2D materials, nanotechnology
- Chemistry – analytical, astro, bio, environmental, forensic, material etc
- Advanced manufacturing – EV, medical devices, robotics, high volume goods, rapid prototyping
- Clean tech – green energy, EV Tech, Battery Tech, low carbon tech, recycling tech
- Engineering – product design, aerospace technology, automotive
- Food production / Manufacturing
- Agri-tech – biotech, big data, vertical farming, IOT, mobility, agrochemistry.

The government is thinking in terms of growth in these sectors, but we don't know yet what that might be, although investment in research and development has been is on the list, in our view, the main focus will be in the three areas of, firstly, life sciences, particularly diagnostics machine learning and advanced therapies. Interestingly at the University of East Anglia there's a quite an established offer in life sciences and biomedical science which collaborates closely with Norwich research park. Secondly, clean tech, around the pressures that we have on the cost of energy, the need for innovation around renewables, hydrogen and recycling; and thirdly, agritech. The pressures that we have on the land and getting maximum agricultural crop out of them is critical, so sustainable farming, using technology to increase the yield, is something that we expect will be become quite big, and robotics. There has been some recent funding from innovate UK to Norwich research park, so I think it's a particularly interesting subsector for the east.

Cambridge is the most established science and technology market in the UK (see image of supply and demand). There is a huge amount of space in the pipeline. Interestingly, there has been quite a lot of talk around oversupply in Cambridge, but we're not sure that is the case. The 2024 bar on the left hand graph indicates the amount under construction and under renovation, and it is probably very likely that the kind of fringe areas in Cambridge and the lower quality stock will suffer when this pipeline comes through, but we think that Cambridge is a very mature market and there's always going to be investment there, although it does depend on funding and it also depends on which of those subsectors start to grow and therefore where the demand is for a space.

The first half of 2024 has already had more take-up in space in Cambridge than from the whole of last year - the combined office and lab space is the really high demand, and it's definitely a flight to quality. The bottom icons show that 76% of that space in 2023 was around life science and technology.

Cambridge prime lab rents have nearly doubled from £41.50 per sq ft in 2018 to £71.50 per sq ft in 2023, a growth rate of 69%. Rents have grown very steadily in most life science clusters in the UK over the past two years; we think that probably Cambridge rents are going to start to plateau overall.

Funding is really important and drives the demand in the sectors. The annual funding in the life science sector in 2023 totalled $7.5bn, higher than $4.6bn in 2022, and already at $5bn in the first half of 2024. However, the big year was 2021, with Covid. Scientists were still in their labs and driving innovations – they had to – and the funding had to be there. There was huge pressure on the NHS, the need to diagnose earlier, innovate, treat better. Digital tech had a similar spike through Covid, and this shows how an individual strand of science and tech can dramatically change the funding and have an impact on demand/supply and the property picture. It could happen in another subsector – maybe agri tech next?

<u>Examples of excellence in the east</u>

Below are some of the projects that have been happening across the eastern region, based on BREEAM classifications:

- Outstanding – there are few buildings built to Outstanding standard: there are three buildings in Cambridge and one in Southend on Sea, eg 10 Station Road, Cambridge. This building has a rent of £62 p.sq ft, compared to average rents in the areas of £45 p.sq ft
- Excellent – there are 31 buildings in Cambridge, 3 in Southend, 3 in Norwich and one in Peterborough, as well as more in other regional centres, eg Centrum Building, Norwich.
- Very good – this sees a significant increase in the number of very good buildings (over 40 in the east), which are much more spread across the regional locations, including Lowestoft, Ipswich and Colchester, one of which is Clingo house, which is the University of Essex knowledge gateway development. Rents are over £20 p.sq ft, which compares to £18 p.sq ft as a general passing rent across the wider Colchester market, so not a significant increase in competitive passing rents for that level of excellence. Generally speaking, there is an occupied demand for the high quality buildings.

The recent project experience of Carter Jonas in refurbishment, market analysis, development options and viability challenges looking at some of the projects includes:

- 270 Cambridge Science Park – purchased by South Cambridgeshire District Council in 2019 for £8.5m; it underwent a full refurbishment programme with a specification on low carbon credentials and high specification upgrades. The rent has increased from £26 p. sq ft before the works to £34 p. sq ft and has been retained by the district council as a long-term investment, currently valued in the region of £20m, a fairly significant increase
- Malvern Hills Science and Technology Park – a project for Worcestershire County Council which principally looks at market analysis to assess demand for the type of space being proposed
- London East Business and Technical Park – development options and viability for the BD Group (Barking and Dagenham District Council).

[Ed – more detailed information can be found by clicking on the QR code below].

Tim Holland

Southend on Sea City Council's Retrofit Journey

Tim is head of Housing Supply at Southend-on-Sea City Council and leads on a wide range of new build and retrofit projects to drive forward Southend's aspirations to create safe, affordable, sustainable communities. He has over 16 years of experience working within public sector housing and is an Executive Member of the national Councils with ALMOs Group and a former Chair of the Essex & Suffolk Housing Group. Tim is passionate about the vital role that both social housing and sustainability play within our society and is committed to finding creative solutions to the challenges we face.

Tim informed the audience about Southend's retrofit journey. To set the context, the council has 6,000 homes, including 1,400 sheltered accommodation, in a homes a mix of styles - 13 tower blocks, 2 medium rises, housing estates and dispersed properties; 1,300 (22%) of those homes are EPC D or below. Since 2006, South Essex Homes, an arm's length company, has managed the stock.

Southend's retrofit journey began in 2019 when the council announced a climate emergency, with net zero ambitions by 2030. A Green City Action plan was developed, which concluded that 45% of the council's carbon emissions are from council homes and a need to develop a Retrofit Action Plan.

What are the benefits of retrofit?

- Improved thermal comfort – Increase of tenant health wellbeing
- Reduced carbon emissions - Estimated 30% reduction
- Prolonged lifespan of assets - New external façade lasts for 30 years
- Reduced maintenance - Homes are at high risk of damp and mould
- Reduced rent arrears - Knock on impact of rising energy bills
- Added value - Boosted EPC rating can add up to £15,000 of value per home (or 5% increase – Rightmove).

A Retrofit Action Plan was developed, with a vision of taking "a holistic approach to retrofit considering embodied carbon, and water saving and carbon reduction". Key challenges and mitigations were firstly, leadership, training and capacity, in particular, improving buy-in from senior leaders and councillors through regular meetings and briefings, and upskilling staff, to include an internal EPC assessor.

The second key challenge was around data and funding. We worked with Parity Projects to improve baseline data and scenario modelling, to give indicative costings for retrofit. We have completed 400 additional EPCs; we have installed 20 sensors in a sample of our homes to give real time monitoring of heat loss, humidity and air quality. This data has improved the council's position in terms of future funding bids.

A Retrofit Show Home of a major retrofit of a 1950 system built home in the city was completed in December 2023 [Ed – see Retrofit Housing Programme lead article in 2023/24 Winter Terrier and ACES Award 'Project of the Year 2023']. It was an exemplar project to demonstrate the 'art of the possible' in retrofit, including high insulation, air source heat pump, solar panels and battery storage. Estimated energy bills are forecast to fall to £500 p.a. (from £2,000) and wate demand has been reduced by 45% through the Defra funded Catchment to Coast project.

The next phase of the retrofit project is using the Social Housing Decarbonisation Fund. The council was successful in a bid for 110 homes that was match funded with a grant of £1.15m. The Fabric First approach selected EPC D homes, with an estimated completion by June 2025. The project is a slimmed down version of the retrofit show home to include external wall insulation, loft insulation, ventilation improvements and new windows; 50 homes are now complete. Lessons are being learned as we go along.

Other funding projects involve Warmfront and Baxter Kelly on government schemes ECO4 and the Great British Insulation Scheme (GBIS). We have completed 25 homes to EPC D with cavity wall insulation using ECO4; we are currently on site with a further 60 homes via GBIS, to be completed by December 2024, with a further 400 homes identified future phases.

<u>Improving new build standards</u>

- Not just about retrofitting our existing stock – ensuring new homes won't need to be retrofitted!
- On site with 12 x net zero council homes which already meet the incoming 2025 Future Homes Standard
- Planning permission agreed for further 2 phases which will see 26 net zero council homes
- Homes are fully electric and include solar PV, electric vehicle charging, green roof bike shelters and biodiverse planting.

The council also has two Passivhaus pilot projects that have been agreed by the council and timelines are shown in the image. We will be on site in earnest later this year, so this concludes our retrofit and new build journey.

STANSTED AIRPORT

Expanding the airport in the countryside

Dean Hermitage dhermitage@uttlesford.gov.uk

Dean kindly agreed to prepare this write up, after having presented to ACES Eastern Branch.

Dean is Strategic Director for Planning at Uttlesford District Council. He is a chartered town planner with more than 20 years' experience in planning and development across local and central government. Prior to his current role, Dean was Deputy Director for Planning Casework at MHCLG, and has experience of working on various airport-related development and providing professional advice to councilors and government ministers.

Context and background

Like many many international airports, London Stansted Airport is located some distance from its namesake city, positioned 27 miles northeast of London, just off the M11 motorway near the village of Stansted Mountfitchet in the picturesque Essex countryside. While this is significantly closer than London's farthest airport - London Ashford Airport, which is about 60 miles away - its rural setting within the Uttlesford district creates somewhat of a dichotomy.

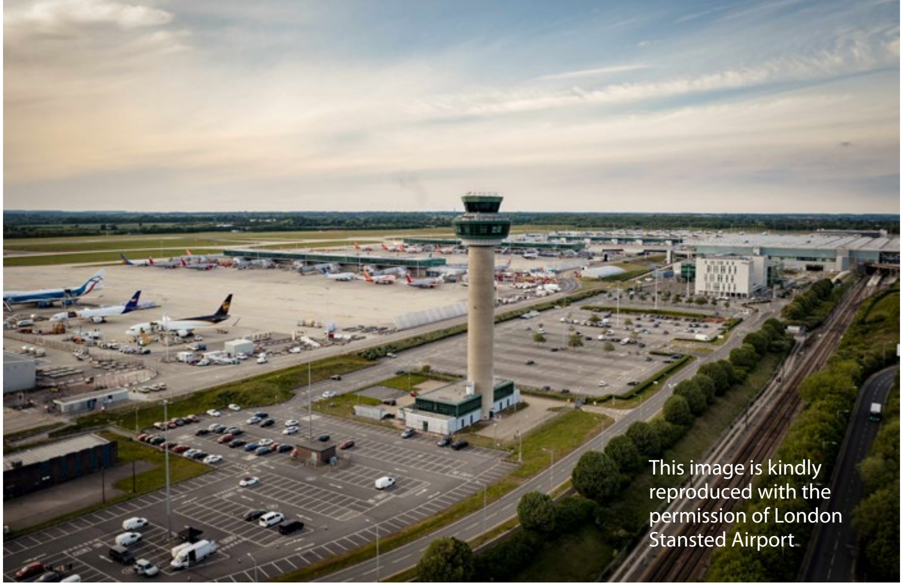
The commercial airport we know today developed from a planning permission granted in 1985. At that time, it was permitted to cater for up to 15 million passengers per year. Sir Graham Eyre QC, who was appointed by the Thatcher government to oversee the public inquiry into its initial expansion, recognised the importance of the airport's rural setting, describing it as the "airport in the countryside". Six years later, its striking, Sir Norman Foster-designed, terminal was opened to passengers and the airport was designated its own 'green belt' known as the Airport Countryside Protection Zone (or CPZ) to preserve its countryside setting.

Airport in the countryside

Expansion challenges

By 2018 the airport had seen incremental expansion, via various planning permissions, and around 28 million passengers per year were passing through it. It took its place on the UK aviation podium as the third busiest airport in the country and the largest employment site in the east of England. Around 200 companies are based at the airport. Collectively, they employ 12,000 people and contribute over £1bn to the regional economy per year. If you have sent or received international mail or parcels in the greater London area, the chances are it travelled through Stansted, which acts as London's main air-freight and air-mail hub. Its significance in terms of the economy, as a piece of transport infrastructure, and supporting inward and outward tourism, is considerable.

