



Property sector challenges: ask the experts

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Priya Sejpal, Jessica Stanway



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What we'll be covering

- / Introduction to BKL
- / Opportunities and challenges in the market
- / How can BKL help
- / Introduction to our guest speakers

Challenges in the following area

- / Retrofit  **StudioPDP**
Marion Baeli, Partner & retrofit specialist
- / Business Rates & reliefs  **ForeView**
Edward Searle MRICS, Co-Founder and business rates specialist
Ben Nelson MRICS, Co-Founder and business rates specialist
- / Building Safety Act  **jmw**
Jessica Stanway, Solicitor and property management specialist
Priya Sejpai, Partner and property litigation specialist

About BKL



24 Partners



Over 200 people



Based in London –
international network



Certified



Corporation

Winners of



Committed
Member of
**Inclusive
Employers**



BKL

How we can help you

- / Structuring & Planning
- / Restructuring property portfolio
- / Residential and commercial property transactions and ownership
- / VAT and tax advisory
- / Other property advisory
E.g. moving premises or exiting old leases

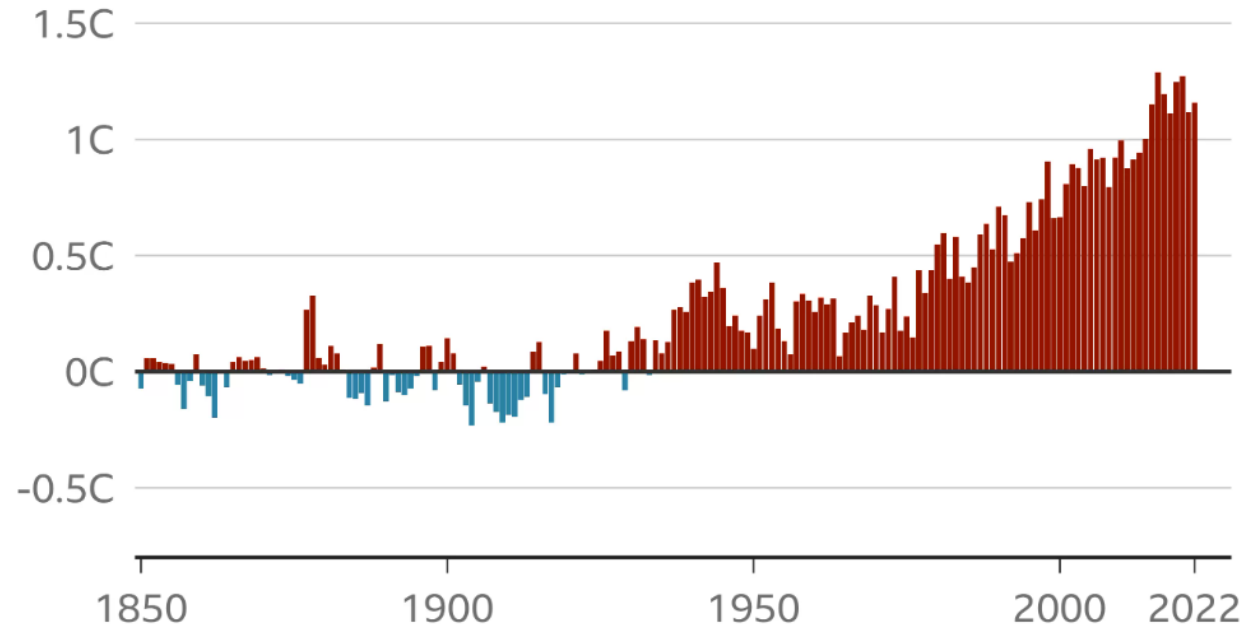
StudioPDP

Retrofit

Context – Climate Change

The world has been getting warmer

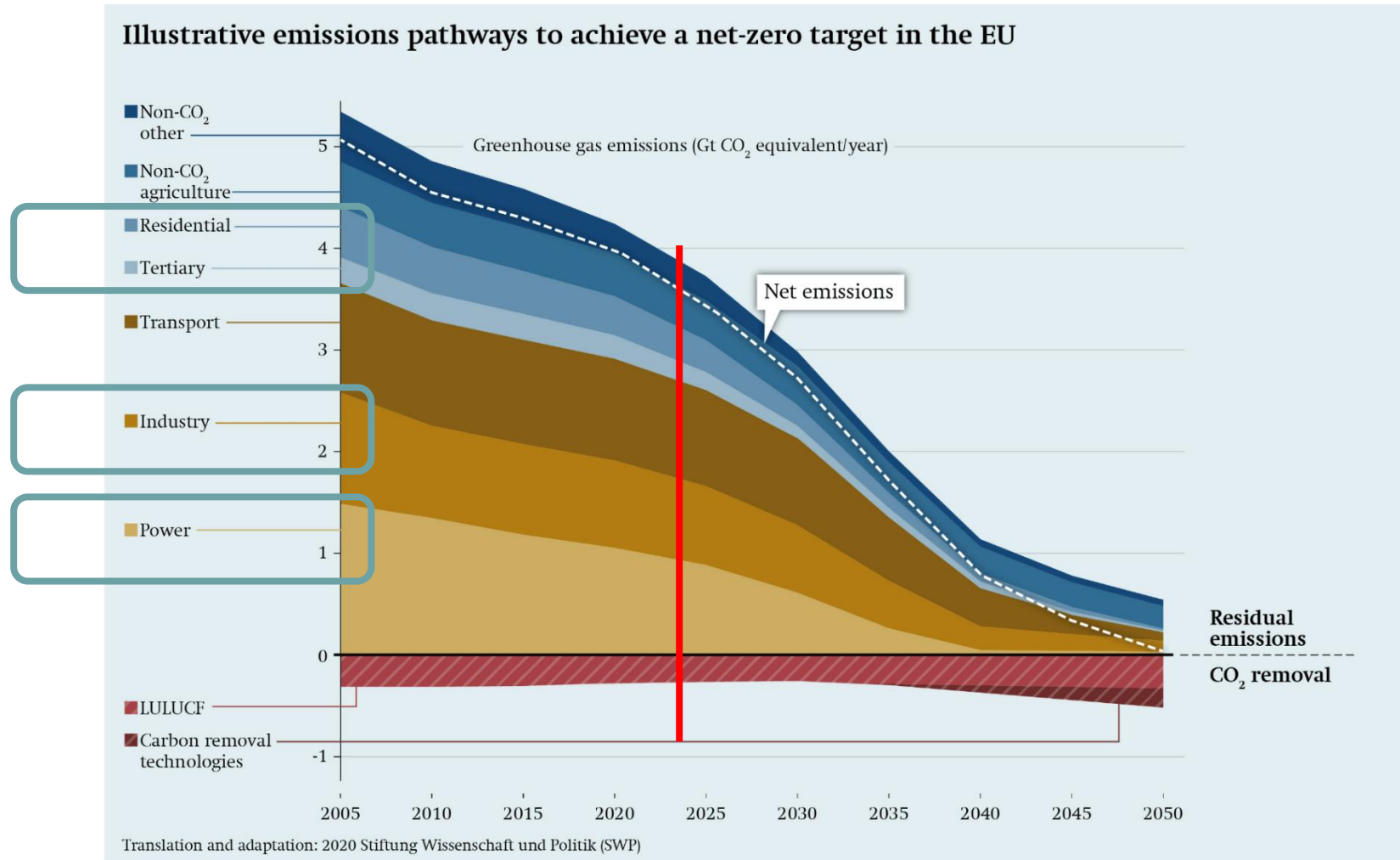
Change in annual average global temperature from pre-industrial levels (1850-1900) in degrees C



