

## RICS Associate Assessment Submission Documentation

<b>Candidate Name:</b>	Jo Bloggs
<b>Membership Number:</b>	1234567
<b>Pathway:</b>	Commercial Property Management
<b>Date:</b>	2014

Please indicate and provide details below if you have any of the following disabilities, and wish the assessor to take this into account for your submission:

Learning, such as dyslexia  
 Access  
 Visual

  
  


Hearing  
 Speech  
 Other, please provide details

  
  


All of these must be supported in writing and certified accordingly. The supporting evidence must suggest what reasonable adjustments RICS should take into consideration.

**DO NOT COPY**

**PLEASE NOTE CANDIDATES ARE NOW REQUIRED TO RECORD 48 HOURS OF CPD**

## Candidate details and checklist

### 1. Candidate details

<b>Candidate Name:</b>	Jo Bloggs	
<b>Candidate Number:</b>	1234567	
<b>Date of Birth:</b>	08/05/1971	
<b>Pathway</b>	Commercial Property Management	
<b>Number of years of relevant experience:</b>	13	
<b>Do you have relevant qualifications?</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
<b>If 'YES' to either of the above, what subject?</b>	Diploma in Surveying Practice	
<b>Employer/organisation:</b>	ABC	
<b>Mentor:</b>	Name: James Hart	RICS Membership Number 12345678
<b>Month and Year of Assessment:</b>	July	2014
<b>Any Special Considerations:</b>		
<b>Previously Referred at Associate:</b>	No	Number of previous assessment attempts
<b>Case Study Title :</b>	Lease Renewal	

### 2. Checklist

	<b>Candidate - enter 'X' to confirm complete</b> (If you are a referred candidate only indicate the templates that you have updated for re assessment)	<b>RICS (office use only)</b>
<b>Associate Submission</b>		
<b>Candidate Details</b>	X	
<b>Summary of Experience – Technical competencies</b>	X	
<b>Summary of Experience – Mandatory competencies</b>	X	
<b>Case Study</b>	X	
<b>Record of Professional Development</b>	X	
<b>Below to be completed by Referred candidates ONLY</b>		
<b>Which technical competencies are being reassessed?</b>		
1.		
2.		
3.		
4.		
5.		
6.		

## Summary of Experience - Mandatory Competencies

Mandatory Competencies	Summary of how you meet competency requirements
<b>Client care</b>	<p>My clients are mainly Council departments such as Car Parks, Leisure Services and Tourism. I also deal with the general public and other organisations in respect of land ownership matters and queries.</p> <p>I deal with all my clients in a courteous and professional manner and carry out my work with integrity. I listen to my client's requirements, advise on the relevant legislation and regulation and the local market and ensure that there are no conflicts of interest. I then translate the client's requirements into Head of Terms in respect of the appropriate property transaction for negotiation with the other party.</p> <p>Any complaints would be directed to my Head of Service and dealt with under the Council's general complaints procedure.</p>
<b>Communication and negotiation</b>	<p>My role involves correspondence by letter, email and by telephone and I deliver all to a high standard. My correspondence is clear and concise and I avoid jargon or over complicated language where possible. I also produce reports and appraisals on the portfolio and individual properties for a variety of client departments.</p> <p>Talking to clients/other parties in person is an important part of my role and I feel that this is a useful way to gain agreement between parties. It is important to be clear, friendly but suitably robust in negotiations and this is a balance that I feel is met by my approach to written and verbal communications after many years of experience and having a range of professionally qualified colleagues to discuss matters with.</p>
<b>Conflict avoidance, management and dispute resolution procedures</b>	<p>As each of the Council's leases is renewed I am introducing Alternative Dispute Resolution as standard into Heads of Terms as the first step in conflict management within the lease. These types of dispute resolution include mediation, adjudication and conciliation. The Council uses the independent adjudicator most often. A last resort is the law courts.</p> <p>Negotiation need not involve conflict but does need to be carefully managed and many cases involve reporting to the client that a resolution can be obtained by both parties moving a small way towards each other would result in an agreement. My goal is to achieve an agreement where each party feels that they have reached a win-win agreement in as many cases as possible.</p>
<b>Data management</b>	<p>I am the Supervisor for the Council's Estate Management computer system. This system holds details of all the Council's ownership, including rights and covenants, leases and survey information. I designed the systems for input and I monitor the data that is held for necessary changes and upgrades for instance storing the Community Asset Data as brought in by the Localism Act 2011.</p> <p>The system holds details of all the Council's leases, including tenant information, and is used as a diary system and a worklist for the Estates Surveyors. For data protection the system security is set to allow only certain officers access to the lease data but all officers across the Council access to the ownership data, as this is public information.</p> <p>There must always be a reason for holding data, in my role property information is analysed to produce reports, compare proposals and produce performance indicators. The Council's property data is live, relevant and useful.</p> <p>I also use data from other sources such as the Land Registry, industry reports</p>