In 2018, the Manchester Airports Group, the new owners of the airport, applied for planning permission to increase passenger capacity to 43 million. Uttlesford District Council initially planned to grant permission. However, following the 2019 local elections, which saw the Conservatives lose control to an independent residents' group, permission was refused. The airport eventually



This image is kindly reproduced with the permission of London Stansted Airport

secured permission on appeal in 2021, more than three years after the planning application was made. Throughout this process, the council expressed ongoing concerns about the environmental impacts of the expansion, ultimately challenging the decision in the High Court on these grounds, but was unsuccessful. This conflict strained the relationship between the council and the airport.

Planning applications must be assessed against established policy. A quick search of government policy on airports will throw up a strong endorsement, if not outright encouragement of aviation expansion, to foster economic growth, connectivity, and accessibility. The 2022 framework document, "Flightpath to the Future", published by the Department for Transport, promoted growth in aviation to assist the economic recovery following Covid. The previous government adopted a stance of 'technological optimism' regarding aviation and its environmental effects, suggesting that innovations in technology would address the urgent environmental challenges associated with airport expansion. This was outlined in the 2021 consultation paper "Jet Zero". Although it is still early in the new Labour government's tenure, indications suggest a continuation of this supportive approach toward the growth of the UK aviation sector at the national level.

By 2023 air passenger numbers, both nationally and at Stansted, were back at pre-Covid levels and projected to increase significantly. In response, the airport sought approval to extend the terminal and implement several enhancements to improve service standards. Although Stansted only has one runway (and there are no plans for a second) it is the capacity of the terminal that constrains passenger throughput.

The extension was sensitively designed to respect the original Norman Foster aesthetic. Senior airport staff were (and still are) in regular discussion with senior district council officers and key elected councillors. In 2023 the airport conducted a briefing and training session for the council, fostering collaboration to monitor the airport's performance against the conditions and controls imposed on it. By this point, relationships had improved significantly, and both the council and airport developed a better understanding of each other's operational practices.

In September 2023 the council's planning committee recommended the terminal extension be granted permission. It sought to impose a number of conditions on the permission to ensure water efficiency measures, to govern the quality of finishing materials, to ensure biodiversity net-gain, and manage construction and safety of passengers. Even so, this marked a notable shift in the council's approach compared to its stance just two years prior.

Uttlesford District Council remains committed to addressing climate change. It is currently developing its Local Plan (a strategic framework for managing growth up to 2041) and climate change is the golden thread that runs through it. The council's stance on climate change may have influenced the airport's already-ambitious sustainability strategy. As a result, we can look forward to a terminal extension that aims for BREAAM Excellent and will achieve net-zero carbon emissions.

Northside Logistics Park

Just to the north of the airport runway lies the original Stansted airfield, which served as a US air base during World War II. It is currently home to a few industrial buildings, the local air cadets, and some supporting aviation infrastructure. In 2020, the airport sold the land to Columbia Threadneedle Investments, and throughout 2022 and 2023, the new owners collaborated with council officers to develop plans for a 2,000,000 sq ft logistics and commercial space, now known as Northside Logistics Park.

The council recently granted outline planning permission for the logistics park, again subject to a number of conditions. As you might expect, these included requirements for high sustainability standards, high levels of water efficiency, bio-diversity net gain, plus a new sports facility and parkland. The council also sought to ensure that the displaced air cadets would find a new home. Additionally, a substantial package of junction improvements was negotiated to enhance capacity at Junction 8 of the M11 motorway. These will complement the improvements secured as part of the earlier airport permissions and total some £40m.

Once the terminal and logistics park are complete, the Stansted site will directly support 15,000 jobs, and indirectly support many thousands more. The schemes come with a suite of training and skills packages for local people, which will supplement and enable expansion of the existing airport training college at Stansted. The site will also have its own children's nursery to cater for its employees and subsidise various public and active travel opportunities in the area. The economic advantages for the region will total in the billions.

Conclusions

The recent development of London Stansted Airport and its surrounding area illustrates an interplay between economic growth and environmental stewardship; the importance of the relationship between operator and local council; and that of a major transport hub sat within idyllic countryside.

The recent collaborative efforts between the airport and Uttlesford District Council suggest a shifting dynamic, characterised by improved communication, understanding, and compromise. And things are now starting to happen. With the terminal extension and Northside Logistics Park on the horizon, the region stands to gain significant economic benefits while also prioritising environmental and social responsibility.

PUBLIC/PRIVATE PARTNERSHIPS

The power of public/ private partnerships - A case study

Sir Chris Haworth Bt FRICS Chris.Haworth@bmsinvest.co.uk

Sir Chris made a presentation at the National Conference in September, in Session 2: Sustainable placemaking and regeneration. Chris kindly agreed to write up the case study of Gateway 14 in Suffolk, which illustrates how a partnership development can reap large rewards to a rural council. "The balance of risk and reward was a very important factor in assessing which development partner was the right one to work with."

Chris has been involved in all aspects of commercial property development and investment throughout his career, which began assisting on a valuation of the Grosvenor Estate at Gerald Eve, before spending 20 years with a number of commercial development companies including Trafalgar House and Neale House Investments.

In 2001, he joined Carter Jonas to head up their development work for the Crown Estate and he was appointed Head of the Commercial Division in 2006. Since 2012, he has built up a portfolio career, advising various landowners on development. He also chairs the board of 3 companies, each with local authority shareholders, to use the power of public/private partnerships to deliver value for the shareholders. He also sits on the board of Freeport East.

Chris spends a lot of time filming auditions for his actor daughter and is also occasionally seen on stage himself. One claim to fame is that he once played the vicar in a Dad's Army episode with the real Dad's Army vicar in the audience!

Background

Over 20 years ago, Mid Suffolk District Council (MSDC) had allocated 156 acres adjacent to Junction 50 of the A14 and the A1120, for employment development. Divided by an adopted road (Mill Lane) there were two owners who had obtained separate planning consents totalling 1.7m sq ft. Due to the dividing road, both permissions had separate accesses. Each consent was inefficient, expensive to deliver and neither owner knew how to kick start the development of its land.

Many people believed that the development would never happen. In 2017, the council decided that it wished to assist in the delivery of the site but that it did not have the skills in house to do so. It therefore set up a private limited company, with Mid Suffolk District Council as the sole shareholder, with a board made up of directors from Mid Suffolk, and from the private sector, with the required expertise to facilitate development.

Company formation

The Company was incorporated on 1 November 2017. Sir Christopher Haworth (CH) [author] was invited to join the board, as Non-Executive Director (NED), as he had extensive development expertise. The first

The Gateway14 site, divided by Mill Lane board meeting took place on 11 December 2017 and CH was elected as Chairman of the Board. He agreed to take the role on the basis that he could source other NED directors with appropriate development experience to widen the expertise. A number of appropriately skilled directors joined the board.

A considerable amount of the early work of the board was in setting up appropriate governance arrangements, including articles of association and shareholders agreement, letters of appointment for directors, service level agreements for the provision of services from council officers, and a risk register. A Holding Board, comprising MSDC Councillors was set up to represent the interest of the shareholder, to which Gateway 14 would report.


CGI as the scheme might look, showing the completed building for The Range on the right

Funding

The project was funded with a mix of short-term debt - primarily inter-authority loans - and longer-term debt from the Public Works Loan Board. The total expenditure comprising site acquisition and installation of the infrastructure was in the region of £38m.

Strategy

Acquisition – acquisition of the land was phased, with separate open market transactions. The first comprised some 100 acres, which could have been developed independently. However, the opportunity arose to acquire the second site of 56 acres fronting the A14, on the North side of Mill Lane. It was felt that this would add value to the current landholding, give greater prominence to it, and allow the comprehensive development originally envisaged by the planning authority.

Planning – both sites had separate outline planning consents for B8, B2 & B1 (now E(g)). The consent for the land adjoining the A14 included a new access from the A1120, which involved cutting through the existing embankment and overcoming a significant change in levels. The arrangement was expensive, and inefficient in terms of land use and transport planning, and it was quickly realised that access to the combined site could be given from the access off the existing roundabout on the A1120, subject to getting a road closure order on Mill Lane.

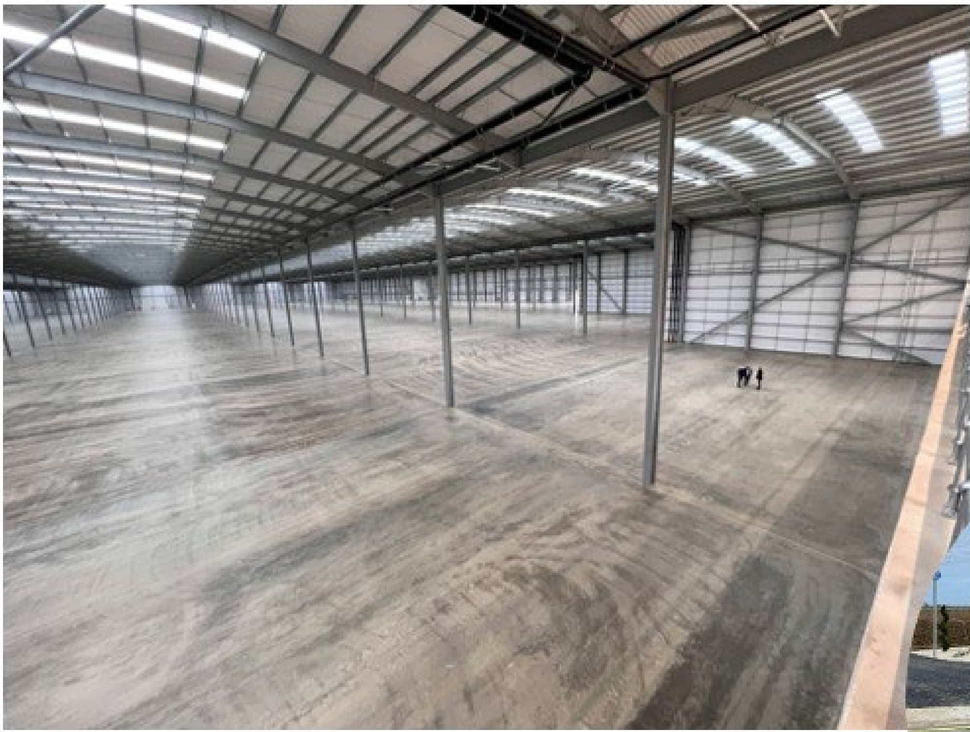
JV partner – at the outset, the intention of the shareholders was to carry out the development themselves. This would have involved expenditure of at least £65m and the board was strongly of the opinion that there was inadequate expertise 'in-house' to do so. Therefore, a marketing exercise was carried out to identify a joint venture partner with the track record and expertise to deliver a major business park.

Proposals were received from a number of parties, and this was narrowed down by the board to a shortlist of three. Interviews were held with the three parties, all of whom had the necessary expertise and track record. Two of those interviewed proposed a 50/50 JV with commensurate initial investment. The benefit of this approach would have been to lessen significantly the financial contribution from the shareholder, but it also involved a very significant diminution in profit share too. The third interviewee proposed a small investment as a sign of its commitment to the project, but a much greater share of the proceeds to the shareholder.

The board assessed the proposals and, taking account of the development expertise on the board, and a detailed assessment of the risks and potential rewards of the project, and the ratio between the two, decided unanimously that the proposal offering a small investment but greater profit share was the appropriate route to take. Therefore, Jaynic was appointed as the development manager, with responsibility for:

- Identifying and appointing the team for the hybrid planning consent
- Preparation and submission of the planning application
- Maximising the sustainability credentials of the development, both in terms of building design and the extensive landscaping
- Funding the planning application up to a maximum of £500,000
- Managing the installation of the infrastructure
- Procuring the contractor and consultants, ensuring that the team carry out their duties in accordance with the agreed terms, organising payment as required
- Managing all aspects of the development, including the provision of services to the site
- Market the site to potential occupiers and agree terms for recommendation to Gateway 14
- Managing the proposals for the closure of Mill Lane
- Managing an extensive public consultation process with all relevant stakeholders and local groups
- Liaising with the Freeport board to ensure occupiers were eligible for the tax and customs benefits as appropriate.

Professional planning team - Avison Young, together with a full professional team, was appointed to submit a new hybrid planning application for the combined site - now called Gateway 14. This was supported by a comprehensive new masterplan proposing the removal of Mill



GATEWAY14

Interior of The Range. Note the scale against the three people standing

Lane and a totally integrated development feeding off one access from the existing roundabout on the A1120.