Note: Average calculated from HadCRUT5, NOAA GlobalTemp, GISTEMP, ERA5, JRA-55 and Berkeley Earth climate datasets

Source: MET office

Context – Our industry's power



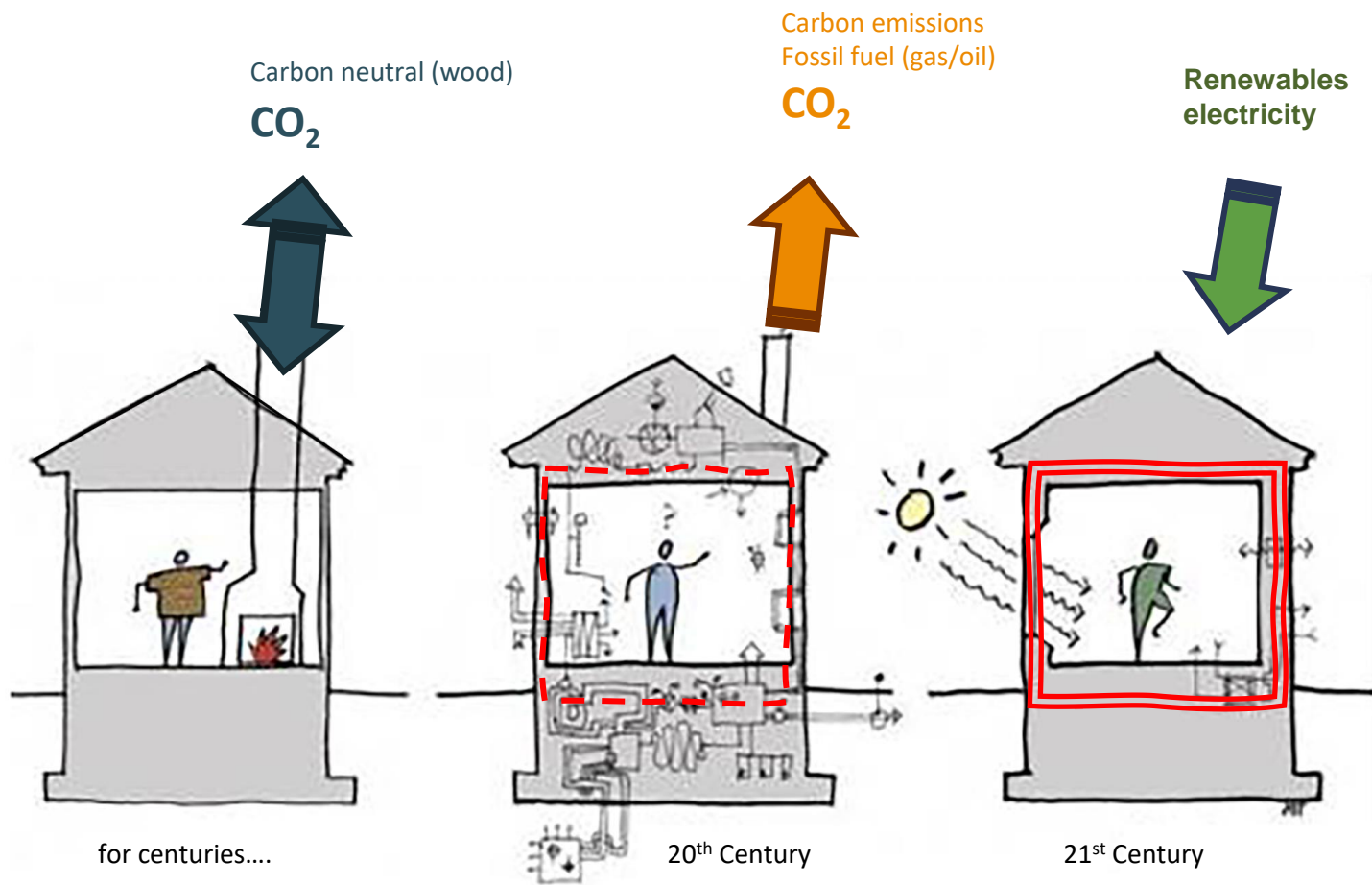
Context – As individual & professionals

What can everyone do?