	<p>and comparable data obtained in respect of individual properties or local property types. This data is shared within the department.</p>
<p><b>Health and safety</b></p>	<p>The Health &amp; Safety aspects in respect of my role are firstly my own and other officers' health &amp; safety within their daily work and the secondly being the health &amp; safety requirements of a landlord or building owner or occupier.</p> <p>I am aware of the main legislation such as the Health &amp; Safety at Work Act 1974.</p> <p>The Council provided guidance to me on lone working and we have a buddy system in place. I have access to a Health &amp; Safety officer who provides guidance on specific site issues. I worked with the H&amp;S officer in respect of the implementation of procedures and an inspection routine resulting from the Control of Asbestos Regulations 2012. I assist in giving tenants advice on H&amp;S matters in respect of the building and the location and management of asbestos.</p> <p>I record and advise on the tenant's responsibility for health and safety procedures and statutory compliance in respect of the building for instance fire safety and emergency procedures and will request and record the data.</p>
<p><b>Sustainability</b></p>	<p>Sustainability surrounds much of the surveyor's work is more that energy performance and reducing the use of natural resources. Sustainability within my role is concerned with the creation and maintenance of workspaces and let areas that meet the needs of the users/tenants while also being environmentally friendly and efficient. I deal with the procurement of Energy Performance Certificates as these are required to be available prior to marketing commercial properties. I assist in examining ways to improve energy efficiency throughout the Council's portfolio, which includes many listed buildings, which tend to be more challenging. The Energy Act 2011 is likely to bring in changes from April 2018 that will make the minimum standard EPC rating for commercial lettings 'E' and I will be assisting in procuring any necessary improvements.</p> <p>I am aware of the environment issues surrounding the use and development of land for instance I am assisting in obtaining reports in respect of contaminated land and biodiversity on a brownfield site for valuation purposes. I am also aware of the aspiration of Planning policy and the XYZ Local Plan in respect of sustainability.</p>
<p><b>Teamworking</b></p>	<p>Surveyors and clients benefit from surveyors working in teams. I am fortunate to work with a team of experienced surveyors from an estates and a building background and closely with the legal team. I discuss cases with other surveyors and also Heads of Terms with the legal team to ensure up to date terms for leases. For instance I would work with a building surveyor to assist me in agreeing dilapidations on leases in which the Council is vacating a building or a tenant is vacating a Council building.</p>

## Summary of Experience – Technical Competencies

Technical Competency	Summary of Experience
<p>1. Landlord and Tenant</p>	<p>I deal with rent reviews, lease renewals and new leases, both secure business tenancies under Part II Landlord and Tenant 1954 and those outside of the act. I understand the construction of leases and major clauses such as the term, rent review, break, user clause, repair obligations, yielding up and notices required for secure tenancies.</p> <p>I negotiate Heads of Terms with tenants or landlords, taking instruction from and providing advice to my clients to reach agreement. I prepare a formal report with my recommendation to obtain authority for the transaction. I'm then responsible for instructing the legal officer and dealing with handover arrangements on completion. I input into lease terms such as clauses to cover individual repair or access requirements, an example being a right of way reserved in an emergency in favour of the second floor tenant over the first floor and stairway of the adjacent building.</p> <p>Negotiations of rent reviews at market value are currently more about terms rather than rent and as most leases prevent a downwards review landlords are looking to negotiate on terms, such as agreeing a rent free period in return for the tenant relinquishing the next break opportunity, therefore obtaining a guaranteed income stream for double the time.</p> <p>A recent review was for a Ground Floor retail space let to a supermarket chain on a secure tenancy with a 15-year term and rent reviews every 5 years. The property is in XYZ. The review was based on RPI with a collar of 1.051 and a cap of 1.2167, the percentage increase was 15.3%.</p> <p>I carry out interpretation of lease terms for example for the Maintenance Team on landlord's and tenant's repair obligations.</p> <p>I have recently arranged for re-possession of premises by peaceable re-entry, interpreted the lease regarding tenant's fixtures and fittings and instituted recovery of outstanding rent.</p>
<p>2. Measurement and Inspection of Land and Property</p>	<p>I carry out measurement and inspection of the Council's buildings and land for various purposes including asset management, landlord inspections, schedules of condition, boundary and land ownership issues.</p> <p>I undertake two main types of inspection:</p> <p><b>Boundary Inspections</b> Annual or biannual inspections of the boundaries of sites that extend further than the walls of buildings. The checks involve walking the boundaries to check for unauthorised use, encroachment, maintenance and health &amp; safety issues.</p> <p><b>Landlord Inspections</b> These are annual inspections carried out to ensure that the condition and use of the property is in compliance with the terms of the lease. They involve a site and premises inspection internally and externally identifying repair and maintenance issues. Routine repair/maintenance issues will be dealt with directly but where I feel that an issue needs specialist advice or more investigation these are reported to the Building Maintenance Officer. The inspection is followed up in writing with confirmation of the landlord's and tenant's required works and any requirements in respect of unauthorised use or alteration.</p> <p>The Schedule of Condition and the Schedule of Fixtures and Fittings that were</p>