This ensured the maximum benefit to shareholders, allowing the potential net development to increase by approximately 40% to 2.36m sq ft, while enhancing the landscaping to ensure the highest quality business park environment, and thus maximising the biodiversity net gain. The hybrid application was in outline for the employment areas and in detail for the total onsite infrastructure including the access off the roundabout, the principal estate roads and all structural landscaping.

Once planning was received, a successful application to the Department of Transport was made to close Mill Lane.

Freeport

Part of the allocated land had previously been designated as an Enterprise Zone and a Food Enterprise Zone by New Anglia LEP, which offered some advantage to occupiers. In March 2021, the site was designated as part of Freeport East, one of 8 Freeports allocated by government, offering many customs and tax benefits for occupiers coming to the park. Gateway 14 is the first of the sites within Freeport East to start major development and the Freeport designation has been a powerful influence in bringing occupiers to the park.

Occupiers

The Range - The first occupier on the park is The Range to provide it with its Eastern distribution centre. The building comprises 1.17m sq ft (almost certainly the biggest building in Suffolk), is carbon neutral in delivery and BREEAM excellent. The roof is 100% solar capable but initially, solar panels will be installed on 25% of the roof to provide the necessary power for The Range. Gateway 14 wished to install 100% but the local grid is currently unable to take the power delivered. The building will provide 1,650 jobs and will include 30,000 sq ft of office accommodation – the largest office ever built in Stowmarket. Construction has been completed and the building was handed over in November 2023. The building is now in operation and it is estimated that it will be fully operational early in 2025.

Innovation Centre – terms have been agreed with Mid Suffolk District Council for the delivery of an Innovation Centre of approximately 35,000 sq ft. This building will provide facilities for the whole park and an incubation facility for new businesses. It will also provide a unique interface between industry and education, to deliver on-site training and upskilling of the local workforce. Part of the cost will be met by funds delivered through the Freeport.

Other occupiers – work has just started on site to commence construction of a manufacturing unit of 44,000 for Bauder Ltd and construction will start shortly for a unit of 80,000 sq ft for a Turkish company – Assan Panel. Negotiations are in hand with a number of other occupiers in the manufacturing, logistics and advanced electronics sectors, for new buildings ranging in size from 30,000 sq ft-1,000,000 sq ft. In view of the level of interest in the site, the board instructed Jaynic to prepare and submit a speculative reserved matters application for a B2/B8 building of 160,000 sq ft to ensure that occupiers requirements can be satisfied in the shortest possible time, and this has recently been granted.

What has this delivered for our shareholders?

A - Sustainability

The sustainability credentials of the scheme have been at the forefront of the board's decision-making. Gateway 14 will provide:

- Solar PF/PV ready roofs
- Air source heat pumps
- 20% active and 20% passive EV charging spaces
- 15,500 trees planted

GATEWAY14

The completed building for The Range, handed over in November 2023

- 2,200m of native hedgerow planted
- EPC A rating and minimum BREEAM of very good, but intend to achieve Excellent where possible
- 20% soft landscaping on each plot
- 30,000m2 of native buffer planting
- 2,000m2 of wildflower meadow planted
- Electric bus service to link Park with town centre and railway station
- Biodiversity net gain of 14%.

<u>B - Financial</u>

The total shareholder investment on the acquisition of the land and the installation of the infrastructure was in the region of £38m. On completion of the sale of The Range building, in November 2023, the shareholder benefitted from the return of all its invested funds and a net profit in the region of £38m. The remainder of the site, totalling 70-80 acres of developable land, will be debt free and should deliver a profit to the shareholder of a further £75m.

Key considerations and lessons learned

In entering into a scheme of this sort, of fundamental importance is a detailed understanding of the risks involved, how these can be mitigated, and the relationship between risk and reward. At the outset, development has many uncertain elements, which affect the returns received and the cost of delivering those returns. There are a number of ways that these can be assessed and mitigated:

- Firstly, it is vital to have a board that has appropriate development skills and experience to enable a wide-ranging discussion of the risks and the various ways of mitigating/assessing them
- Then it is a matter of identifying the risks and understanding the extent to which they can be mitigated and the appropriate risk/reward ratio associated with those risks. It is important to bear in mind that this is not risk aversion, which often leads to my least favourite phrase of "we need to do another piece of work". Very often this is used as an excuse to avoid making a decision. This can delay or prohibit delivery, which is fundamental to success in any development project
- It is vitally important to assess the skills available in-house to assess whether they meet the requirements of the project. In the case of Gateway 14, at one stage the shareholders were intending to develop the site themselves. However, there was inadequate expertise in-house and therefore I insisted that we needed a delivery partner, with detailed development experience, to work with us to take some of the development risk. The balance of risk and reward was a very important factor in assessing which development partner was the right one to work with.

As a result of the success of the scheme, it also presented our shareholders with an interesting conundrum. Many local authorities assess on what projects they should spend money. In many cases, spending that money will add value. My view is that local authorities should always look at 'investing' money wherever possible, rather than 'spending' money. It gives them an opportunity of capturing some of the value that their investment creates.

In the case of Gateway 14, it may deliver up to £100m for its shareholders. They can choose to spend those funds on worthwhile local projects, as they have already done in setting up a £1.5m fund for the regeneration of Stowmarket Town Centre. However, once the money is spent, it has gone. If they invest, they have the opportunity to capture a share of the value created and secure the financial future of the authority for the foreseeable future – a very big opportunity which it is important not to squander.

Andrew is a chartered building surveyor and former chairman of the RICS Branch Division. He ran a building consultancy until co-founding Property Solutions Limited in 1992 as a specialist service charge consultancy. Andrew was Managing Director of Property Solutions when acquired by Bellrock Property & Facilities Management Limited in 2016 and is now Head of Real Estate, which comprises the UK's leading commercial service charge consultancy and a property management team.

Andrew has a breadth of experience embracing construction, service charge consultancy, audit and accounting. He has acted as an expert witness in relation to professional negligence claims, building disputes, service charge disputes and as a quantum expert in a High Court case, and has participated in various forms of alternative dispute resolution.

MANAGING COMPLEX ESTATES
The management of complex estates for operational or investment purposes

Andrew Morley andrew.morley@BellrockGroup.co.uk

Andrew outlines in a practical way some of the issues that concern the management of complex estates, some of which may be part of the portfolios of public authorities.

What is a complex estate?

The management of any building whether for operational or investment purposes involves diverse requirements and a degree of complexity. This article, however, is focussed on the management of complex estates.

So what is meant by the term a complex estate? The best way of answering that question is to look at examples, and ownership or occupational factors that cause complexity. An estate may simply be complex because of its scale. Typically, large scale estates embrace mixed uses and multiple occupation, but added to this there is infrastructure that is needed to service the estate, together with an interface with public services such as roads, rail or possibly the underground network. Some estates may be complex due to the criticality of use, such as hospitals and technology parks, or trading operations. There is a distinct difference between estates that are ostensibly for operational purposes and those that are for investment.

Within a complex estate there may be a hierarchy of interests whereby a strategic asset management plan (SAMP) may be developed by an estate owner, while other organisations with interests across the estate (landlords or tenants) will generate their own SAMPs.

A SAMP contains longer term, higher level strategic initiatives that an organisation must take in order to execute its asset management strategy. It follows that the plan can only be developed if a clear strategy has been put in place. The asset management strategy outlines the high level, strategic approach that an organisation adopts, that is to say how it manages its assets.

By reference to ISO55000, the plan should contain *"documented information that specifies how organisational objectives are to be achieved, the approach for developing asset management plans, and the role of the asset management system in supporting the achievement of the asset management objectives".*

ISO55002 reinforces this by reference to the relationship between management objectives, organisational objectives and the framework required to achieve those objectives.

In supporting an organisation, it is important to understand how it intends to use the plan and the factors that have influenced its strategy. These may be political, statutory, fiscal, or drivers to optimise operational delivery. It is important to distinguish between strategy and planning. This will help understand where asset management sits within an organisation's business planning.

Development of a plan

The development of a plan would start with a review of the strategy. It should be confirmed that it is current, approved and sufficiently clear to enable the development to start.

At this point, it is important to determine if the SAMP is to reflect the strategy across the whole organisation, or if separate SAMPs need to be developed for departmental use, below the overriding strategy. This form of prioritised approach can be cascaded across asset types, and can support the management plan for a complex estate. Once the initial process of setting policy, strategy, and a plan is completed, the implementation process needs to be based on full and accurate data capture with effective reporting and analytics.

This should start with the capture of ownership details, whether freeholds, leaseholds, sub-leases etc. This information should be held in ownership and tenancy schedules, preferably in digitised form to facilitate analysis, data extracts and reporting.

It is advisable to complete lease audits which capture the basic detail, key dates and lease events. In some circumstances a fact based data extract can be supplemented by opinion based data, where some interpretation of lease terms is required. The operational delivery, compliance, financial and risk management all flow from the strategic plan and data capture.

Challenges

There are various challenges that can be encountered. These are wide ranging and are often site specific.

Firstly there is a significant difference between the accounting that is required for an owner occupied site for operational purposes and a mixed use site with a large number of tenancies. Most organisations operate on an accrual accounting rather than a cash accounting basis. Does the accounting system meet the requirements of multiple occupation across large estates?

There are many examples within the property sector of incorrect accrual accounting and the absence of accrual control accounts. This can lead to incorrect accounting across an estate and the recovery of incorrect sums that may not withstand audit. For clarity, an accrual should represent the cost of a service delivered but for which an invoice has not been received, rather than a provision for future cost or the collection of some form of fund, ie: a sinking, reserve or depreciation fund, which I shall refer to below.

The accounts payable process and purchase order system should work in tandem. They should be based on good governance. Costs should be correctly coded across an estate, particularly where estate charges are recovered as a component of building service charge at separate buildings located within the estate. This needs to be considered during the service procurement process, to ensure that the supply chain has a pricing structure and a coding obligation that provides what is necessary. Term contracts and framework agreements often lack the appropriate coding detail or contain pricing arrangements that do not reflect individual tasks. This can present recovery issues.

Lifecycle and other capital expenditure may be the subject of a fund collection. That fund may be in the nature of a reserve fund, sinking fund or now less common, a depreciation fund. The management and administration of funds requires particular care. Actual or virtual accounts, accounts held in trust, together with the management of contributions from estate occupiers, including voids, all need careful consideration.

The accounting and cost recovery must be based on a carefully constructed apportionment methodology. At estate level this is likely to require a detailed assessment of the contributors to the generation of cost, as well as an assessment of which buildings or estate occupiers benefit from the services delivered. Typically, the apportionment of estate costs to building level will be based on gross internal areas, but this needs careful consideration to test that it is appropriate and compliant with lease drafting across the estate. Sometimes these requirements are in conflict and a clear rationale needs to be established.

Generally speaking, all costs should be auditable and the allocation and apportionment methodology should be completely demonstrable and transparent. Accurate CAD plans provide a basis for this, but should be cross-referenced to lease plans whereby any anomalies can be identified and corrected. Unreconciled errors can cause compounded annual financial risk for the estate owner.

Operational performance is predicated on effective repair and maintenance. It is an essential part of risk management and compliance, not only for operational reasons but also to preserve investment values. It embraces fabric and plant assets, utilities and infrastructure.

There are various software platforms available to support this, but in all cases there is a need to ensure asset registers are in place and updated. Project and integrated workplace management systems can provide a central hub coordinating workflows, improving performance and informing strategic decisions. They should address hard and soft FM, together with lifecycle planning across an estate. This is a topic in itself and beyond the scope of this article.

The management of buildings and landed estates must have regard to the carbon commitment and the reduction in carbon emissions. This should now form part of any strategic plan and will impact estate management in various ways. This not only affects estate owners but also occupiers. However, it does not necessarily follow that an estate owner's investment in carbon reduction will be recoverable from occupiers who hold buildings or space with different residual terms and different lease provisions.

This conveniently leads into the specialist area of capital allowances. There may well be meaningful allowances and tax credits available to estate and building owners, some of which may be claimed retrospectively. There are of course specific rules that apply; nonetheless it is something that should not be overlooked.

Finally, there is the issue of insurance. This extends to public liability as well as buildings insurance. Complex estates need carefully scheduled estimates of rebuilding costs, relative to insured perils, given that individual buildings are likely to be insured separately. However, the delineation of buildings from estate areas in particular subterranean levels and estate roads can complicate this and lead to over insurance and excess premiums.

These are just some of the issues that concern the management of complex estates. Hopefully food for thought.