Major changes need to come from governments and businesses, but small changes by individuals can help:

- 1 • take fewer flights
- 2 • use less energy
- 3 • improve home insulation and energy efficiency
- 4 • switch to electric vehicles or live car-free
- 5 • replace gas central heating with electric systems like heat pumps
- 6 • eat less red meat

Context – Comfort



Source: Albert Richter & Tittmann architects inc.

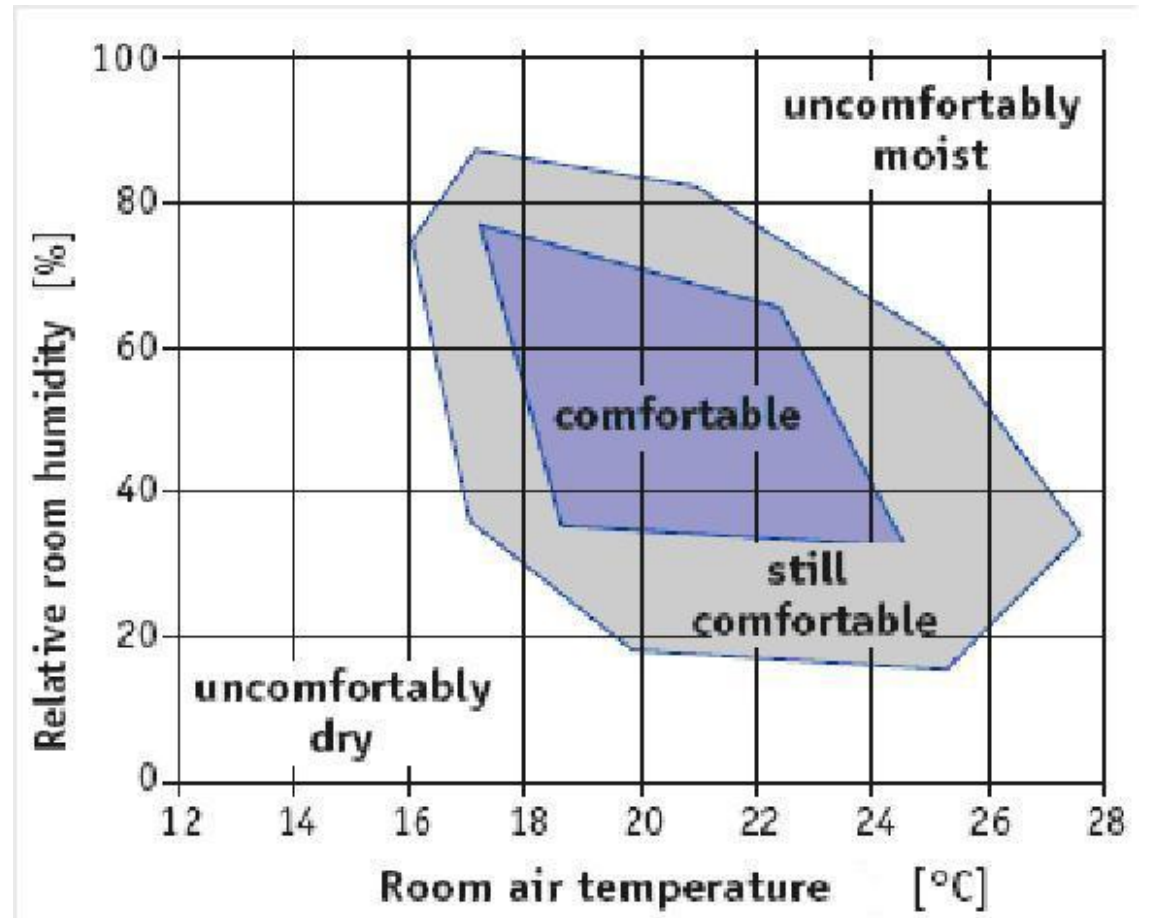
Context – Comfort

Comfort:

