

BlueBox Newsletter

Technical briefing for surveyors, energy assessors and property professionals *Issue Two July 2008*

New 'noise maps' available on the internet.

The Department for Environment, Food and Rural Affairs (Defra) has recently published noise maps for the major cities, rail routes, and airports in England. These are available on the Internet and can be downloaded free of charge.

The Secretary of State has produced the strategic maps to satisfy the requirements of the Environmental Noise (England) Regulations 2006, estimating noise levels from the following sources:

- **Major Roads** - roads with more than 6 million vehicle passages annually;
- **Major Railways** - railways with more than 60,000 train passages annually;
- **Major Airports** - airports with more than 50,000 aircraft movements annually (except for training on light aircraft), and;
- **Urban areas** (with populations greater than 250,000 and a certain population density), including Blackpool, Bournemouth, Brighton, Bristol, Coventry, Hull, Leicester, Liverpool, London, Manchester, Nottingham, Portsmouth, Preston, Reading, Sheffield, Southampton, Southend, Teesside, The Potteries, Tyneside, West Midlands and other areas.

A noise map is like a weather map for noise

What's in this issue?

Welcome to the second issue of 2008 of our technical newsletter. It includes:

- DEFRA's new noise maps;
- EPC guide for landlords;
- A new Expert witness service;
- Reflections of a practitioner who is trying to sell commercial EPCs.

If you have any comments on this newsletter or would like to make a contribution, please contact the Blue-Box *partners* office on 0845 260 3500.

and it shows areas which are relatively louder or quieter. The maps have two main purposes. Firstly, they can be used to provide information on noise levels that can be linked to population data to estimate how many people are affected. This leads to the second use - and the main point of noise mapping - to help in the production of noise action plans so the authorities can manage the problem and reduce noise levels where appropriate.

Although the maps have not been specifically designed for surveyors, a quick postal code search can reveal the noise 'bandings' around major routes that are not always obvious during the site inspection. The noise contours around airports and rail routes are particularly useful. For more information, visit Defra's website at:







<http://noisemapping.defra.gov.uk/wps/portal/>



Legend:

Road, Lden

Noise Bands

	75+ dB(A)
	70.0-74.9 dB(A)
	65.0-69.9 dB(A)
	60.0-64.9 dB(A)
	55.0-59.9 dB(A)
	00.0-54.9 dB(A)

Features

	Inland water
	Building
	Road
	Unmapped

**Typical noise
map produced by
a postal code
search**

CLG publishes EPC 'Guide for Landlords'

From 1st October 2008, all rental properties will have to have an energy performance certificate when offered for rent and so it is timely that the Communities and Local Government has recently published '*Energy performance certificates for dwellings in the social and private sectors: A guide for landlords*'.

This 32 page publication covers most of the important areas including:

- legal requirements;
- when EPCs will be required;
- how to obtain cost effective EPCs;
- how to integrate EPCs into current stock management systems, and;
- potential funding sources for improvement works.

The document is too long and complex to review in this newsletter. However, we have briefly described a few of the elements that we found interesting:

Validity of EPCs—the certificate will last for 10 years and can be reused as many times as required during that period. Although the Guide states that 'EPCs are not invalidated by renovation or improvement works', the CLG does state that landlords 'may wish' to obtain a new certificate to show the energy improvements to new tenants.

'Data gatherers' - the Guide has confirmed the status of this new role. A 'data gatherer' is non-qualified and under the direction of the DEA, collects the detailed information that the DEA will require to produce the EPC. Although the CLG lays down some basic rules, we have summarised how we think this should be done:

- If the data gatherers plan to visit occupied properties, they will have to have the same basic CRB check as DEAs;
- The DEA would still have to visit the property to make sure they can rely on the data. Like the relationship between surveyors and their trainees, the DEA should walk around the property with the data gatherer, point out any particular features and leave them to collect the data. Later, using the site notes and photographs, the DEA can process the data and produce the EPC.