Lara is Chief Executive of LocatED, a government-owned property company that provides advice on acquisitions, disposals and estates efficiency to educational bodies in the public sector.

Rav is Associate Director at LocatED. He is a chartered surveyor with over 10 years' property experience, providing agency and development consultancy services to a range of public and private sector clients across the country. At LocatED, Rav leads and develops the estates efficiency initiatives, focusing on maximising the potential of schools and other education land, while ensuring a sustainable and efficient education estate.

AI AND PROPERTY RECRUITMENT

The use of AI and pre-recorded video interviews in public sector property recruitment

Lara Newman Lara.NEWMAN@Located.co.uk and
Rav Cheema Ravinder.CHEEMA@Located.co.uk

Lara and Rav outline the pros and cons of using video interviews for selection processes. "The recruitment process should ideally make candidates feel valued, yet automated systems often reduce them to little more than data points."...."If we use them, we should all ensure that AI systems are regularly reviewed for fairness and inclusivity". Please note that the images in the article were generated using AI.

People are at the beating heart of the property sector, and to meet the challenges of the coming years and decades, we need to ensure that we are hiring the right talent. How we recruit dictates who we recruit, so we need to be paying particularly close attention to this. Public sector organisations, like their private sector counterparts, are increasingly adopting emerging technologies in recruitment processes. Among these are artificial intelligence (AI) and pre-recorded video interviews, which promise greater efficiency, speed, and cost savings.

In a time of fiscal restraint, it is easy to see why this approach to recruitment is appealing to all, including public sector organisations. When budgets are under pressure, exploring innovative new ways of working are to be welcomed. Indeed, we've seen this shift already with some central government Fast Stream selection processes, through which it is now possible that candidates, conducting all their assessments with pre-recorded videos, might not meet a real person face-to-face or virtually until the first day of their new job. Whereas the LGA uses a more balanced approach with pre-recorded video responses and virtual assessment centres marked by humans – as well as live interviews – as part of its Pathways into Planning programme. We understand that local authorities have also explored using this virtual approach.

However, as this shift towards technology accelerates, it also raises important questions about the quality of hiring, diversity and inclusion, and the overall candidate experience. These are serious questions that leaders in the public sector should address sooner rather than later.

Efficiency v compromised quality

One of the main drivers for using AI and pre-recorded video interviews in property recruitment is the need for efficiency. In an environment where organisations are striving to optimise costs and meet high demand for skilled professionals, these technologies offer the ability to streamline the recruitment process. AI can quickly sift through large volumes of applications,

AI Interview panel

while pre-recorded video interviews allow candidates to respond at their convenience, reducing scheduling burdens for both applicants and recruiters.

However, the pursuit of efficiency can sometimes come at the expense of quality. Automated systems, including AI, often prioritise rigid keyword matching based on job descriptions. This approach can exclude highly qualified candidates who do not meet the precise criteria programmed into the algorithm, despite having the skills and potential to succeed in the role. As a result, the best candidates may be overlooked in favour of those who fit a narrower profile defined by the technology, ultimately compromising the quality of hires.

The use of pre-recorded video interviews can exacerbate these challenges. Candidates who are more adept at live interviews, where they can engage in dynamic discussions, ask questions, and clarify points, may struggle in a pre-recorded format. Answering set questions while staring at a screen often feels unnatural and uncomfortable, especially for those unfamiliar with this type of interaction. The lack of real-time feedback prevents candidates from building rapport or addressing potential misunderstandings, which may lead to missed opportunities for otherwise highly qualified individuals.

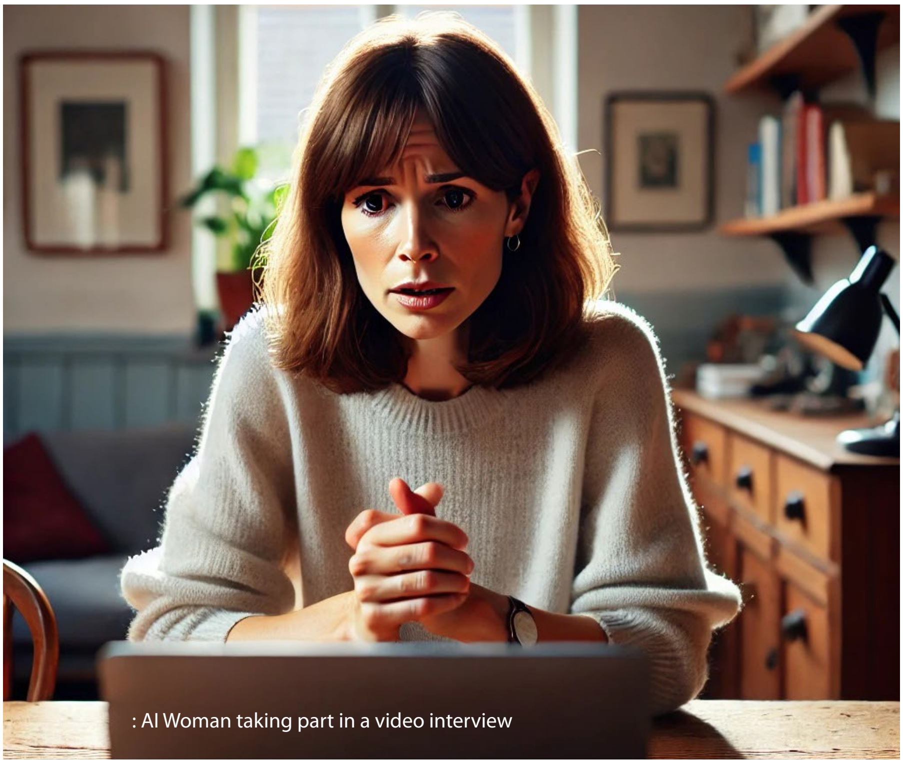
The loss of human connection

One of the most significant concerns surrounding AI and pre-recorded video interviews is the erosion of human connection in recruitment. Traditionally, candidates for a typical local government property role would engage in multiple rounds of face-to-face interviews, culminating in a final in-person meeting where they could interact directly with decision-makers. This personal interaction allowed employers to assess not only technical skills but also interpersonal abilities and cultural fit.

By contrast, AI and video interviews can feel impersonal and transactional. The recruitment process should ideally make candidates feel valued, yet automated systems often reduce them to little more than data points. This dehumanisation is further compounded when feedback is provided through automated email systems, which fails to acknowledge the time and effort candidates have invested. Particularly for high-stakes roles, such as leadership positions in property, candidates deserve more personalised feedback, helping them understand why they were unsuccessful and how they might improve.

Impacts on mental health and inclusivity

The mental health implications of these technological changes are another area of concern, especially for younger candidates. The rise in poor mental health among young people is well documented, and job seekers are particularly vulnerable to feelings of isolation. Searching for a job is already a solitary process for many, and removing human interaction from recruitment risks exacerbating these feelings of disconnection. In a sector like



: AI Woman taking part in a video interview property, where strong communication and teamwork are often essential, it seems contradictory to place so much emphasis on automated processes that diminish human engagement.

On the other hand, it is important to acknowledge that AI and pre-recorded video interviews do offer benefits in terms of inclusivity. These technologies provide flexibility for candidates who may have caregiving responsibilities or personal commitments that make it difficult to attend in-person interviews. Pre-recorded formats allow individuals to record their responses at a time that suits them, offering greater accessibility for those with unpredictable schedules or travel limitations. In the LGA's process, candidates are given ten days to record three responses, which may enable a greater focus on quality of answers, rather than their ability to engage or get on with an interviewer which may be a challenge for some neurodivergent candidates.

Furthermore, as is done in the LGA's processes, once videos are recorded, a masking is applied to the video so when markers assess them they are only getting the audio part of the responses, not the video in order to limit unconscious bias.

However, the flexibility to answer questions in your own home, at your preferred time, may not benefit all candidates equally. There remains an assumption that all applicants have access to the necessary technology and a suitable environment to participate in video interviews. Candidates from disadvantaged backgrounds may struggle to secure reliable technology or a quiet, private space for recording, putting them at a disadvantage. Employers in the public sector might consider offering candidates access to professional settings or technology to help level the playing field and ensure that no one is unfairly excluded due to circumstances beyond their control.

Candidates who are neurodivergent may also be at a disadvantage. If there is a lack of clarity around how to engage with a recorded interview, it may be detrimental and they, instead, may benefit from an in-person interviewer who can better guide them. It also removes any ability or control to ask for a question to be reworded or explained in a different way if instruction is unclear. Additionally, recorded virtual interviews might be initially screened using an AI or software-based tool which analyses the candidates eye contact and facial expressions etc, which can also be a disadvantage for neurodivergent candidates, given the unfamiliar/unnatural nature of talking to a screen/camera.

AI bias and the risk of inequity

AI-driven recruitment systems are also susceptible to bias. While AI is often promoted as a tool to remove human subjectivity from hiring, it is only as neutral as the data it has been trained on. If the data reflects historical biases or systemic inequalities, the AI will perpetuate those same issues. In the context of property recruitment, this can mean that qualified candidates from underrepresented groups are disproportionately filtered out if they do not match the algorithm's predefined "ideal" candidate profile.

The risk of bias in AI recruitment tools is a pressing concern for the property sector, which like many industries, has made efforts to improve diversity and inclusion. AI systems need to be regularly audited and adjusted to ensure that they are not reinforcing existing biases. Without appropriate oversight, these tools could create further barriers for candidates who already face challenges entering the profession.

Building a more inclusive recruitment process

While the adoption of AI and pre-recorded video interviews in property recruitment has clear advantages, such as flexibility and resource savings, the risks of bias, reduced human interaction, and compromised candidate experience cannot be overlooked. A more balanced approach is needed to ensure that these technologies enhance, rather than replace, the essential human elements of recruitment.

One possible solution is to create hybrid processes that combine the efficiency of AI with opportunities for personal interaction. For example, while AI can be used to streamline early stages of recruitment, final-stage interviews should still involve live, face-to-face interaction—whether virtual or in-person. This would allow both employers and candidates to build rapport and better assess cultural fit.

Additionally, recruitment processes should include more personalised feedback for all candidates. This would demonstrate that the organisation values the effort candidates have put into their applications, even if they are ultimately unsuccessful.

Finally, if we use them, we should all ensure that AI systems are regularly reviewed for fairness and inclusivity, and that all candidates have access to the necessary resources to participate in video interviews. This could include providing access to professional recording spaces or offering support for candidates who face technological barriers.

Conclusion: Finding the right balance

At its essence, the property sector is about people: deals are struck between people; places are designed for people; communities are created by people. The integration of AI and pre-recorded video interviews into central government, local government and public sector property recruitment presents both opportunities and challenges. While these technologies offer valuable benefits in straitened time, they must be carefully managed to ensure that the human aspects of recruitment—fairness, engagement, and personal connection—are not lost in the pursuit of automation.

We, like many, are firm believers that you hire for attitude and train for skills. Attitude is something that can be felt more so than it can be measured, so any future development in public sector property recruitment should incorporate this very human intuition.

Indeed, now is the time for everyone across the industry – both in the private and public sectors - to set the terms of how this technology can help us to attract the right talent and ensure pathways into property for people from all backgrounds.

Glossary of terms

Artificial intelligence (AI) - computer systems capable of performing complex tasks that historically only a human could do, such as reasoning, making decisions, or solving problems

Automated recruitment –the use of software to streamline and optimise the recruitment process. This can include automating tasks for use cases such as sourcing candidates, screening resumes, and scheduling interviews

Algorithm – is a procedure used for solving a problem or performing a computation. Algorithms act as an exact list of instructions that conduct specified actions step by step in either hardware- or software-based routines.

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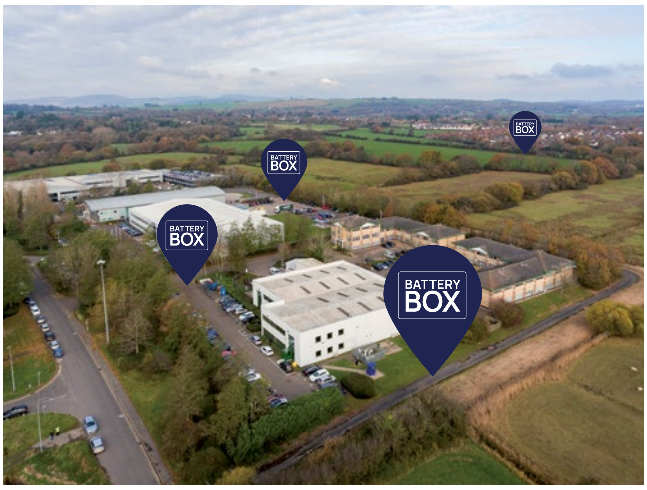

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RACHEL KNEALE, NORTH WEST BRANCH

Meeting held on 5 July 2024

The meeting was held at The Edge Conference Centre, Riveredge, Wigan. 20 members attended.