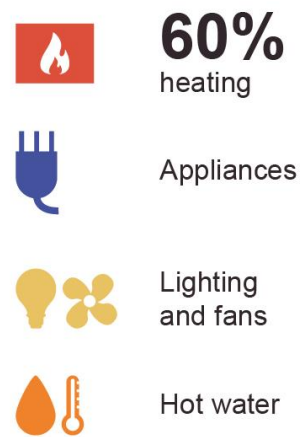
Temperature: ~21°C

Relative Humidity ~40 – 60%

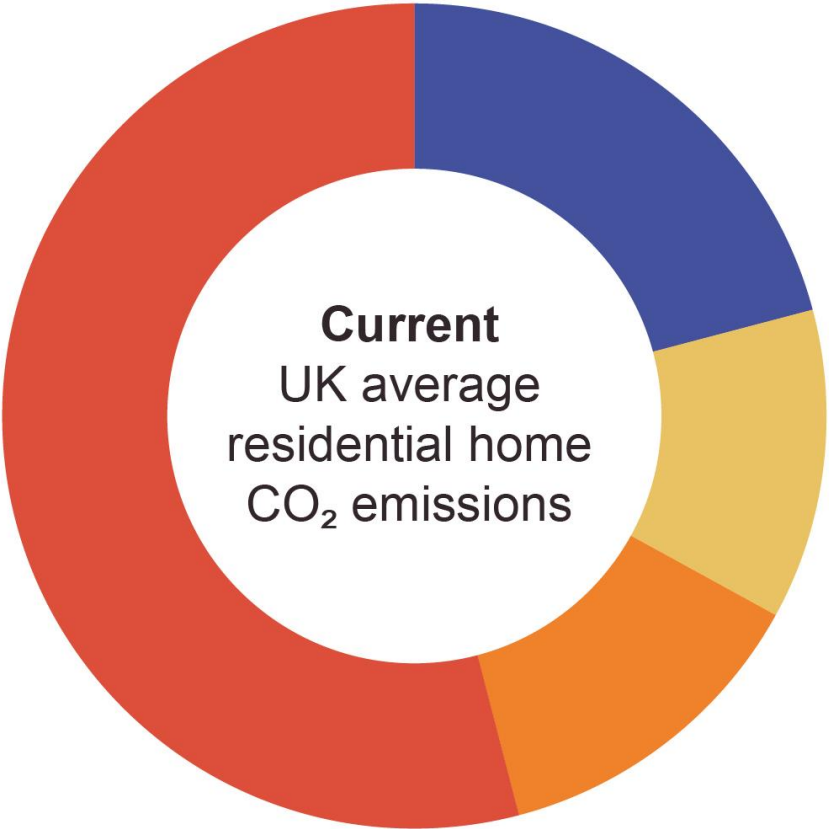
CO2 concentration ~1000ppm

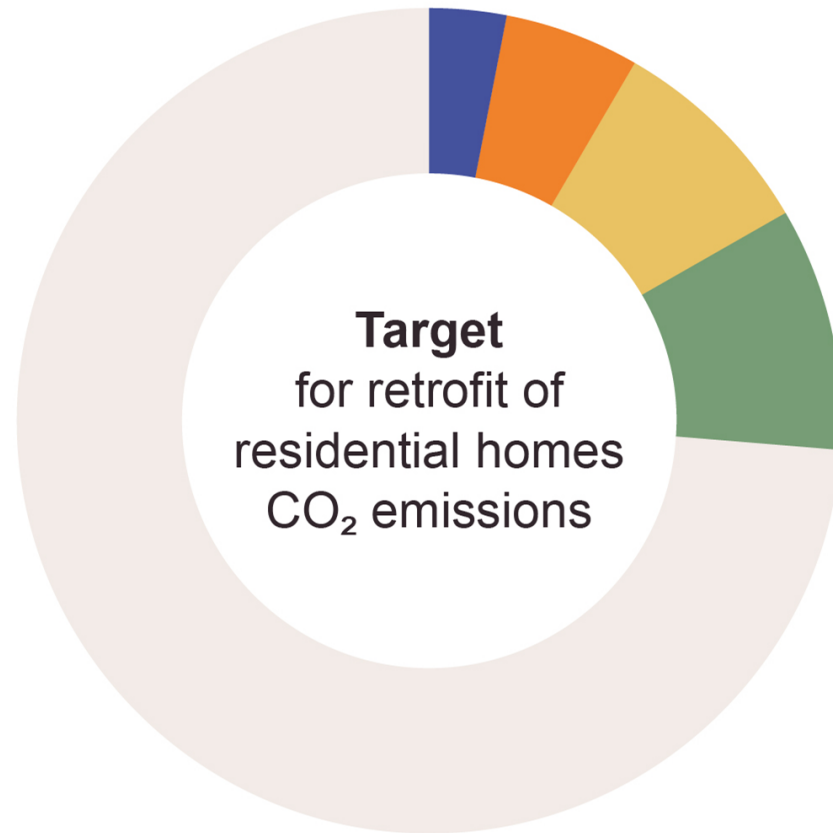
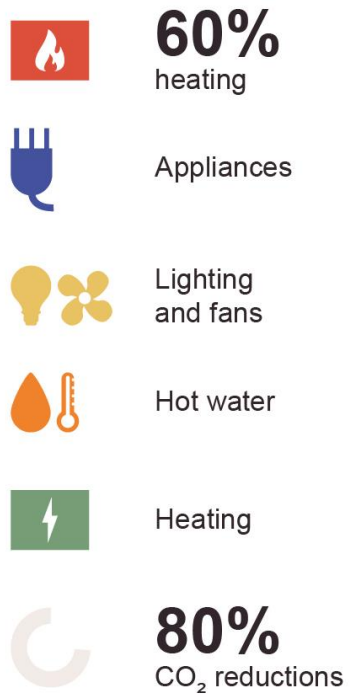