carried out at the time of the lease and any subsequent consents to alter are used to assist with the Landlord's inspections.

I undertake measurement of buildings and land and understand the requirements of the RICS Code of Measuring Practice especially for valuation, comparison and service charge purposes. For most premises, for instance offices, NIA is used, although GIA is used where appropriate, such as industrial units. I use a laser measure, a trumeter or a measuring tape as necessary.

Examples:

- Residential premises comprising two connected Victorian properties used as a house in multiple occupation by a housing association for young people's accommodation. In this case NIA was used which excluded the circulation areas from the measurement calculation.
- An industrial unit at Love Lane Industrial Estate in XYZ. In this case I used GIA as the unit has a flexible area that could be used in a variety of ways including a mezzanine.

### 3. Property Management

As well sites let on FRI leases I manage several buildings which are let as offices/work rooms to multiple tenants, for example Abberley House, ABC and 23-25 Sheep Street, ABC

I manage the commonparts and the standard lease terms and the utility, cleaning and buildings insurance recharges. The Council does not charge a service charge for repairs of structure, commonparts and plant, as for the main the leases are a 3-year term with a break of 3 months on or after 1 year. The rent reflects the flexibility of the leases. The Council is achieving between £13 psf (£140 psm) and £28 psf (£300 psm). The average being £16.60 psf.

The Council intends to bring its service charge procedures in line with the Commercial Property Service Charge Code 2011, in practice the whole code won't be adopted in respect of properties such as mentioned above as no contribution to repairs and maintenance is sought and therefore no sinking fund etc. is necessary. The measurement of the individual offices is to be checked and standardised (NIA) as this is the main basis on which the recharges are calculated. The tenants are given copies of all invoices and a copy of the calculation of the contribution.

The other issues in managing multilet properties as Landlord include asbestos, fire safety, fire risk assessments and ensuring legal compliance by the tenant of their health and safety requirements. Also ensuring fire escape routes are reserved out of leases as necessary.

I am responsible for monitoring the rental income and managing arrears. The Council does take rent deposits where appropriate but default is still a frequent issue and needs to be dealt with quickly and effectively. I feel that keeping a good relationship with the tenants helps in this regard and a little flexibility such as agreeing an arrears payment plan has kept tenants in occupation rather than the Council having to resort to other methods such as forfeiture or court action.

I manage the Council's Rating Surveyor including the appointment of the firm, terms of the payment and general instruction. The contract is given for the duration of the Rating List therefore the relationship is long term.

I have input in the management of the portfolio as a whole for instance the Council has ownership of many small verge areas and parking areas that I am reviewing with a view to disposal.