This approach can be convenient for landlords with a large stock. However, it does raise some interesting points:

- Even though the data gatherers will not have to be qualified DEAs, they will have to know what data to collect so they will have to match some of the competencies standards of a qualified DEA;
- We have heard of several organisations who see this as a route to offering EPCs for less. Will this undermine fee levels even further?

We will have to wait and see how the market reacts.

Dwellings in multiple occupation — EPCs are only required on rentals of a building or part of a building designed or altered to be used separately. Consider the following examples:

- House is rented by a number of tenants who have exclusive use of their bedrooms but share a bathroom and kitchen. Each tenant has a contract with the landlord for the parts they have access to but not for the whole dwelling. An EPC is not required each time a tenant moves;
- A group of friends rent a property and there is a single contract between the landlord and the group as the contract is for the rental of the dwelling as a whole. An EPC is required for the whole dwelling.

These are just a few extracts and if you have an interest in the rented sector, the Guide is essential reading. It can be downloaded from:

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/866773.pdf>



The BlueBox partners 'fast-track' DEA course, August 2008

To help you prepare for the 1st October deadline, we have organised a special 'fast track' version of our successful DEA course. This part distance learning course aims to provide participants with the skills, knowledge, and support that they will need to pass the National Association of Estate Agents' (NAEA) award in Domestic Energy Assessing. The difference with this course is that our five training days will be delivered within a two week period rather than our usual five to six weeks. Those with the right level of commitment could be a qualified DEA by the official deadline subject to your personal circumstances. For more information visit our website at www.blueboxpartners.com

Dates: 11/12th and 19/20/21st August

Cost: £1 300 plus VAT

BlueBox partners launches new national Expert Witness network

BlueBox *partners* has launched a national network of expert witnesses to provide current and retrospective property valuations to a variety of clients. We are looking for suitably qualified and experienced Chartered Surveyors to join our rapidly growing initiative.

Background

With an anticipated 45,000 repossessions this year and an estimated requirement for some 1.8m borrowers to re-mortgage when their existing fixed interest products terminate in the next year or so (coupled with the lenders' introduction of more stringent lending criteria), it seems inevitable that defaults will increase.



Experience of the 1990's suggests that institutional lenders will lay off their losses by seeking recovery from their professional advisers and their insurers. History seldom repeats itself exactly and there will undoubtedly be some unique features as events unfold. The presence of a significant "buy to let" sector, the involvement of an extensive network of brokers and introducers (with prospects for recovery and contribution claims) as well as a much more complex battery of lending products in recent years all suggest that these claims will be more complex than in the 1990's.

Step by step advice and support

To support legal teams representing surveyors and valuers, in partnership with Robin Simon LLP, we have designed a system that will be flexible, responsive and adaptable as these claims develop. We currently operate a number of schemes, giving varying levels of advice from desk top reviews to full blown expert reports and court appearances. The network will be managed through BlueBox *partners*, but work will be done in the expert's own name. We are looking for Chartered Surveyors with considerable expertise in their skill area, who

are prepared to do the initial analysis for the case, and can write good objective reports. They must understand the role of the Expert Witness as defined by appropriate Civil Procedures Guidance and the RICS Guidance Notes.



Training and assessment requirements

To ensure that practitioners in the BlueBox *partners* network define and maintain the highest standards, it will be mandatory to attend a course run jointly by BlueBox *partners* and Robin Simon Solicitors, which will include specific product training, practical case studies and report writing. After the course, participants will have to submit a report on an allocated case study and if judged satisfactory, it will result in BlueBox *partners*/Robin Simon Accreditation. It is not the intention to duplicate the assessment procedures of other well known Expert Witness organisations, but to ensure participants understand our specific product and so achieve a consistent approach across the national network.

Our training courses start in August 2008 and will be priced in the region of £199 + VAT, which includes all costs associated with the training day and the administration of the accreditation process. Successful candidates will be issued with a username and password which will give access to the Expert Witness part of the BlueBox *partners* website.