Context – Our houses heating

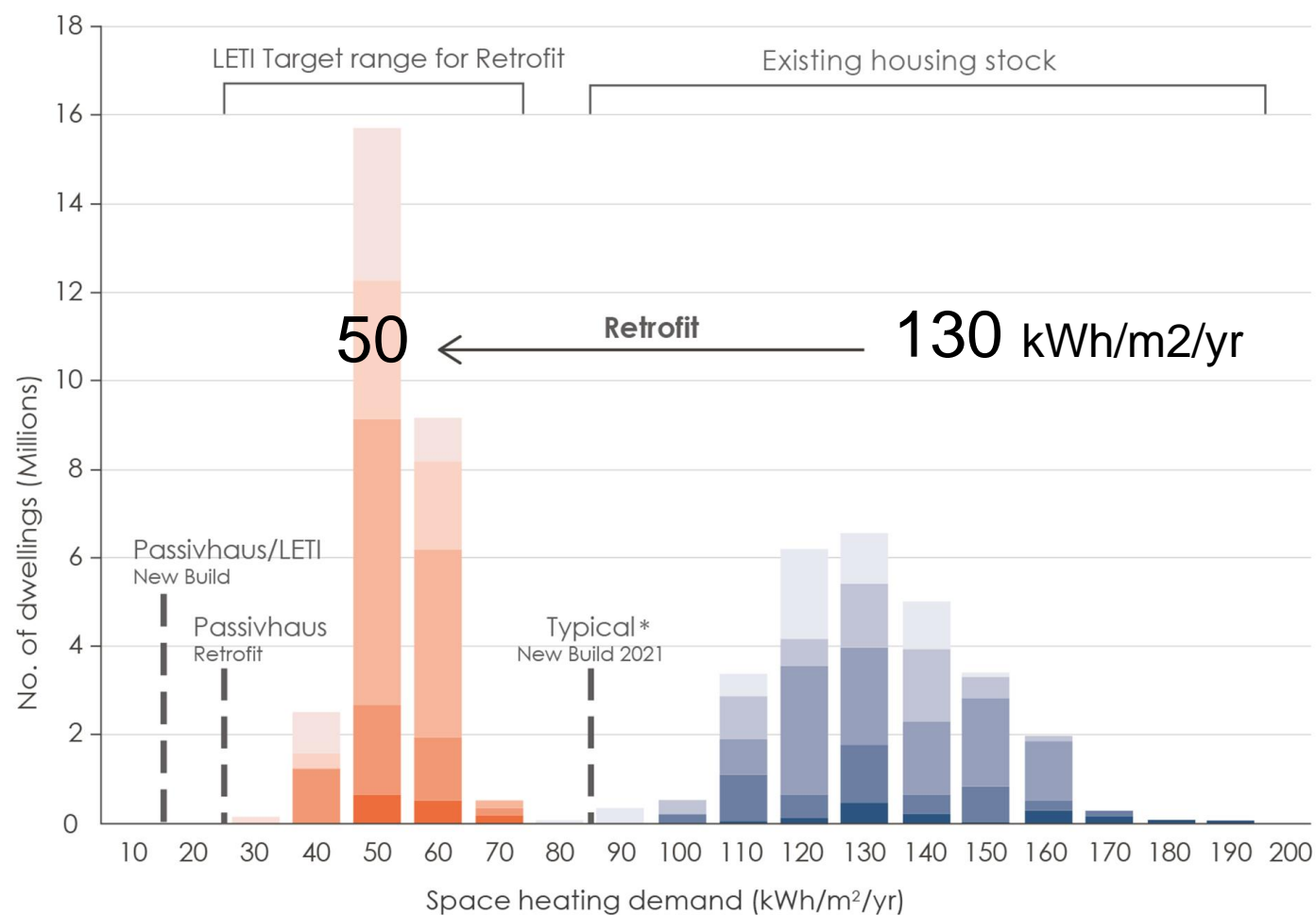


!
87%
houses
gas



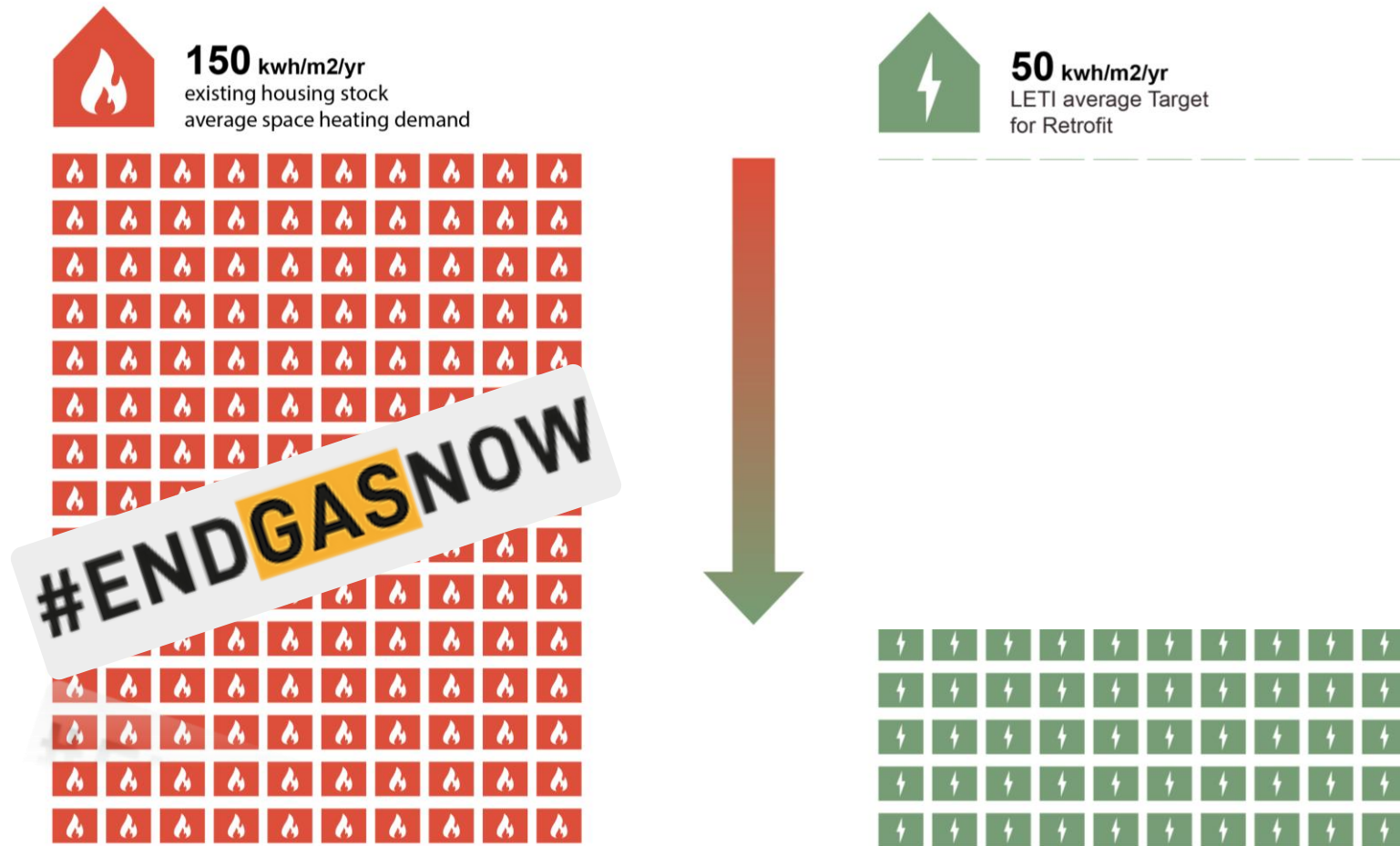


The **great** shift – reduce emissions – **reduce carbon footprint**