<p><b>4. Property Records/Information Systems</b></p>	<p>I am the System Supervisor for the Council's electronic terrier that holds all property ownership and lease data. Rights and Covenants are also logged to enable them to be monitored. Scanned documents are attached including deeds, leases, rent review correspondence, Land Registry title plans and register. I restrict the information viewed by the public and other officers under the security settings as individual tenant details are protected by the Data Protection Act 1998.</p> <p>The system includes an embedded GIS on which I plot all ownerships, this enables basic site measurement and plans to be produced. Other layers of information are shown and compared to the Council's ownerships such as Scheduled Ancient Monument, Listed Buildings, Flood Maps, utility information, Conservation Area, other organisations ownerships and Community Assets.</p> <p>Paper copy terrier maps and deed packets are retained in a fire proof safe</p> <p>I provide reports using the system with Microsoft access showing all lease expiry dates, rent review dates and break dates. This report is used to assist in programming the surveyors' workloads and allowing review of the building prior to taking timely action especially in respect of secure tenancies. These reports are designed by me and are able to be used by other surveyors. Other reports are used for portfolio management and benchmarking for instance cost psm of office space.</p> <p>I see the future of the system use expanding especially to become a case management system as well as information storage. The potential for using standard letters and more use of the diary would streamline and standardise the surveyors' work. Opportunities for taking on other Councils', Community Organisation's or Registered Social Landlord's estates work would be made possible.</p> <p>I use data from many sources such as the Land Registry, including the new MapSearch which enables you to assess whether any land is registered and large surveying firms' updates which give me a general market overview.</p>
<p><b>5. Rental Appraisal</b></p>	<p>I carry out rental appraisals on straightforward properties and assist with more complex properties. In the appraisal I describe the property and its surrounding location, this description will include the age and construction of the buildings, the current use and the available planning uses. I provide measurements, details of outgoings, rateable value and comparables.</p> <p>My clients are usually service managers who instruct me to carry out an appraisal for decision-making purposes for future service delivery. As I am an in-house surveyor terms of engagement are not issued but at the instruction I will define the parameters of the task. To use a building to its full potential, especially an office/service building can often involve complementary tenants to the service being provided, increasing the footfall at the site and reducing the Council's overhead costs significantly. The rental appraisal enables the Council to decide whether it should be retained and rented, used for service delivery or disposed of.</p> <p>The most recent rental appraisal I carried out on a lock up shop in Bourton-on-the-Water. The appraisal is for information as to the market rent as the current lease has a restricted user clause. The shop is currently in use as a Visitor Information Centre and is on a street behind the High Street. The location is mixed use of retail, restaurants, residential and holiday lets. The building is built of Cotswold stone with a Cotswold stone tile pitched roof on the main building and a modern single storey flat roof extension. I searched for comparables and</p>

	these showed that the existing rent was fair and reasonable.
<b>6. Leasing/Letting</b>	<p>The multi-let buildings I manage are popular due to their flexible leases and small rooms suitable for small and new businesses. The Council is contacted regularly in respect of availability as the rooms are advertised on the Council's website.</p> <p>The market in ABC for small offices is good, larger suites or office buildings are taking longer to let and incentives may be used such as rent free periods in return for agreed works. The retail sector is better in the ABC than in other areas but there is still a 10% to 20% void.</p> <p>I conduct viewings and discuss heads of terms with prospective tenants. The Council has a policy for each building and these are regularly reviewed therefore I am aware of the authority I have to negotiate terms. Any proposed lease is the subject of a report to Members and senior officers at the Council to obtain the Council's formal consent for the transaction. Some proposed tenants are charities or organisations such as housing associations, I have to be careful to deal with the property transactions impartially as well as acknowledging the Council's support such organisations.</p> <p>If a prospective tenant wishes to take a lease of one of the Council's premises, having agreed terms I would first obtain a credit check and if this were satisfactory I would then obtain formal approval to the transaction. I would then instruct the Legal Section to prepare the lease on the agreed terms, meeting with the Legal Officer to go through any non-standard terms.</p> <p>I visit the premises to prepare a Schedule of Condition and a Fixtures and Fittings list to be attached to the lease. If the tenant has no proven financial background the Council would take a rent deposit of one quarter's rent, usually to be returned on the second anniversary of the lease commencement if the rent has been paid on time.</p> <p>I deal with premises where the Council is tenant or head tenant. Recent examples are a lease of a barn from a local landowner on a short-term non-secure tenancy to store waste service items and a secure tenancy of an Industrial Unit that became later surplus for service use and was assigned. An Authorised Guarantee Agreement was required by the Landlord on assignment and several years later the assignee defaulted.</p>

## **Case Study**

### **Renewal Lease Room 3, 49 Jack Street, ABC**

#### **1. Context / Introduction**

My career in property started in 1992 when I took a job as a trainee conveyancer with ABC Society. I was trained, took 'A' level law and then passed Part 1 Institute of Legal Executives exams and was used to carry out the conveyancing from mortgagee in possession of residential properties taken into possession by the Building Society. I dealt with both private treaty sales and auctions.

In 1996 I moved to West Africa to assist with the management of my husband's mineral exploration company.

In 2000 I returned from West Africa and, after temping in the Council's Legal Section I was successful in my application to the Property Services Section to assist with commercial property and estates management. My roles were Property Officer, Estates Officer, Senior Estates Officer and the current role of Estates Surveyor. In 2009 I passed my Diploma in Surveying Practice with merits and a distinction for Building Technology.

The matter described here is a lease renewal of an office and storeroom at a building owned by the Council. I dealt with the matter from the initial contact with the tenant regarding the renewal through the negotiation, inspection, rent



calculation, agreement of heads of terms, the Schedule of Condition, obtaining the Council's formal authority, instructing the Legal Section including the holding over letter and completion of the lease.

My brief in respect of this lease renewal was to maintain or increase the Council's income in a sustainable way and mitigate void periods.