Joining the network

If you are interested in joining the BlueBox *partners* Expert Witness network, then please email

Expert@blueboxpartners.com

and we will send you further information and the application forms.

Test yourself!

If you can answer the following questions, you are an 'expert' expert witness (or a sad anorak!):

- The duties of an expert witness are defined in the Civil Procedures Rules, but which part?
- Which famous case is seen as defining the duties of an expert witness? Its more familiar name will do.
- For a bonus point, what was the name of the Judge in that case?

See what fun it is in the BlueBox *partners* network?! Answers on page 4.

Commercial EPCs: so what does the Property World think of them so far?

Craig Ritchie, a director of Allied Surveyors based in Sussex, writes how he has found the market reaction to Commercial EPC's.

We will shortly have four Commercial Energy Assessors (CEAs) in our office in Sussex. I have been out marketing our services to the local commercial property market. I have put my hot air where my mouth is and my performance rating will be revealed on October 1 2008. I am sure I will get an A for effort and a G for modesty. But will we earn fees? Will we have added a new, sustainable strand to our business?

The residential market has now become familiar with the concept of EPCs and estate agents and indeed the public have seen the 'fridge' style A-G rating of houses. So it was quite easy to explain the concept of EPC's to commercial agents - *"Its coming in for you guys as well on October 1 2008". "Fine"* they say in a disinterested way. *"How much will it cost?"* they ask, vaguely aware of the £50 fees for residential EPC's. *"From £400 - £3,000 plus VAT per property"* I say. It's then that I have their full attention!

I then explain that the Commercial Energy Assessments are done using SBEM software which is much more technical and time consuming than the RdSAP system used for residential. I also say that the skill level of a CEA is higher than a DEA and they spend much more time preparing the report. The good commercial agents (who generally know me and my colleagues and therefore trust us) have accepted what I say and start thinking fast: How do we 'sell' this to our clients?; What are the angles?; What are the upsides and downsides?

The next 20 minutes produces 'market' questions to which I am not sure the trainers know all the answers to as yet.

Contact

This newsletter is published by BlueBox partners, part of the Allied Surveyors group. For more information contact us at 3 High Street, Chipping Sodbury, Bristol BS37 6BA. Tel. 0845 260 3500 or email info@blueboxpartners.com. Visit our website at www.blueboxpartners.com

For example, here are just a few:

- Can we claim it back on the service charge?
- If I get one as a landlord can I then sell it to any tenant who wants to assign their lease? Who will fine us?
- How much will it cost?
- Will it be delayed from 1 October?
- What do the reports look like?
- How many photos will there be?
- How can I justify them to my clients?
- Will it be worth paying the fine if caught rather than obtain a certificate?
- How many recommendations are there?
- Who will carry them out?
- How can you guys get sued?
- Can we do them ourselves?
- What is the PI? What are all the other agents in town doing?
- Will it be cheaper if we provide plans?
- Lock-up shops are excluded aren't they?
- What about a flat over?
- How much more rent will an office with an EPC of grade A get over an office with an EPC of grade G?
- Will we be given a grace period to get our existing portfolio done? How long will that be?

In finding answers to all these questions I have had to look long and hard at the various official documents and opinions of the various commentators. There is still considerable 'vagueness' in this new market which will remain until it becomes established.

Overall, in my view, there is a reluctant acceptance that this is the new world. The general property market view of these new Commercial EPC 'thingy's' seems to be:

'Oil and fuel prices are going through the roof - it is no longer just the sandal-wearers that are green; even the Conservatives are into it these days. So let's find a professional outfit who can provide us with EPCs economically and quickly so we can get on with our tricky job of selling and letting commercial property.'

"I'll do it!" I say, and offer to buy them a beer if they stop asking me any more questions!

If you have any comments on this article, please send them to info@blueboxpartners.com and we will pass them on to Craig.

Answers to the test at the bottom of page 3:

- Part 35
- The Ikarian Reefer case (2 LILR 68)
- Creswell J