Source: LETI Climate Emergency Retrofit Guide

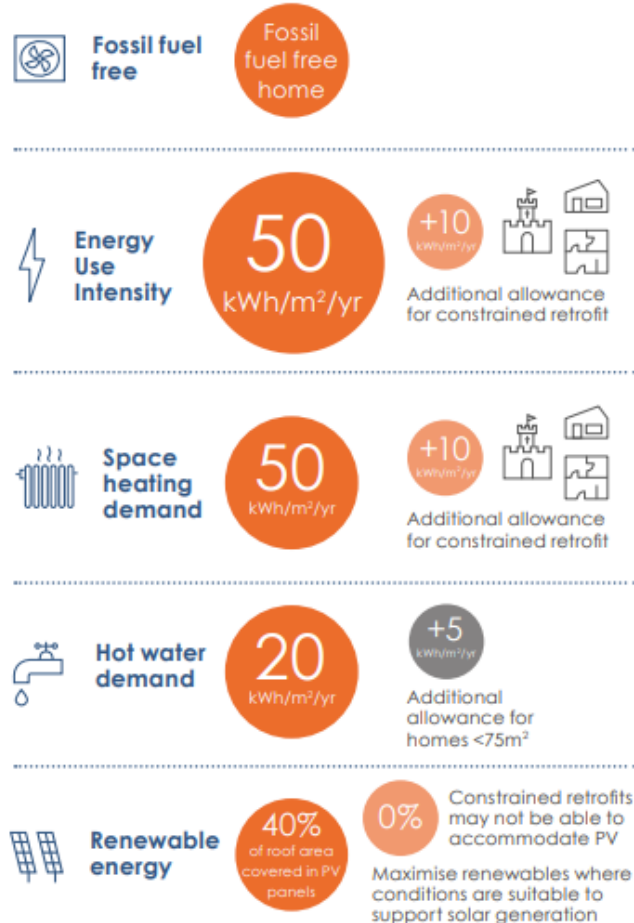
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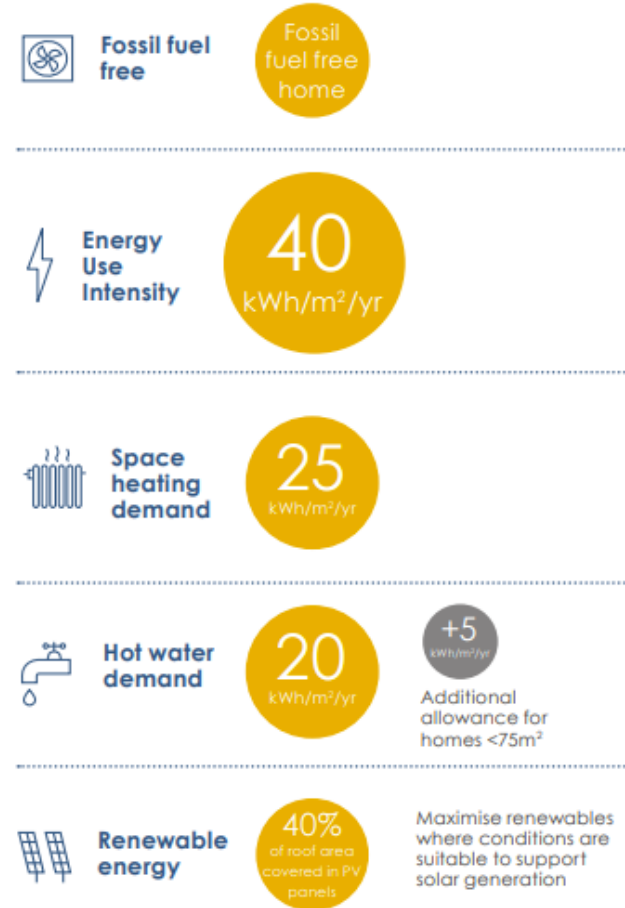
Source: LETI Climate Emergency Retrofit Guide