In this case study I aim to demonstrate my skills in respect of the landlord and tenant, leasing and letting, and the property management technical competencies and the communication and negotiation and conflict avoidance, management and dispute resolution procedures and the other mandatory competencies.

## 2. The Approach

The Lease to B & B Innovations Ltd of Room 3 and the Licence of the Storeroom 11 at 49 Jack Street, ABC were due to expire on 30<sup>th</sup> September 2013. My client is the Council as I am employed by it and assist in managing its portfolio. I produce a regular report from the Council's computer system that shows the dates of the lease expiries and rent reviews over the next few years in order to allocate matters and predict workflow. This renewal was allocated to me in March 2013 and a new lease was required to be in place prior to the existing one expiring.

*The existing lease terms were as follows:*

*Demised Premises:* Room 3, First Floor, 49 Jack Street, ABC  
*Term:* 3 years expiring on 30<sup>th</sup> September 2013  
*Rent:* £4000 p.a.  
*Security:* Non-secure tenancy  
*Break Clause:* 3 months' notice for either party on or after 1 year  
*User:* Office use only  
*Outgoings:* Tenant  
*Service Charge:* Recharges of utilities, cleaning and buildings insurance on a per square metre (psm) basis

*The existing Licence terms were as follows:*

*Subject of Licence:* use and occupation of Storeroom 11, First Floor, 49 Jack Street, ABC  
*Term:* 8<sup>th</sup> February 2012 to 30<sup>th</sup> September 2013  
*Fee:* £200 p.a.  
*Break:* 1 months' notice by either party  
*Outgoings:* Licencee

The reason that the premises were held on a lease and a licence was that the tenant had requested a storeroom part way through the existing lease and the occupation was dealt with by a licence to expire on the same day as the lease.

The Council owns the freehold of 49 Jack Street, ABC. The property was purchased in 1994 as it adjoins the Council's Corinium Museum and the ground floor could be used for a Coffee Shop, accessed from the Museum as well as the highway. The property is terraced and was built in the late 18<sup>th</sup> Century with a construction of coursed squared limestone, a slate roof and sash windows, it is Grade II Listed Building. Some rooms have beams and wood panelling and the interior walls are made of lime based horsehair plaster requiring distemper paint.

The building is in the town centre on a street behind the Market Place. Jack Street is a boutique shopping street with coffee shops, a pub, a high class butchers, designer clothes shops and land agents. The ground floor of number 49 is let as coffee shop premises with a right of access for Museum customers through the interconnecting door between the premises, as well as minimum opening hours and a user clause restricted to coffee shop/restaurant premises.

The upper floors of the building are offices used for individual small businesses or satellite offices, the commonparts consist of with male and female WC's and a kitchenette. The Council is responsible for the commonparts, including cleaning and it recharges the utilities and other costs under the lease on a psm basis. Due to the requirement for special decoration the Council carries out all internal décor and recharges the tenants as necessary.

### Inspection and Negotiation

My instructions regarding the rental of the rooms in the building are to use flexible lease terms, this gives most benefit to tenants and the Council, as the demand for small offices in the area is good. Small offices command a premium on a psm basis compared to the larger offices or suites in the area. The management of a multi-let building is more labour intensive but the extra rent achieved in this case has been worth the management cost. The service charge and maintenance systems are efficient and longstanding. The Estates Surveyors calculate the recharges and produce the invoices on the Council's accounting system on a quarterly basis.

I contacted the tenant by email in March 2013 explaining that their lease and licence would expire in September and to arrange a Landlord inspection. As the lease was a non-secure tenancy, i.e. it did not have the business security afforded by the Part II of the Landlord and Tenant Act 1954, both it and the licence would cease on the expiry date with no formal notice being required to bring them to an end. In the case of a secure tenancy a Section 25 notice would be served giving six months' notice to determine the lease on the date of or after the lease expiry and detailing the terms of the new lease offered, including the rent.

I met the tenant at the premises. The office is on the first floor at the end of a corridor, up two steps. It has a double aspect overlooking the courtyard of the adjacent coffee shop and has high ceilings making it the most attractive, and largest, office in the building. I brought with me the Schedule of Condition and the Fixture and Fittings list from the commencement of the lease and compared the existence, condition and operation of the fixtures and fittings and the condition of the decor, carpets, blinds, windows and doors compared to the schedule. I took some photographs to evidence the condition generally, my inspection notes and these photographs formed the inspection report. I carry out these inspections annually and they are a good opportunity to discuss any issues directly with the tenant as well as identifying any disrepair or issues that the Council, as landlord, needs to be aware of or rectify. Any disrepair will be noted and then formally issued to the tenant and then the rectification works monitored. If such works are not carried out by the tenant within a reasonable time the Council will send a formal notice under the lease resulting in the Council carrying out the works, if necessary, and recharging the cost.