The Branch Secretary reported on membership changes since the last meeting. He reported that he had been busy assisting the national Secretary, Trevor Bishop, chasing unpaid national subscriptions in the NW Branch.

As branch funds were quite healthy, there was agreement to a £100 subsidy to be offered to the first 10 members attending the National Conference and making a claim.

A written report from Trevor covered national issues [Ed – see separate report of Council meeting in this issue of ACES' Terrier].

Staff recruitment –

- A member reported 92 applicants for a Property Support Officer job at Preston! She said that we should be thinking of apprenticeships for surveying jobs. The process involves lot of work but worth it in the long term. Employment terms include college fee reimbursement if the apprentice leaves the employment before certain dates
- A member said that it had been done successfully at Manchester
- LCC has apprenticeships utilising Salford University
- It was questioned whether ACES should get into school careers conventions. It was remarked that 20 years ago the RICS tried a school's initiative but the take up was poor
- Other members reported a mixed bag of filling most vacant posts, while another had struggled to recruit.

The Branch Secretary pointed out that the Branch Vice Chair position for 2025 was still not filled and it was important for the branch that succession planning is in place.

The General Election – The Outcome – What might it mean for local authorities and for the property sector in general?

An interesting discussion took place following the recent general election. What will happen to initiatives parked by the outgoing government; what will happen to existing funding streams?; what might happen on the child care side? Will there be a return of Surestart Centres ? Will local government funding arrangements be looked at?

Political parties have said very little about adult social care. Will there be a possible shift towards in-house service provision, but doubtful if there will more money "on the table". The trend in the USA is for staff to be brought in-house to build growth.

A member had experienced concern among retail tenants about some form of business rates reform; another member said that they are seeing the supply of affordable housing slowing down.

Presentation By Zoe Brooke, Managing Director of Ezrah Consulting Ltd and the founder and Co-Chair of the Save Construction Initiative (SCI). The presentation focussed on the challenges facing the construction industry and how as local authority clients we can influence the process and work in a more collaborative way with the industry.

Zoe explained the 2018 foundation of SCI, not least against the high numbers of insolvencies and administrations in the sector. The initiative has 4 key themes - procurement, skills shortages, people before policy, and organisational resilience. She gave an interesting presentation on the challenges being faced by the construction industry and what needs to be addressed to bring about improvements for contractors and clients. She covered issues such as careers advice, social value, risk sharing and payments cultures.

Next meeting 27 September, Kilhey Court Hotel, Standish, Wigan

JACQUELINE CUMISKEY, EASTERN BRANCH

In the last few months Eastern Branch has been busy continuing our programme of CPD and monthly catchup.

13 June at the monthly catchup we heard from SK Architects who gave a presentation about the Bluebird Project, an innovative new project for homeless people in Southend. The development is being built to PassivHaus specifications using little energy for heating and cooling [Ed – see 2024 Summer Terrier for full article].

19 July 2024 the branch held the second of its in-person meetings at Ipswich Town Football Club which had been promoted to the English Premier League for the first time in 22 years. Rich Carpenter, Head of Operations described 104 projects being managed since May 2024 and took us through the last 2 years of works in his presentation 'Ipswich Town Football Club expansion - meeting the challenge of joining the English Premier League'.

Two further presentations from Pierre Craddock of Lambert Smith Hampton on 'Emergency relocation and accommodation', and Raechel Slattery and Jo Pickering from Sharp Pritchard on 'The Procurement Act 2023' were extremely pertinent, given the Grenfell Tower report and the impending changes to the Procurement Act [Ed – see full report from Pierre in this issue].

August catchup - the talk was about the success of the Eastern Branch Chair, Alan Richards leading a team on the Public Sector Challenge [Ed – see write up and photos in this issue].

Discussion about the issues of the challenges of recruitment, freeze on recruitment in some areas, and compulsory redundancies facing others to meet the expanding budgetary pressures. A future presentation will be from East of England Local Government Association Grace Shaughnessy, who will update on the EELGA#s Talent bank supporting local authorities and saving money. EELGA's Talent Bank: supporting local authorities and saving money! - EELGA

The number of branch executives has grown during the year which is useful for networking, sharing good practice and lessons learned. Recently we have been sharing ideas and supporting Castlepoint Borough Council on its 'Voluntary and community sector buildings and land leasing policy'. This is something that affects most councils and having the benefit of others' experience also provides a fair and consistent approach.

We are now working on the 18 October in-person event, which is taking place at the new Technical Enterprise Centre, built with investment from Broxbourne Borough Council and Hertfordshire LEP next door to the Google Centre.

ANDREW STIRLING, HEART OF ENGLAND

Summer 2024

Since our last report, we have been busy with a formal branch meeting and monthly online meetings covering a wide range of topics, but also very sadly lost one of our Members, Fliss Allan from Shropshire Council, who passed away in early September.

6 June – the branch meeting was hosted by Trowers & Hamlins in its Colmore Row office in Birmingham. Chris Plumley, a Partner, gave an insightful presentation and enabled a discussion on current issues and challenges in delivering schemes. Chris was able to bring his significant experience of advising local authorities and other bodies to highlight some of the challenges and how to mitigate those at critical stages from inception, procurement through to delivery.

The branch meeting which followed noted the success of the online monthly meetings held in April and May and endorsed their continuation. A range of current topics of interest, including release of restrictive covenants, the National Risk Register and Building Safety Act compliance were raised and discussed by members. The Branch AGM is confirmed for 7 November.

Online monthly meetings

15 May – the online monthly meeting was well attended and provided an opportunity for members to discuss a range of current topics and issues of interest. These focussed primarily on property management matters, including headlease variations to support healthcare and education uses in shopping centres; debt collection and enforcement and Subsidy Control Act implications on tenant incentives. Preparing candidates for the RICS APC and the procurement of property and FM services using frameworks were also discussed.

Further online monthly meetings have been held on 17 July, 14 August and 11 September and continue to provide an opportunity for current issues to be shared and discussed. Topics have included income strips, the challenges of pre-pack administrations on leases, emerging government policies and programme reviews following the General Election, and crematoria.

The branch was represented at the Government Property Community/ RICS Public Sector Forum in Birmingham on 12 August, with connections made with colleagues from a range of bodies including the VOA, HS2, MoJ, GPA and Homes England. The Branch was also represented at the LocatED Career Networking event, hosted by Mills and Reeve in Birmingham on 5 September.

GERRY DEVINE, WELSH BRANCH

Autumn Meeting – 10 September 2024

This was a virtual meeting, as usual held jointly with the Consortium of Local Authorities in Wales (CLAW) Asset Management and Estates Group, which was attended by over 30 people.

Matters arising

Clare Phillips from Welsh Government Land Division reminded all that e-PIMS is being phased out on 31 March 2025, so there is an urgent need for all users to log in and purge all out of date information from e-PIMS before the property records are transferred to the new InSite system.

The Branch Chairman and Branch Secretary provided feedback from the ACES Council meeting held on 12 July. The Branch Secretary also advised the meeting of the offer from LocatED, received via the ACES Branch Liaison Officer, to make promotional videos for branches but, while the offer was much appreciated, there was unanimous agreement that the pressures of the day jobs do not afford the time required to do so.

The CLAW Leaders' Group was still seeking a new Chairman and the date of the CLAW Conference and Awards was still to be confirmed.

RICS Wales

Graham Craven, Regional Engagement Manager, provided RICS news and updates. Graham works with Sam Rees in the new RICS Wales offices in Morgan Arcade in Cardiff. Monthly newsletters are sent out to all the 2,500 RICS members across Wales who provide good feedback. Graham is happy to send out articles of interest to RICS members on request. All members are welcome to visit the offices in Cardiff by prior arrangement; there are four meeting rooms available to members for meetings (pre-booking required) and these facilities are often used for group sessions by APC candidates. Regular social and networking events are also run from the RICS offices. The networking events enable better interaction between surveyors from different practice disciplines, including lunchtime CPD sessions.

RICS is launching a scheme to be called Constructive Futures to promote the construction and surveying industry and built environment as a career. Graham is seeking volunteers from the profession to speak to young people in schools and colleges during a week in mid-November about the multiple opportunities available to them.

In North Wales, the local board is organising with the RICS North-West board a CPD event near Chester in November for around 70 people. There will then be a similar CPD event in the Parkgate Hotel in Cardiff on 3 December and a Winter Social on 4 December in Morgan Arcade. The Branch Chairman, Clive Ball commented that he has attended some of these events in past years and commended them as excellent CPD and social events. Some of the younger members of his team also attend local MatRICS events and find them informative and socially great too.

University of South Wales (USW) Real Estate Degree course

Clive shared the exciting news that the course has now been formally RICS-accredited. This is a huge step forward for those on the course seeking their RICS professional qualification after graduation. USW now runs 11 Built Environment courses, some of which are already RICS-accredited, while others are currently in the accreditation process; 2 of the courses are at Masters Degree level, 8 are B.Sc.(Honours) degree level, and there is an entry-level HNC Built Environment course accredited for Associateship RICS membership or, alternatively, a stepping stone to an Honours degree.

The Honours degree courses can be undertaken via USW's unique Network 75 scheme, a type of degree apprenticeship wherein the students are employed by Network 75, but hosted by companies or organisations where the students work up to 3 days per week and which provide a bursary, while the remainder of the working week is spent at the university. Clive is working with RICS and USW to promote the course to schools and colleges and RICS is seeking Inspire Ambassadors from the profession to assist Clive in this task. Numbers on the course are growing and the RICS accreditation should further boost the intake numbers. Clive is hosting one student at NHS Wales as is a member at Newport Norse, and both commented on the ease of dealing with Network 75, saying they found more difficulty with their own internal organisations; both offered help to any other organisations who are contemplating or seeking a Network 75 student.

Welsh Government

Clare Phillips from Welsh Government, Land Division, joined us with her colleague, Karl Hopkins, to provide news and updates on Ystadau Cymru (YC Welsh Estates) and Welsh Government matters. Clare advised us that at YC there has been some rejigging with the Asbestos Group being transformed into the Building Safety Group, whose remit has been widened to include issues such as RAAC, building cladding and any other matters likely to affect the safety of buildings or their users. The new group, headed by Neal O'Leary, a RICS Board member and a member of the YC Board, with strong links to Constructing Excellence in Wales, will take a proactive stance in seeking to pre-empt the next big issue; one such identified is that training is needed for Town and Community Councils on asbestos management and similar building issues.

A new Sustainability Group has been established which is currently reviewing the diverse sustainability information and help available to public sector bodies and mapping out where it can help fill any gaps in knowledge and training, e.g., in embedding decarbonisation into property strategies. The Community Assets Commission is investigating CATs with help from Cardiff University, to identify areas of best practice and see where and what improvements can be made. The YC Awards 2024 nominations are open; the deadline for entries is 15 October and the winners will be announced at the YC Conference on 28 November. The conference theme is Managing Risk, and will be considering risks around building safety, sustainability and net zero, assets and their location, resources and finance. The Asset Collaboration Programme Wales Grants Scheme – all capital grants have been taken up for this year but there is still some revenue funding available. The latest YC newsletter was recently published and is available on the website.

Karl Hopkins, Welsh Government, Housing and Regeneration, advised that the Regeneration Directorate has now been linked with the Land Division (more in line with WG wider aim of regeneration of land for housing supply) which will in future be known as Place Division.

There are two important housing initiatives to be aware of: firstly, the new Rural Housing Handbook to help local authorities identify housing needs and set out best practice and advice for delivery of social housing in rural areas (available in late 2024/early 2025); secondly, an Empty Homes Handbook to assist local authorities and landlords in the challenges they face in bringing empty homes back into use – to include a route map with best practice; a legislative guide with enforcement powers guidance; and a viability toolkit to assess cost-benefit options.