LETI guidance for

LETI best practice retrofit

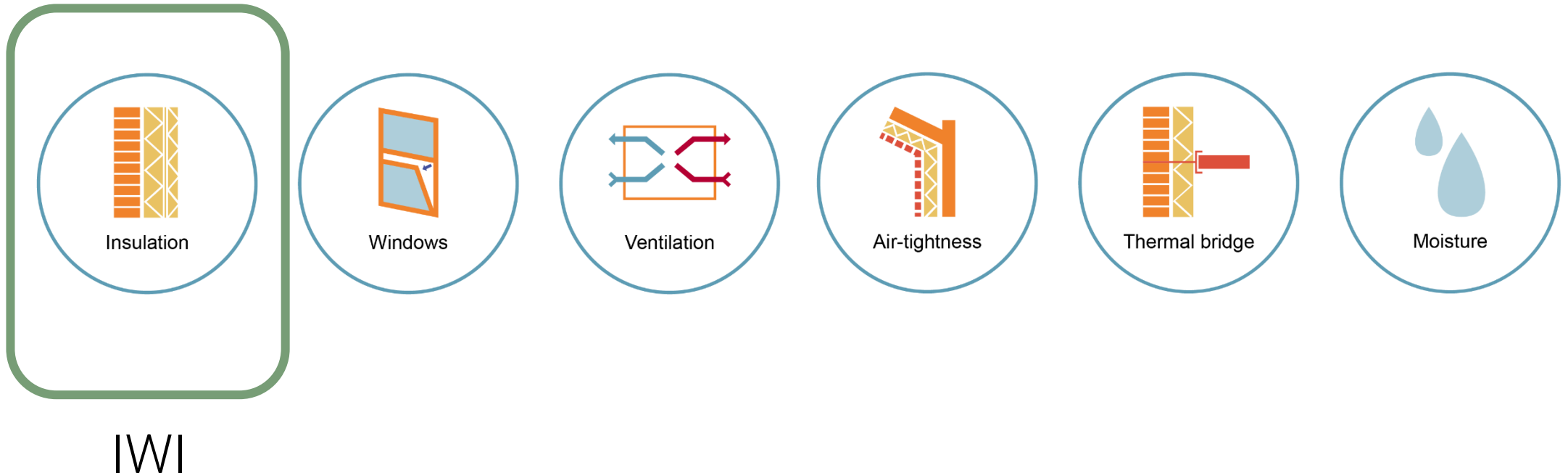


LETI exemplar retrofit

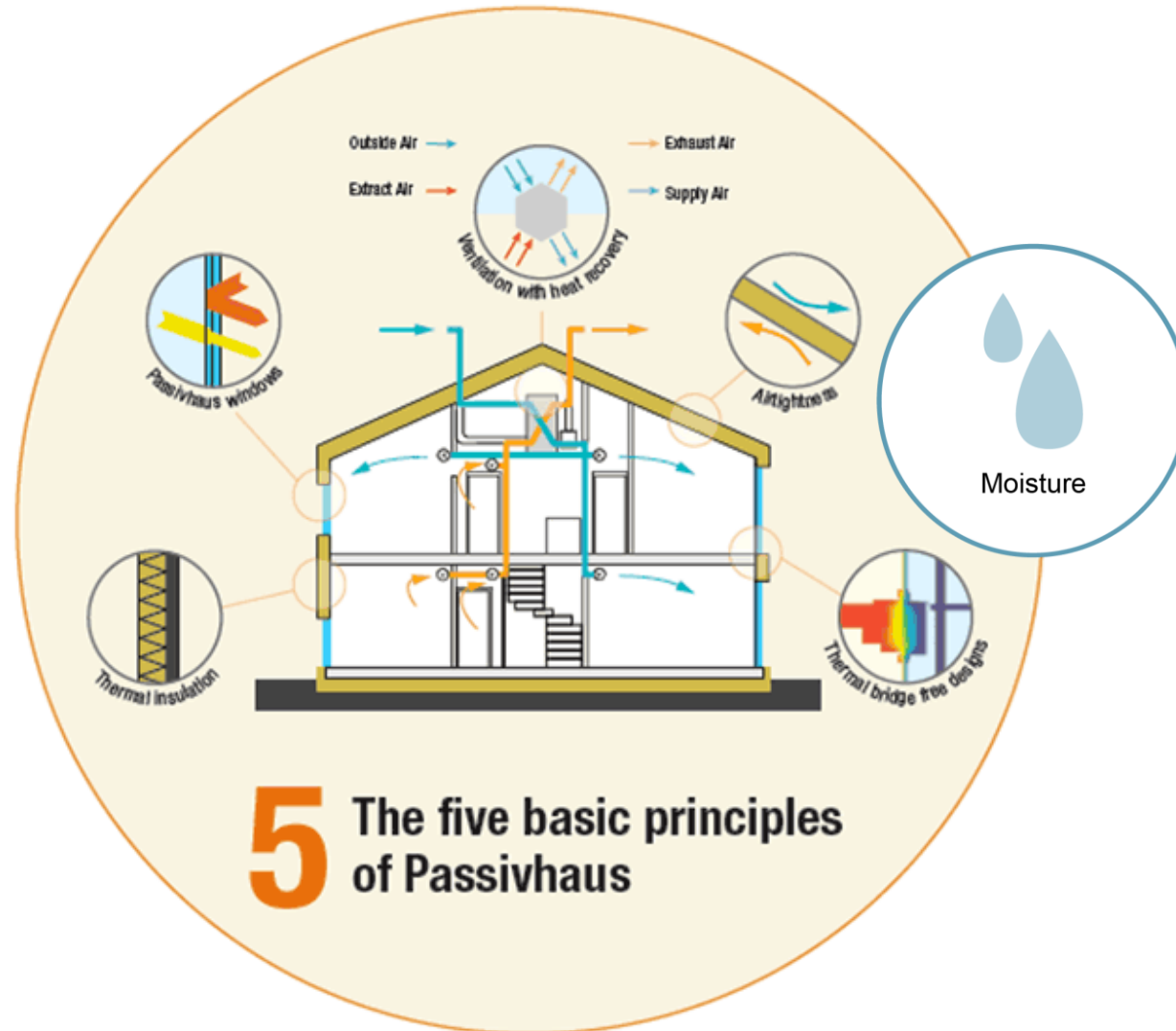


Whole house retrofit concept

Whole house retrofit principle

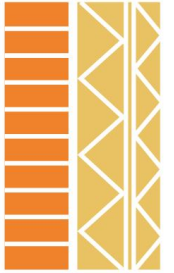