The tenant had been in occupation for 3 years and had been a good tenant with only the odd late payment due under the lease; as a result I was keen to retain them on behalf of the Council if mutually agreeable terms could be negotiated.

The tenant advised that they were looking at larger premises and would not be able to be able to commit to a new lease as yet. I decided to keep in touch with the tenant over the next couple of months as I felt that to start marketing the premises at that time would be too early.

In order to be ready to propose terms to the tenant I carried out a rental analysis to ascertain the appropriate rent figure. My rental analysis attached at Appendix A shows the other rooms in the building and small office rents in ABC town centre. The comparables obtained showed that the small office market in ABC was buoyant and a premium for the smaller offices was achievable. The average psm rent for the comparables was £117.80 and the average for 49 Jack Street is £179.84.

I kept in touch with the tenant over the next few months and in August the tenant confirmed that they did wish to take a renewal lease. I proposed Heads of Terms including a rent of £4500 p.a. for Room 3 and Room 11, the storeroom. I initially proposed a break for either party on 6 months notice after one year. The tenant wished to have a more flexible break which I discussed with them and eventually agreed a break on 3 months notice on or after 6 months. The shorter break did not overly concern me as the offices are easily relettable, although further legal costs would not be ideal. See Appendix B for a copy of the agreed Heads of Terms.

#### Authority

The Council's property transactions (under a valuation of £50,000) are authorised by the Head of Legal and Property Services in consultation with Council Ward Members, Portfolio Holder and senior officers. I agree terms with tenants subject to final Council approval, this approval is sought by my report recommending the terms of the lease and that the Legal Section be instructed to complete the transaction. The report seeks to inform the client of all aspects regarding the decision such as the risks, the financial position and the potential of the property for future commercial or affordable housing development. I seek comments from all consultees and insert these in my report prior to presenting it to the Head of Legal & Property Services for final approval. See the report at Appendix D (the Appendix A referred to in the document is presented here as Appendix B).

#### Legal Process and Completion

Due to the short period we had to complete the lease I decided to use a 'holding over' letter to cover the period from 1<sup>st</sup> October 2013 to the completion date of the new lease. The Council uses 'holding over' letters if time is short and the legal documentation will not be completed in time. The letter creates a Tenancy at Will which is a short term solution that I felt was appropriate in this case, it is a tenancy that can be determined by either party at any time and was used in this case to extend the tenant's occupation under the same terms as the previous lease/licence pending the renewal lease completion. A Tenancy at Will should not be allowed to continue for more than six months as the tenant may after that time be able to claim a secure tenancy under Part II of the Landlord & Tenant Act 1954.

In brief the legal process consists of agreement of the draft lease, issue of the LTBT1 notice that a Landlord serves on a prospective tenant in accordance with Schedule 1 of the Regulatory Reform (Business Tenancies) (England and Wales) Order 2003 to advise that their statutory right of lease security is being excluded from the lease and the LTBT2 Simple Declaration Form for the tenant to execute, tenants are always advised to take independent legal advice. Once the lease form is agreed it is engrossed and both it and the counterpart can then be executed and completion can take place.

As the tenant was already in occupation there was no requirement for the usual handover meeting on the completion date. I carry out these meetings to handover the keys and take the tenant through the operation of the building, security systems, fire procedures and the location and contents of the premises file. The premises file includes the insurance details, emergency numbers, servicing certificates etc. As the tenant was occupying on a 'holding over letter' from 1<sup>st</sup> October the agreed uplifted rent of £4500 p.a. was due from that date. Once the lease had completed I invoiced the backlog rent from that date to the next quarter date to enable the accounting system to begin invoicing automatically the new rent from the start of the next quarter.

### 3. The result

The new lease completed on 17<sup>th</sup> January 2014 and the Council has retained a good tenant at a 7% increase in rent. The term of the lease was reduced by the length of the occupation under the 'holding over' letter therefore the expiry date was 3 years from the end of the previous lease, i.e. 30<sup>th</sup> September 2016.

The Council was protected from any future claim for a business tenancy under Part II of the Landlord & Tenant Act 1954 by issuing the tenant with a 'holding over' letter and the tenants remained in occupation while the formal lease was completed.

### 4. Lessons Learned

The analysis of the rent and lease terms gave me a good understanding of the rental market in ABC for small offices and how the Council's buildings compare. My skills in obtaining and analysing comparable information have improved. I discovered that the Council's offices are let at a rent on the higher end of the scale of local small office rents the reasons for this being the location, namely a good address, quality listed building with modern heating system and door buzzer system and having a good reliable landlord.