Land Release Funding is still available (contact Geraint Williams). There is an NNDR Revaluation in Wales in 2026 with 3-yearly revaluation intervals thereafter and that there are also some legislative changes being made in regard to various aspects of NNDR, some of which may be phased in. The Chairman commented that his organisation is seeking to appoint consultants to deal with potential rating appeals, but the lack of information on which to base a tender document for a contract is making this virtually impossible. Meanwhile, the Council Tax Revaluation for domestic properties in Wales has been deferred until 2028.

Discussions

Asset management, valuation and estates matters - the size and structure of estates and valuation teams. One local authority reported difficulty in filling internal posts which has meant that the asset valuations, previously carried out internally have had to be outsourced; the Chairman commented that MatRICS surveyors are willing to help APC candidates who may have encountered difficulties with their APC, especially during or post-Covid. Another local authority employed a retired VOA valuer to do its asset valuations and rating appeals for a limited time, but now have to outsource to the private sector; Chris Brain, who is a member of a RICS Working Group, confirmed that public sector valuations for financial statements are excluded from RICS mandated valuer rotation.

It was agreed that resources (as in Qualified Registered Valuers) is now a huge issue for many local authorities and some Registered Valuers are now at risk of losing their hard-won Registered Valuer status due to being forced to outsource their asset valuations. This could lead to valuers leaving the public sector to retain their RV registration and concerns were also raised about the impact of outsourcing on the public purse.

Software packages for asset valuations were briefly discussed. A valuer commented that their finance team had asked for systems that can also do valuations of all leased-in assets (such as photocopiers, machines, cars, etc.) since IFRS 16 has now come into force.

RAAC is still an issue for discussion and Clare Phillips reported that the Welsh Government RAAC returns revealed just three buildings in Wales with big RAAC issues - St. David's Hall in Cardiff, Rhyl Theatre and Bridgend Market.

Climate change and achieving net zero - one property manager reported that he was re-drafting his authority's asset management strategy to take account of net zero targets and construction contracts were being reviewed to seek carbon reduction improvements where possible, which was likely to favour the larger construction companies. His estimate was that the likely cost for his authority to achieve net zero would be around £250m but the payback on this amount would not fall within the parameters for Salix funding which is now interest-incurring. A large proportion of the cost was for heat-pumps, which for many buildings, in his view, are not feasible. Biomass, now with improved technology and a locally-growing (literally!) supply chain, produced much more favourable payback figures.

There were brief discussions on issues with National Grid wayleaves and associated surveyors' fees. Also raised was the levels of fees charged by surveyors for work such as rent reviews, lease renewals, etc., and whether they should be on a time spent or a flat fee basis. Finally, how to deal with surplus furniture arising from downsizing of operational offices.

CPD Session - Chris Brain

Many thanks to Chris once again for an interesting and informative CPD presentation.

- Public sector – the impact of a change of government; an Audit Wales report on council services; and a report from the Welsh Ombudsman on the rise in complaints since 2019 about public sector organisations including councils
- Public sector finance - dwindling council reserves and budget shortfalls across many councils; various ways in which councils were trying to raise revenue
- Asset management - library closures (more closures happen in disadvantaged areas), Liverpool's changes to its constitution to cover how councillors should act in dealing with developers, Charity Law and pitfalls [Ed – see Chris' full article in this issue]
- Flexible working - the rules for hybrid council meetings being reviewed; the (mainly positive) results of a 4-day week trial by one council; strengthening workers' rights on flexible working; and difficulties faced by social workers working remotely causing stress, leading them to leaving jobs
- Valuation - A Ministerial Statement on 30 July set out audit back-stop dates for the financial years up to and including 2027-28 and the updated audit code of practice was laid in parliament on 10 September; April meeting of CIPFA/LASAAC gave preliminary approval to using indexation in 2024-2025, subject to further consideration; June meeting, it decided not to progress updates to the 2023-2024 or 2024-2025 Codes; FRAB meeting in March agreed to the removal of the 'alternative site' principle to the valuation of the land element in DRC valuations - this change will take effect from April 2025 but it does not carry through to the CIPFA Code
- Net zero carbon - Chris examined the huge variation in EV charging points across England, Scotland and Wales and whether all councils should have an EV charging strategy; Devon County Council's network of public electric vehicle chargers operated in partnership with Scottish Power; Suffolk's Electric Car Club; West Suffolk Council's £17m programme of net zero projects; South Hams District Council's tree planting project; and West Sussex County Council's decarbonisation programme
- Air quality - The UK now has 13 Low Emission Zones with widely varying rules generating over £1bn a year, around £875m of which is from London's ULEZ
- Housing - an application submitted to Gwynedd Council to build 18 affordable homes in a village with a claim by the developer that the homes would be for local people, who would likely be Welsh speakers, was approved despite local objections including there is no local need for the homes, as there are only four names on the local housing list.

To round off Chris provided an update on the Grenfell Inquiry Report 2 published on 4 Sept. – (https://www.grenfelltowerinquiry.org.uk/) and (https://www.youtube.com/live/EmieqNcrR9I) with the damning conclusion "…the simple truth is that the deaths that occurred were all avoidable and that those who lived in the tower were badly failed over a number of years and in a number of different ways by those who were responsible for ensuring the safety of the building and its occupants".

Author's Footnote - A chilling and sobering reminder of the life and death importance of good property management and the responsibilities of property managers today. Not forgetting the loss of life and the distress and heartache of those who lost their families and their homes, here's a thought, "Are the rewards for property managers commensurate with the responsibilities and risks that they bear, or is it a case of 'you only get what you pay for'?"

JOHN READ, NORTH EAST

Our August virtual drop in session had a reasonable attendance with discussions on recruitment and new entrants to the profession; FACES; apprenticeships; training and support for new recruits; office attendance levels and outline plans for the branch November meeting.

In September, the branch had a full house in Darlington with over 30 members attending from across the region. This was the first face to face meeting for some time and it was good for delegates to get together and catch up with old friends and colleagues. The branch was pleased to meet ACES President, Sarah Cameron, who had travelled up from Norwich.

The meeting had a good range of CPD with Mike Stancliffe, Principal Development Manager of Network Rail kicking off the event with a fascinating overview of enhancements to railway stations. He highlighted the Darlington station transformation that is ongoing and when complete, there will be a Golden Mile of landscaping taking you from the station into the town centre. This will make Darlington a very attractive place for businesses and economic growth, as the direct line into London takes just over two hours.

This was followed by Sarah Wayman, Estates and Property Manager for Darlington Council who gave a fantastic presentation on developments in Darlington, ranging from Garden Villages to exclusive new executive homes under construction by the council's joint venture partner Homes by Esh Ltd in the west end at Blackwell. The homes will all have log burners and will be located in landscaped grounds. The Darlington Economic Campus has already brought nearly 1,200 government jobs from London to Darlington and the place is buzzing with activity!

Helen Hill of Ward Hadaway updated the group with a telecoms update and there were some key pointers for landlords and developers with telecoms on their land and buildings. She covered the Electronics Communications Code 2017 and the Code of Practice 2024. It was clear that this is very specialist topic and it's worth taking advice if you have any issues.

Finally, Daniel Clinch, Align Property Partners ended the conference with a market update following the General Election. One point of interest related to lettings of offices, whereby some tenants are only taking offices if they are within a six-minute walk of a railway station. In addition, tenants are requiring fit outs to ensure that the offices are fit for purpose and have the latest technology. Cost of refurbishment in the region of £1m are not unusual for longer lease terms.

As we go to press, we are hoping for a good turnout for the October virtual drop-in session and looking at plans for the November meeting.

Thanks to Jenny Dixon for the notes of the Darlington meeting.

MORE MUSINGS
Coincidences or not?

Simon Eades

And a surprising coincidence this is…….

Simon qualified as a chartered surveyor in 1980. He started his career in the commercial field, moving to private practice in 1983. In the mid-1990s he joined Great Yarmouth Borough Council and in 2006 moved to Waveney District Council (now East Suffolk Council). He retired in 2018.

Blickling Hall

In 2018 after I stopped work I became a volunteer at Blickling Hall, a National Trust property, North West of Norwich. I am not going to outline the full history of Blickling Hall – there are already many books on this property. Two historic owners were, firstly, Sir John Fastolfe, who owned the property until 1437. He enjoyed a lasting reputation as the inspiration for Shakespeare's comic character Sir John Falstaff who appearing in three of his plays. In due course, Sir John Fastolfe sold Blickling to Geoffrey Boleyn and his grandson, Sir Thomas Boleyn, inherited the property in 1505. His daughter Anne became the second wife of Henry VIII in 1533.

In 1851 the property came into the possession of the Lothian family and became the property of William Kerr the 8th Marquis of Lothian. In 1930 Philip Kerr, unexpectedly became the 11th Marquis and inherited Blickling, as the 10th Marquis had no offspring. Philip Kerr had a successful political career and was an idealist, but also a man who got things done. He died in 1940 in New York, but not before he had been instrumental in getting the National Trust Act 1937 through parliament, enabling the first large–scale transfer of country houses to the National Trust in lieu of death duties. On his death, Blickling transferred to the nation.

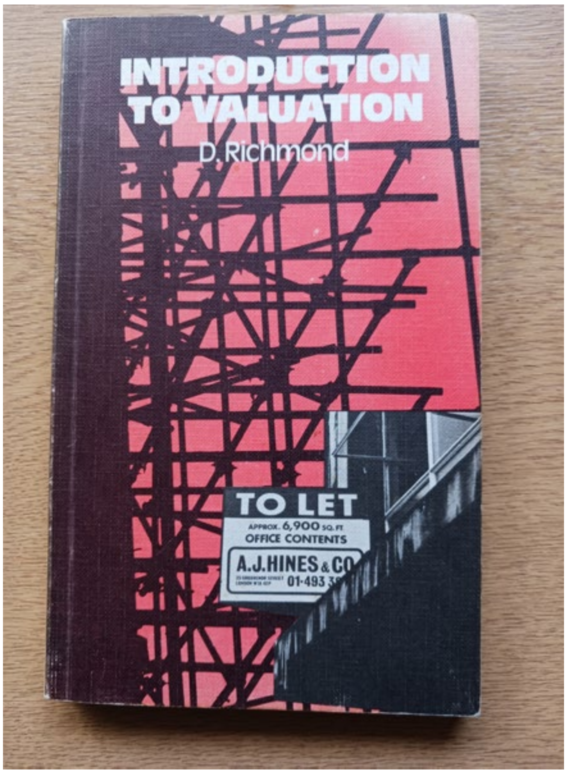
My first role as a volunteer was in the RAF museum, which is a complete history of the RAF station, constructed in 1940 on land forming part of the Blickling estate at nearby Oulton. The museum contains many artifacts and other original documents associated with the station. I volunteered weekly, outlining the role of the RAF station to the visitors who were interested in the history of the station and the exhibits on display.

I always had to be on my guard. On one occasion my colleague and I were questioned by a visitor who clearly had a detailed knowledge of the history of both the station and the exhibits on display. At the end of the 10-minute conversation, he advised he was a retired air Vice Marshall.

Covid intervened and when I returned to Blickling my volunteering role at the museum was put on hold, but there were other opportunities on the estate. In 2001 I started in the second-hand bookshop which was established in 1996, and the bookshop at Blickling has since become the blueprint for the development of National Trust bookshops.

Secondhand books

The bookshop receives donations on a daily basis and the donations are sorted by the volunteers. The majority of the books



are offered for resale in the shop, but those that are in poor condition and not saleable are sent for recycling. Old books are checked to determine whether they have any additional value and if so, are sent to a local auction house for sale in specialist book sales.

Donations are of all sizes. Some are the result of house clearance and often represent a wide and diverse range of taste. Others may be a single box of books that are no longer wanted by the owners, but the donation will allow the National Trust to offer them for sale at a minimal price to a new owner and, at the same time, generate funds.

The intention is to sort the books as soon as possible after donation and some are put out the same day - and are even sold that day. Other donations may be of good condition but are dated or may not have a wide market, but may still be of interest. We have had enquiries for specific books and collectors call on a regular basis.

Reading this you may be wondering where my chain of thought is leading?

In September there was a largish delivery following a house clearance. Some of the books were suitable for sale and were placed on the shelves. Others were technical in nature with a limited market and were still on the sorting table when I arrived the following day. There were two piles – one contained some legal and surveying textbooks but most were dated and in poor condition.

It was when I looked through the donation two books caught my notice.

