

ENERGY PERFORMANCE CERTIFICATES

With effect from 6 April 2008 Energy Performance Certificates have been required for the sale, rental or construction of commercial buildings over 10,000 sq m. From 1 July 2008 EPCs will be extended to buildings with a floor space over 2,500 sq m and on 1 October 2008 all remaining buildings will be included.

With effect from 1 July 2008 all buildings over 2,500 sq m are brought into the scheme and it is increasingly important that we increase awareness for the forthcoming implementation of EPCs for smaller premises in October. There is often a long lead time before information and regulations reaches all sections of the premises market.

The current phased timetable for Energy Performance Certificates was set following delays in the establishment of the system for assessing EPCs and is a compromise on the original requirement for all qualifying buildings to have EPCs from 6 April. The government has also implemented transitional arrangements whereby those properties marketed before the relevant implementation dates of 6 April or 1 July can provide an EPC by 1 October if they can prove an EPC has been commissioned. Similarly, guidelines issued in January 2008 state that landlords or owners should escape a penalty if they can demonstrate that a request for an EPC has been made at least 14 days before required and despite all reasonable efforts has not been obtained. However, this does not remove the obligation of the dutyholder to obtain an EPC which should be made available to the prospective buyer or tenant. Our view is that this could create a great deal of uncertainty.

Walton Goodland can provide Energy Performance Certificates as required. Our assessor is qualified to Level 3 and in the event that you need quotes to do Energy Performance Certificates for properties that are shortly to be the subject of a transaction then please contact Deborah Goodland or Stephen Sewell for a quotation and timescale.

Walton Goodland would recommend that client owners and tenants are informed of the implications of the new legislation due to the complexity of the issues surrounding commercial leases and EPCs where tenants will benefit from taking professional advice prior to negotiating their lease in the wake of EPCs.

RATING

1 April 2008 also brought changes to Empty Rates legislation. All property remains entitled to 100% rates relief for 3 months from the date it becomes vacant. However, from 1 April 2008 most empty properties (other than industrial and storage premises) will pay full rates after 3 months of vacancy. Empty industrial properties will now pay 100% rates after 6 months instead of receiving rates relief indefinitely.

Complete exemption from rates is now given to empty properties held by charities and community amateur sports clubs. Empty property owned by companies in administration also now benefit from a permanent exemption from Empty Property Rates in line with the exemption given where the freeholder is an individual who is bankrupt or a company in liquidation (Scotland has adopted this part of the change in Empty Rates legislation but otherwise empty rates in Scotland hasn't changed at all).

Other property types continuing to get 100% rate relief include listed buildings, properties where occupation is prohibited by law and those with a very low rateable value. The government has decided to defer making anti-avoidance regulations at this stage, but is monitoring the impact of the reforms. It has stated that it will make regulations to prevent owners from avoiding rates in empty properties if there is evidence that such avoidance is taking place.

Notwithstanding the government's justifications for this change in empty rates legislation (i.e. to increase incentives for empty property to be let or redeveloped and as a consequence to reduce rents and prices for new and existing businesses) these reforms are a revenue-raising measure.

We are continuing to advise our clients with a responsibility for empty properties on legitimate tactics to minimise the impact of these changes.

If you would like to discuss mitigation strategies please contact Deborah Goodland.

Walton Goodland provides a comprehensive range of property services dealing with all property types in both the private and public sectors.

COMPULSORY PURCHASE STATUTORY RIGHTS

Government departments, local councils and private utility companies have the legal right to buy or take rights over your clients' private property if it falls within a public or private construction project such as;

- Regeneration schemes
- Electricity pylons or cables
- Telecommunications towers
- Flood defence works
- Sewer, water or gas schemes
- Road or rail building projects

These authorities operate under different statutory powers which are often complex. Walton Goodland have more than 30 years experience in dealing with negotiating compensation and works of alleviation for such schemes. Informed application of the legislation can often substantially delay, alter/re-route the acquiring authority's proposals.

Where clients receive notification of such schemes, please feel free to contact us for advice. The acquiring statutory authority will usually pay the costs.

PROPERTY PORTFOLIO ASSET MANAGEMENT

As the owner of commercial property the ongoing management of your assets is a minefield of legislation, lease obligations and occupancy costs. Staying ahead of changes can be extremely difficult. Walton Goodland's management team have a wealth of experience in delivering real estate management solutions across all property sectors, whether you are a major landlord or a small private investor. Our service is tailor-made to suit individual client needs, whether you require accounts only service such as rent collection or a comprehensive outsource estate management solution - we are able to help. With back up from a highly experienced property management accounts team and management IT systems we are able to deliver management of your property as an asset, identifying initiatives and more cost-effective running and value enhancement as a significant part of the flexible approach to management.