A good relationship between the landlord and tenants and open lines of communication can avoid conflict and misunderstandings, regular inspections are a good way of achieving this communication.

I feel that being able to speak frankly with the tenant in this case about the fact that they are looking at other premises and the Council being a little patient in marketing resulted in a good outcome. An overly forcible approach in demanding a commitment to a renewal lease may not have had the same result.

The barriers I encounter in property transactions are that I do not have just one client. My report is a recommendation and is not formal until approved. If Councillors or other officers have concerns or disagree with my recommendation I must then seek to renegotiate the terms with the tenant.

### Competencies demonstrated in this case study

Please insert the technical and mandatory competencies demonstrated in this case study.

Technical competencies	Mandatory competencies
1. Landlord & Tenant	Communication and Negotiation
2. Leasing/Letting	Conflict Avoidance management and dispute resolution procedures
3. Property Management	
4. Measurement and Inspection of Land and Property	
5. Rental Appraisal	
6.	

**Total Word Count:** 2000 excluding headings and details in italics

## Record of Professional Development

Date	Professional Development	Hours
18/07/2013	<p><b>Activity type:</b> Webinar on Private Rights of Way  <b>Purpose:</b> In my role I draft Heads of Terms for Easements, this will assist in correct drafting.  <b>Description:</b> Watched the webinar with colleagues and discussed afterwards.  <b>Learning Outcomes:</b> Learnt about express and implied grants. Also the importance of regular site inspection as to uses by adjacent owners that may become easements. Learnt about good and bad drafting and remedies.  <b>Formal or Informal:</b> Formal</p>	1.25 hours
21/08/2013	<p><b>Activity type:</b> Webinar on Commercial Rent Arrears Recovery  <b>Purpose:</b> Update and refresh on legal options on arrears recovery as rent arrears are part of my role  <b>Description:</b> Watched the Webinar with legal and property colleagues and discussed afterwards  <b>Learning Outcomes:</b> Learnt about CRAR legislation (Commercial Rent Arrears Recovery) and its effect on landlords and tenants. Update on current enforcement methods such as court action and forfeiture and that CRAR legislation abolishes the remedy of Distress.  <b>Formal or Informal:</b> Formal</p>	1.25 hours
11/09/2013	<p><b>Activity type:</b> Webinar on Understanding the Commercial Property Service Charge code 2011  <b>Purpose:</b> To learn about the code and align the Council's service charge procedures where appropriate  <b>Description:</b> Watched the webinar at my desk  <b>Learning Outcomes:</b> I have a good understanding of the code and will amend the Council's procedures in respect of the investment properties  <b>Formal or Informal:</b> Formal</p>	1 hour
26/09/2013	<p><b>Activity type:</b> Reading and studying the RICS Code of Measuring Practice 6<sup>th</sup> Edition  <b>Purpose:</b> To update and refresh on the code prior to undertaking re-measurement of multi-let buildings for service charge purposes  <b>Description:</b> Reading Code  <b>Learning Outcomes:</b> Re-measurement of the properties has been carried out to the code standard  <b>Formal or Informal:</b> Informal</p>	1 hour
22/10/2013	<p><b>Activity type:</b> Meeting for Update on Rating  <b>Purpose:</b> To update on current and future legislation and policy on National Non-Domestic Rates  <b>Description:</b> Meeting at Council Offices with Specialist Rating Surveyor from Colliers CRB  <b>Learning Outcomes:</b> Discussion and information regarding the rating world generally and the future revaluation that is due. More specifically discussion and update on the rating policy that is likely to affect listed buildings and leisure buildings, especially around empty rates and development sites.  <b>Formal or Informal:</b> Informal</p>	1.5 hours
14/01/2014	<p><b>Activity type:</b> ArcGIS 10.x Training  <b>Purpose:</b> To refresh on general GIS use and learn the new features of version 10  <b>Description:</b> Group training  <b>Learning Outcomes:</b> Import and editing of layers, new projects, basemaps, drawing and snapping, printing, attributes. Ways that GIS can help in my role such as development drawings, adding ownership polygons to OS maps and comparing to HM Land Registry data.  <b>Formal or Informal:</b> Informal</p>	5 hours