The first was "Introduction to Valuation" written by David Richmond FRICS. David was the Principal Lecturer in Valuation at Trent Polytechnic and taught me the basic principles of valuation in my first year at Trent Polytechnic in the mid-1970s. The book was published in 1975 as I was completing my first year. He commented to the group of 60 that we could buy the book, but we already had the vast majority of the content in our file notes!

I never bought a copy – perhaps I should have done so. His advice was always correct and perhaps I should have listened more to what he said! I decided that 50 years later I would buy the copy and took it home to read. It reads like my old valuation notes - it should do – my old lecturer! David would always illustrate his lectures with personal experiences from the time he was in practice and one piece of advice that stuck with me was always ensure you must never have any conflict of interest.

This reminded me of an instruction I received in the late 1980s.

Conflict of interest

I was asked by a local solicitor whether I would like to accept an instruction from one of his clients to act in a rent review? I said I would be happy to accept. His client was a retired chartered surveyor, formerly a partner in one of the larger Norfolk estate agency practices, and his property was in Wroxham, Norfolk. It was let on lease to his former practice which now formed part of a corporate estate agency. The early 1980s was a time when financial institutions were acquiring estate agency practices - indeed the first acquisition by a bank was another firm in Norfolk.

I knew some of the individuals in the old practice, but the new enterprise had an estates department based in Cambridgeshire and I was negotiating with a new person. I completed the negotiations satisfactorily, the client was happy, and my fee was paid.

A subsequent consolidation of the tenants' operation led to the closure of the office and the owner assigned the lease to an adjoining retail operation based in Wroxham. The use of the property continued as offices. Eighteen months later the lease came up for renewal and I was instructed to open negotiations on behalf of the landlord to renew the lease for a new term. My client formally advised me that he had assigned the lease, and I knew for the first time in my professional career I had a conflict of interest: my father was a board member of the tenant company and, perhaps, this was the reason the landlord chose not to instruct me in the assignment.

This time I knew the negotiations could be difficult. They would certainly be different. I would be acting against him unless I stood back from the instructions. My client appreciated my predicament but indicated he saw no difficulty. I would be acting in a professional capacity against the whole board of directors of which my father was only one member. They would be represented by their retained agent.

He felt that I could continue to act on his behalf provided that I fulfilled the RICS requirements on conflict of interests. In simple terms advising all parties - principals and agents - in writing, both legal and surveying, that I was acting for the landlord in a lease renewal where my father was a member of the board of directors of the tenant. All parties were already aware before I wrote the letters and all parties advised that they had no difficulty with my involvement. Accordingly, I opened the negotiations and reached an agreement acceptable to the parties and instructed solicitors to prepare the lease.

The only difficulty I had during these negotiations was that I was instructed by one partner to ask my father to provide him with a full list of his clients on the pretext that he wanted to avoid this problem occurring in the future. I said this was unreasonable as I believed his professional responsibilities were secondary to family responsibilities. I was not impressed and suggested that if he wanted this list, he could write to my father. The other two partners backed me completely and said that the father/son relationship was more important. All felt that the RICS requirements were robust.

Eighteen months later my client, in his words, accepted "a full and generous offer" from the tenants for the freehold of the building. Six months after the purchase, the building was demolished and was incorporated in their extended car park.

Those of you who read my last article will recall I wished those coming to Norwich for the ACES Conference a safe journey. I hope those who came enjoyed the visit to the Sainsbury Centre and Norwich Castle.

I headed this article "coincidences or not" – why?

I was volunteering on the date of the ACES Conference when I discovered David Richmond's book. The property that I valued all those years ago was located in Station Road in Wroxham, opposite the King's Head where the ACES Conference social delegates had lunch and on the way to Hoveton Railway Station where they caught the train back to Norwich….

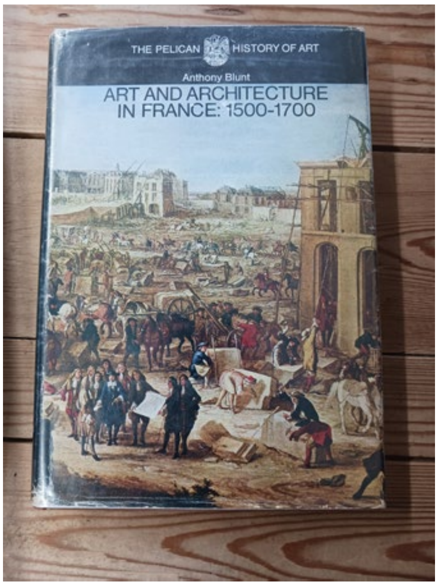
[Ed – see Conference social programme in this issue].

Oh. The other book I saw that day?

The second pile contained a donation of art books. One was titled "Art and Architecture in France 1500–1700". It was written by an art historian Anthony Blunt. This copy had been looked after and sold fairly quickly. The Author Anthony Blunt was a well-respected art historian when the book was published in 1953. He was Director of the Courtauld Institute and later became Surveyor of the Queen's pictures.

Some of you may recall that he gained notoriety in the 1970s for different reasons!

I wonder whether he had any experience of conflict of interest during his life?



David was Head of Asset Management at CIPFA for over 20 years but has recently 'semi-retired' and moved to live in the Scottish Highlands north of Inverness. If you are interested in his photography website and 'Grumpy' travel guides, they can be seen at https://davidjbentleyphotography.com/ You may even be tempted to stay at his Bed and Breakfast which can be viewed at cuillichmill.co.uk; if it's any comfort, he assures me that he is not responsible for cooking the breakfasts.

BENTLEY MEMOIRS A glorious summer of guests

David Bentley bentleybunch@icloud.com

David recounts some of his moments with visitors to their guest house. I'm thinking of telling them….

We've had a glorious summer in the North Highlands, if I recall correctly it happened on June 23rd! OK, it's not quite as bad as that, but our third summer up here can't compare to the weather of the previous two (on a sunny, dry and warm scale that is). It hasn't seemed to deter the tourists, however. Our booking numbers are 36.2% up (that's the QS in me) on last year and June through to the end of September was 'turning people away from the door' territory. In the end we did have to block a few days off just to get some time for ourselves. So much for this semi-retirement lark! I suppose I shouldn't be too grumpy, it's the life we chose, and it's great to see it become a success.

The guests we've welcomed through the door, in the vast majority have been wonderful. Indeed, we've made so many friends and received invites on such a global scale that I'd have to live to 200 to get round them all. We regret not putting a world map up when we first started, just to get people to put a pin in where they are from. I'm sure I've forgotten quite a lot, but guests from as far afield as Japan, China, Malaysia, Canada, USA, Nepal, India, Australia, New Zealand, South Africa, Qatar, Saudi Arabia, virtually all of Europe and even Bury St Edmunds! [Ed – not the Editor I hasten to add].

We've also hosted quite a few JOGLE'rs. People who are mad/brave enough to cycle, walk or wheel the 837 miles (1350km) from John O' Groats to Land's End. Our most impressive has got to be the already 4 times world record holder Lexi Chambers (and support team). As I type, Lexi is somewhere near Gloucester using her standard wheelchair to wheel from north to south raising money for various charities. She has been completing a marathon a day on average and all in all is one impressive and determined lady, who is on target to break yet another world record.

A high proportion of our guests are 'NC500'ers who usually just stop for one night. So much so that we are considering introducing a minimum two-night stay for peak months next year just because of all the cleaning, linen washing and ironing it entails.


Sunset from the breakfast room

For those who don't know 'The NC500' (or to give it its full title 'The North Coast 500') is a 516-mile (830 km) route around the north coast of Scotland which starts and ends in Inverness (or Inverness Castle if you want to be picky). It was launched in 2015 to promote the stunning scenery, culture and historic sites of the far north of the Scottish Highlands, and over its short life has seen a significant increase in the number of visitors to this part of the world. Not that the roads weren't there before: it just seems that giving it a snazzy name, making it sound like a challenge and getting a smattering of 'influencers' to blog, vlog, podcast, Instagram, TikTok, and whatever else they do, and the popularity multiplies exponentially. It even had some small part in our move up to the highlands, or at least came into the consideration of location and potential custom for the B&B.

The advent of the route has also spawned numerous Facebook groups (I gave up counting at 50). These include at least 10 simply called 'NC500'. You've then got 'Dog-Friendly NC500', 'NC500 road trip', 'NC500 - Accommodation, Sights and Tips', 'NC500 for the driver', 'NC 500 for the real motorhomers', 'The original NC500', 'The real NC500', 'The even more real NC500', The NC500 for pink unicorns', 'The NC500 for people named Kevin', and so on. OK, I


Classnessie Falls (on a rare day when we had no guests)


Sunset over the river on our usual evening dog walk

might have made some of those up, but it's not too much of a stretch from the reality.

Regular posts include:

"We're on our way" accompanied by a selfie of a couple of strangers called Karen and Kevin in a motorhome with Cheshire Cat grins.

I'm never sure how to respond to this, do I put the kettle on, hang some bunting outside the house, or maybe just go around and burgle them? After all, they'll be away for at least a week.

"What are the must-sees and dos?" Despite the fact there are several guidebooks, multiple websites, YouTube videos from those pesky influencers and, if push comes to shove, Mr/Mrs Google, people still continue to ask this question. Answers range from degree-quality dissertations, individual suggestions, through to sarcastic quips. Maybe to save time, the original poster could skim down previous posts and find hundreds of almost identical ones asking exactly the same question. Alternatively, they could just monitor Karen and Kevin's progress, I for one will be glued.

"We've just got back; thought we'd share just a few snaps". I know I shouldn't look through them, they're just the same as everyone else's, but 263 photos later, with numerous duplicates, I've lost 15 minutes of my life and learnt nothing apart from what someone's haddock wrap they got at the Seafood Shack looks like from every conceivable angle.

Some of the dafter Facebook posts seem to be based on watching 'Brigadoon' or possibly 'Braveheart' and not realising they are historical fiction. I've listed some real Facebook questions below, together with the response I would have liked to have sent if I wasn't so chicken:

Q - "What's the possibility of getting clean water on the NC500?"

A - About 37.5%

Q - "Can you get petrol?"

A - Yes, we use it as fuel for starting the wicker man bonfires we love so much up here.

Q - "Can you get a mobile phone signal?"

A - What's a mobile phone?

Q - "Can you use credit cards?"

A - No, we still use a medieval barter system. While groats might be used in some larger settlements, it is advisable to bring more suitable items for trading. Sheep and goats might be preferable for larger purchase, while colourful beads, shells, and even ferrets can be used as loose change.

Q - "Are the natives friendly?"

A - Depends how many stupid questions you ask them.

So, after all this would I recommend coming up here for a holiday? Of course I would. If you haven't been to the far North of Scotland the scenery is something else, photos never do it justice, you can still get away from it all and we even have electricity. If that's not enough I can recommend a great B&B - you'd just have to put up with my jokes for a few days.

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

Photo by kind permission of www.docbrown.info/docspics/lakes/index.htm

SELWYN – THE MIDDLE YEARS
F & M (2000)

Dave Pogson

'The Selwyn Series', 'Herdwick Tales' and 'Selwyn – The Early Years' that precede 'Selwyn – The Middle Years' were written specifically for ACES' Terrier. Each story was a self-contained episode in the life of a council property manager from 2001 to the present day and beyond, as he approached and enjoyed early retirement from the fictional Herdwick District Council. They can still be read in back-issues of ACES' Terrier, starting from 'The Final Vote' in 2017/18 Winter Terrier.

The characters often presented controversial and outspoken opinions on local and central government policy and practice. The stories were fictitious and occasional historical background details may have been changed to fit the chronology. The views expressed were those of the author, not those of ACES. The author offers thanks to former ACES member Martin Haworth (ex-Lancashire County Council) for contributing suggestions to help improve this series.

Foot and mouth crisis

The fires burned day and night. The smoke hung over the countryside like a grey army blanket, cloaking the weak sun on fine days or blending into the miserable rain on others. At night the sky turned a dirty, streaked pink from the continual glow of piled carcasses being incinerated. Trapped in the void between the land and the smoke, the smell of burning meat hovered over everything as a constant reminder of death.

Country roads were filled with trucks, belching out diesel fumes to add to the smog, delivering the condemned and collecting the despatched, splashing through disinfectant checkpoints as they hauled their grisly cargo from the farms to the burial sites. Everywhere were vets, soldiers, slaughter-men engaged in an efficient, endless killing-exercise. And everywhere there were innocent victims caught up in it. It was a war unlike any other war; eerily quiet; without the noise of battle. And striding among the carcasses was a military figure, sometimes sucking on a cigarette, sometimes making notes on the back of a cigarette packet, sometimes wondering what the hell he'd taken on and all the time applying bloody-minded determination and offering leadership.