15/01/2014	<p><b>Activity type:</b> Online Course on Final assessment (RICS)  <b>Purpose:</b> To learn about the requirements for Final Assessment as this relates to Associate RICS as well and my future plans are to become MRICS  <b>Description:</b> Online Academy Course  <b>Learning Outcomes:</b> I gained knowledge and tips on how to succeed at Final Assessment that I can use in my Associate RICS application and in the future  <b>Formal or Informal:</b> Formal</p>	1 hour
26/01/2014	<p><b>Activity type:</b> Online Academy Course Quick Tips on Negotiation  <b>Purpose:</b> To gain a basic insight of negotiation techniques  <b>Description:</b> Online Academy course  <b>Learning Outcomes:</b> I obtained some basic skills and tips on negotiation techniques that I can use in my role in dealing with tenants, councillors and members of the public.  <b>Formal or Informal:</b> Formal</p>	1 hour
26/01/2014	<p><b>Activity type:</b> Online Academy Course on Surveying Safely  <b>Purpose:</b> To gain tips that I will be able to use to protect myself and others when carrying out site visits and inspections.  <b>Description:</b> Online Academy Course  <b>Learning Outcomes:</b> A refresher on the roles and responsibilities on the Health &amp; Safety aspect of surveying the Council's land and property  <b>Formal or Informal:</b> Formal</p>	1 hour
14/02/2014	<p><b>Activity type:</b> Seminar on local Government Asset Management  <b>Purpose:</b> To update myself on new legislation and regulations on Local Government Asset Management  <b>Description:</b> Asset Management Network Meeting and discussion with officers from other Councils.  <b>Learning Outcomes:</b> Learnt about the new legislation especially the next stage of the Localism changes in respect the Transparency Agenda which requires publication of property information. Report to my Manager and discuss actions to comply.  <b>Formal or Informal:</b> Formal</p>	4 hours
15/02/2014	<p><b>Activity type:</b> Online Academy Course on RICS Professional Ethics for RICS Members  <b>Purpose:</b> To gain an understanding of the requirements of RICS in respect of Professional Ethics  <b>Description:</b> Online Academy Course  <b>Learning Outcomes:</b> I gained knowledge of the five professional and ethical standards required by RICS when I apply to become an Associate.  <b>Formal or Informal:</b> Formal</p>	3 hours
01/03/2014	<p><b>Activity type:</b> Online Academy Course on the Basics of Valuation  <b>Purpose:</b> To refresh myself on the basics of valuation  <b>Description:</b> Introduction to Valuation  <b>Learning Outcomes:</b> I gained information to assist me in my role carrying out basic valuations.  <b>Formal or Informal:</b> Formal</p>	1 hour
11/05/2014	<p><b>Activity type:</b> Online Academy Course on Business Negotiations Skills  <b>Purpose:</b> To learn about negotiation techniques in business and be able to use these techniques in my role in negotiation of more</p>	3 hours

	<p>complex land and property transactions</p> <p><b>Description:</b> Online Academy Course</p> <p><b>Learning Outcomes:</b> I learnt about the importance of preparation in negotiations and looked at the process of the execution of the negotiation and the different power and pressure tactics and how to deal with them effectively.</p> <p><b>Formal or Informal:</b> Formal</p>	
03/06/2014	<p><b>Activity type:</b> The Solicitors Group Webinar on Tenant break options</p> <p><b>Purpose:</b> To learn more about tenant break options for use in Heads of terms negotiation where the Council is the Landlord or the Tenant</p> <p><b>Description:</b> Webinar</p> <p><b>Learning Outcomes:</b> I gained knowledge regarding the pitfalls in respect of certain break options such as where the tenant is required to have paid the rent and has not breached any covenants</p> <p><b>Formal or Informal:</b> Formal</p>	1 hour
06/06/2014	<p><b>Activity type:</b> Meeting with HM Land Registry</p> <p><b>Purpose:</b> To learn about the new online features from the Land Registry</p> <p><b>Description:</b> Face to Face Meeting</p> <p><b>Learning Outcomes:</b> I gained knowledge about the Land Registry website and Business users area and especially the Mapsearch feature which will assist me in my role in ownership queries</p> <p><b>Formal or Informal:</b> Informal</p>	1 hour
29/06/2014	<p><b>Activity type:</b> Online Academy Course on Cost and Income Based Valuations</p> <p><b>Purpose:</b> To refresh on valuation methods and their uses</p> <p><b>Description:</b> Online Academy Course</p> <p><b>Learning Outcomes:</b> I completed the course and was able to practise the calculations, especially the Discounted Cashflow and the Residual methods</p> <p><b>Formal or Informal:</b> Formal</p>	1.5 hours
23/07/2014	<p><b>Activity type:</b> MBL Webinar on Drafting Property Documentation</p> <p><b>Purpose:</b> Legal update on drafting leases, options, conditional contracts</p> <p><b>Description:</b> Webinar</p> <p><b>Learning Outcomes:</b> Update on latest drafting on rent reviews including assumptions and disregards, break clauses, options, detailing the important recent cases and conditional contracts assisting me with drafting of Heads of Terms</p> <p><b>Formal or Informal:</b> Formal</p>	1.25 hours