***

It had started for Selwyn in February 2000 when the Chief Executive had called him to his office in the modern extension at the back of Shepdale Town Hall.

'We have a big problem, Selwyn. That serious foot and mouth outbreak from the north of the county has started to spread south. If it gets a hold down here it could mean the end for Herdwick sheep and the district of Herdwick as we know it. The government is throwing a lot of resources at it. They've called in the army and there's a Brigadier in charge. He wants to set up a local control centre somewhere around Shepdale. Can we help?'

'What does he need? An empty building, lots of rooms for offices and storage of cleaning equipment, a mess room and kitchen, toilets, car parking?'

'Yes, that's the kind of thing. They'll bring their own equipment and telephones and furniture. We can charge them a rent plus running costs but, between you and me, don't take advantage of the situation. Keep it fair. In fact, see if you can find a way to make it rent free. It's in the district's interests not to hinder them. I know what you're like about getting blood out of a stone.'

'That's not a problem. If it's a short-term letting for less than seven years then the Council isn't obliged to charge a market rent. Let me talk to Farah. We have a property that should meet their needs. I take it that you're prepared to use your emergency delegation powers if need be?'

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Back in the office Selwyn immediately sought out Farah.

'Farah, let me ask you something please. You're handling that dilapidations claim against Northshire County Council regarding the old Stonecleft building that

Social Services rents from us as an old people's home. How's it going?'

'We've just agreed a cash settlement. Their notice to quit on the lease expired some months ago. They've relocated all the residents to modern premises with en-suite facilities as you know. My report's gone to the property committee to recommend sale as we've no use for it. It'll go on the market as soon as the principle of disposal is approved. Why do you ask?'

'You might have to stall your report. It could be that we have a temporary use for it. Sorry to mess up your plans but can you ring this Brigadier bloke and get him out there to have a look at it pretty quickly please? You can handle the negotiations as it's your case, but I'd like to come with you to meet him, just out of interest. I've been reading about him in the papers. The Chief Exec's involved. It's top priority.'

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Herdwick sheep

The Cistercian monks of Ulverpool Abbey first farmed the local fells. The Herdwick breed may have already been part of their flocks. However, it seemed more likely that those calm, unemotional animals with sad, white faces and scruffy fleeces and the "blessing of greeting frae yon li'l grey sheep" so lauded in the works of Walter Winster, the internationally renowned Herdwick dialect poet, were probably brought over by Norse settlers in the 10th century. Nobody really knew but what was certain was that they had been native to the area for a thousand years. Now their existence was under threat from mass culling, possibly to the point of extinction.

Selwyn knew all about those sheep. He'd encountered them all his life. He'd seen them from childhood, travelling through Shepdale on their way to and from the auction mart, on the hills when he'd been out recording and sketching for his fell-walking books, and later on the land that he let for grazing on behalf of the council. He could still remember some of Winster's verse drummed into him at junior school.

"Oot on't fells and doon in't valleys,
Us weary 'eart ferly rallies
From t'sound o't bleating
Whene'er us meeting
That most blessed of greeting
Frae yon li'l grey sheep."

Selwyn's older brother, Ron, ran some Herdwicks on the crag at the rear of his farm, although Ron diversified into milk and beef cattle to spread his risk. Herdwicks were an important part of the local farming and tourist industries, but Ron had told Selwyn that it didn't do to depend upon them solely for an income. Farming could be a precarious living at the best of times. That was clearly being proved as the Brigadier's plans were being put into practice.

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As spring and summer wore on Selwyn stayed away from the fells. Like the rest of the population, he was prevented by the closure orders. Not since the great heatwave of 1976 had the uplands been so empty of fell-walkers. The scourge of foot and mouth disease had spread through the Herdwick district fell country, potentially bringing financial disaster with it. It had to be checked quickly to prevent the disease not only ruining the background to a million snapshots, but shattering a long-established way of country life and wrecking the tourist industry.

The Council's Leisure Services Manager told Selwyn,

'The fell farmers and their Herdwicks have created this landscape. If the sheep are slaughtered and the fells cleared, everything will change. Rough scrubland and coarse grasses will quickly take over the landscape. Moss, bogs and marshes will proliferate. Gorse and juniper will spread. Those close-cropped upland pastures will disappear. There'll be nobody to look after those crumbling dry-stone walls. The whole landscape will decline. Only about 5% of the people who come to this district don't come to walk. Walking is the whole point. People won't come here if they can't. The tourism industry across Northshire county is worth £964m and most of it's centred on this district.'

'Surely the farmers will bounce back and then the tourists will return?'

'It's unlikely. I've heard that tens of thousands of sheep are being killed every week; breeders think that Herdwicks might disappear from the county altogether, and with them the genes of an entire ancient breed. While not rare at the moment, because there are an estimated 60,000 Herdwicks, you have to remember that 95% of them are found in Northshire alone. They're seriously at risk of extinction."

Herdwicks were a special breed that freely roamed the fells, seeking out the best grass. Their coarse, water-resistant wool enabled them to live up on the rain-soaked fell tops in all weathers. They were only brought down to the enclosed fields near to the farms for very short periods for lambing, dipping and shearing. Without fences on the fells the sheep passed freely from one farmer's grazing area to the next. Their most remarkable feature was their homing instinct - hefting. They stuck to their own part of the high ground and the ewes taught their lambs to always graze that same area. When taken away for lambing they instinctively returned there. That homing instinct, if destroyed by mass slaughter, could never be restored.

The control centre

Selwyn thought back to his and Farah's meeting with the Brigadier. They'd wandered through the rooms in the old Stonecleft building. It was a rambling, detached, slate-built two-storey structure with a pitched roof. It comprised a central block with a wing at each end. Looking over the main road into Shepdale at the very edge of town, within its own grounds and surrounded by a wall enclosing tarmac areas for parking, it offered an ideal location for the control centre for the south of the county. Plenty of rooms for admin and storage, together with kitchens and toilets, made it ideal for organising, accommodating, feeding and watering the small army of vets and soldiers that might need to report there before fanning out across the surrounding countryside to help stop the spread of the disease. Its relatively isolated location meant that the neighbours would not be upset by any noise and the disinfecting of vehicles, equipment and footwear could be contained within the site. Its only drawback was the all-invading stench of urine that had soaked into its very fabric from decades of elderly residents.

The Brigadier had already become the darling of the press. It was easy to see why. Tall, well-built and immaculately turned out even in his camouflage denims and black boots, he oozed confidence. Personally brought in by the Prime Minister to help resolve the problem, he was organising and managing the logistics to clear the backlog of 150,000 carcasses piling up on farms across the county. He had an imposing presence.

As Farah talked terms, Selwyn studied the craggy features beneath the beret on the Brigadier's large square head; the bayonet gaze of his blue eyes, the bent bridge of his battered nose, the firm set of his mouth over the central cleft of his solid, square jaw. This was a man at the height of his powers, experienced, assured and in total control. He'd read about the Brigadier in the Herdwick Gazette – a man with a plan as they'd described him. When the foot and mouth crisis was seemingly out of control the Brigadier had stepped forward, postponed his retirement and offered his services. The papers had seized on one particular quote of his:

'Then I realised that it was very simple. You had two lots of kit, one live and one dead, and you had to pick them up and dump them somewhere else. The basic plan I drew on the back of a cigarette packet on the bonnet of my car.'

'Sorry about the smell from the carpets,' said Farah.

'Not to worry,' laughed the Brigadier. 'We're used to rough conditions. Have you ever been close up to the rear end of a Herdwick? That's not too pleasant either.'

Selwyn smiled. He knew exactly what the Brigadier meant. As a sixth-former he'd spent his summers unloading fleeces at his holiday job in the Herdwick Farmers' Cooperative warehouse in Shepdale. Anyone who inadvertently got on the wrong side of the foreman could easily find themselves assigned to re-stack the dag pile on a hot summer's afternoon; dags being the soiled wool clippings from around the blunt end of a sheep, sweating in plastic 'proven' bags until there were enough to fill a wagon for transporting to Bradford for washing. And giving off a smell that, once experienced, was not easily forgotten.

Farah was winding up the negotiation.

'So we're agreed, Brigadier. It has to be a fixed term tenancy of less than seven years to avoid the council's legal requirement to obtain a best consideration rent under s123 of the Local Government Act 1972. It can't be a running six-monthly tenancy for example. So you'll take a six months fixed-term tenancy of the entire building and grounds. No rights to extend or renew beyond that, although if you need it and if you ask, I'm confident that the council will see its way to accommodating such a request but we just can't put it in writing at this stage. You'll pay a peppercorn rent, meet all running costs and outgoings, be responsible for all day-to-day running repairs, and hand back the premises in no worse a condition than at the start of the tenancy as evidenced by an ingoing, photographic schedule of condition.'

'That's fine. Can you e-mail those terms to me as a formal offer with your solicitor's contact details please? I'll also need a copy of the photographic schedule.'

'No problem. Technically you should obtain planning consent but there's no time for that in the current crisis. So the Chief Executive of the council will stick his neck out and use his emergency delegation to ensure that the planners understand the situation. The councillors will applaud him for helping you. When do you want to occupy?'

'Tomorrow if that's possible.'

'Ok. Take this set of keys and start making your arrangements. I'll wander around, take photos for the record of condition and pull the door shut on my way out. It's all yours as from now.'

'Thank you Farah. I wish all my problems were as easy to resolve.'

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By September the crisis was over. The Brigadier had sent the keys back and Farah dusted off her report recommending the sale of the building.

'Well done.'

The Chief Executive had called Selwyn and Farah into his office to congratulate them.

'We only played a small part and it was a team effort,' said Selwyn.

'Nevertheless, you came up with a good solution and you applied it quickly and sensibly. The councillors were happy with the outcome. Herdwick district has been very lucky indeed. We only lost one tourist season and with a bit of luck, those farmers who were affected will survive with the help of government compensation. It looks like we came out of it better than the northern half of the county. In the end, the Herdwick breed as a whole didn't need saving. Foot and mouth disease never established itself on the highest of the fells where only the Herdwicks can go. Around 20,000 were culled, but many escaped the cull, saved by the very qualities that have sustained them through the centuries – the ability to live where no other breed of sheep can survive.'

'Farah and I were just glad to be able to help.'

'Well this is local government, Selwyn. I can't imagine that you expected any other reward than the satisfaction of knowing that you served your community well… once again.' Then the Chief Executive laughed at his own joke.

'Certainly not,' said Selwyn, shaking his head.

'By the way, there's no rest for the wicked. I've got another task for the pair of you. As a result of that scare, that the Herdwicks could have been wiped out completely and with it the district's economy, I've been approached by a local geneticist. He's accessed DEFRA grants and NFU backing with support from the Tourist Board to set up the Herdwick Trust. He's looking for some modern, local industrial premises to establish a small genetic research and storage facility for samples of sperm and embryos taken from Herdwicks to protect them against total wipe-out in the future. He wants to examine just what makes them tick. Apparently, even though they're as tough as old boots, we can't just rely on the Herdwicks to save themselves again. It's too worrying, so the councillors want to invest in the trust and its sperm bank for the future. I thought that you might have a spare nursery unit to let in one of those starter estates that the council set up in partnership with the Rural Development Agency in the 1990s to create local employment. It sounds an ideal use for that sort of thing. Here's his contact details.'

'We'll get straight on it ...'

As they closed the door Selwyn whispered to Farah.

'… after lunch, that is. Since there's no other reward, do you fancy a mutton pie and a drink, on me, in the Wandering Tup? Jim and Eric will be there. They'll want to know what the Chief Exec just said to us.'

'Might as well, thanks.'

They walked in silence through the offices towards the corridor that linked them to the town hall until Farah observed,

'It's a strange world that we work in. We've just been thanked for assisting with an exercise to kill most of the district's sheep. Now we're being asked to help with an exercise to preserve their blood line for the future.'

'That's always the way with property,' said Selwyn. 'No matter what the council does it always involves either occupying property, making money from it, or managing it on behalf of the community. It's what keeps us in a job.'

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What will be the cost of the diploma?

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Network Members—£2,940+VAT for the full Diploma

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For a copy of the course syllabus please contact Keeley Forsyth , Senior Business Support Officer keeley.forsyth@cipfa.org