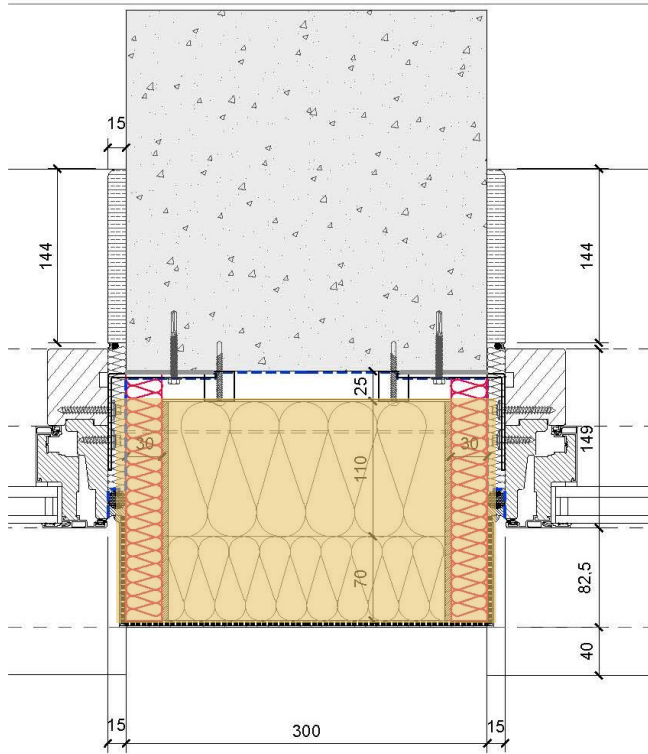


Whole house retrofit principle



Whole house retrofit principle

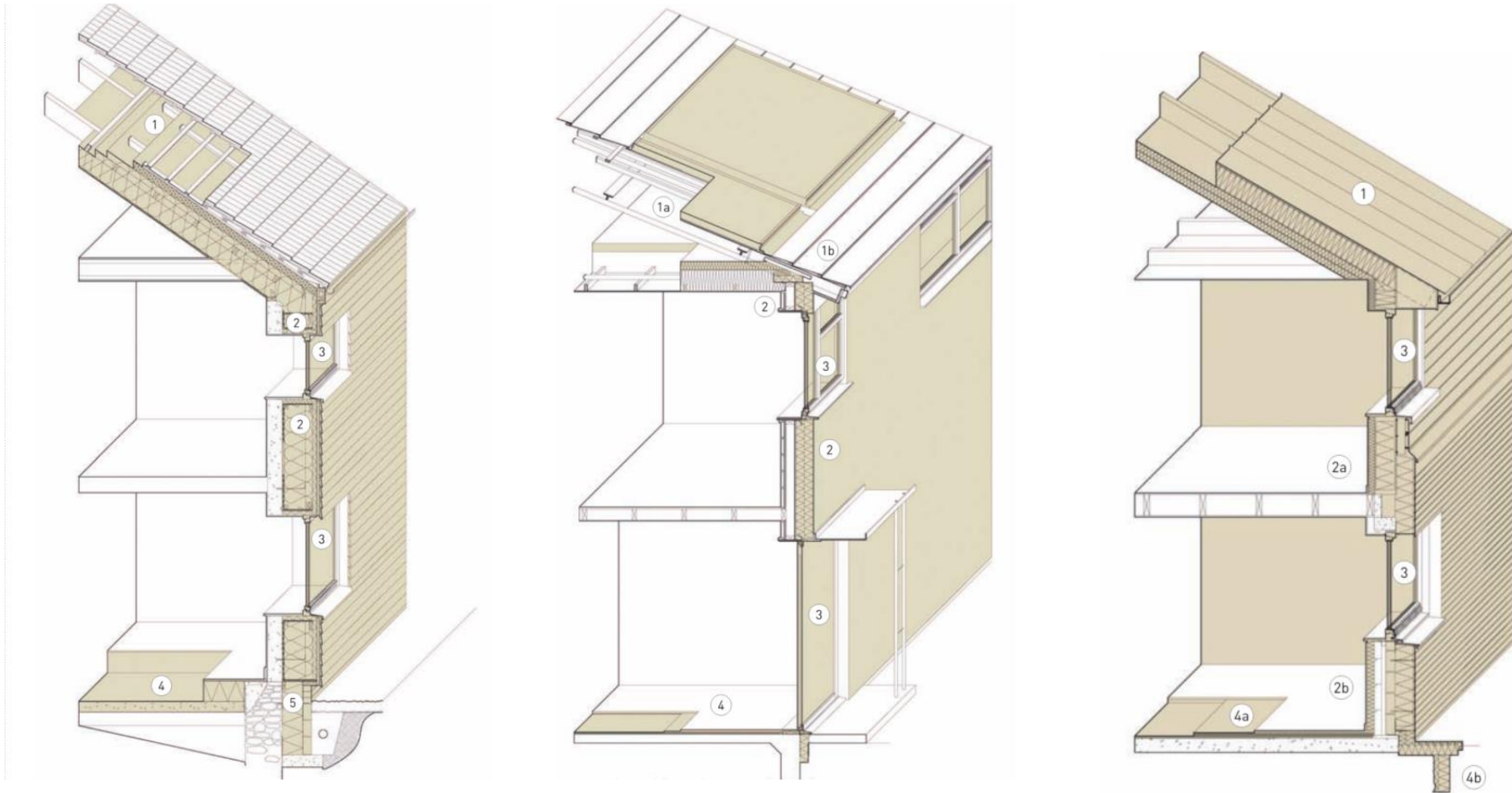
External wall insulation



1
Insulation
External

Whole house retrofit principle

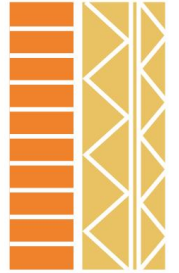
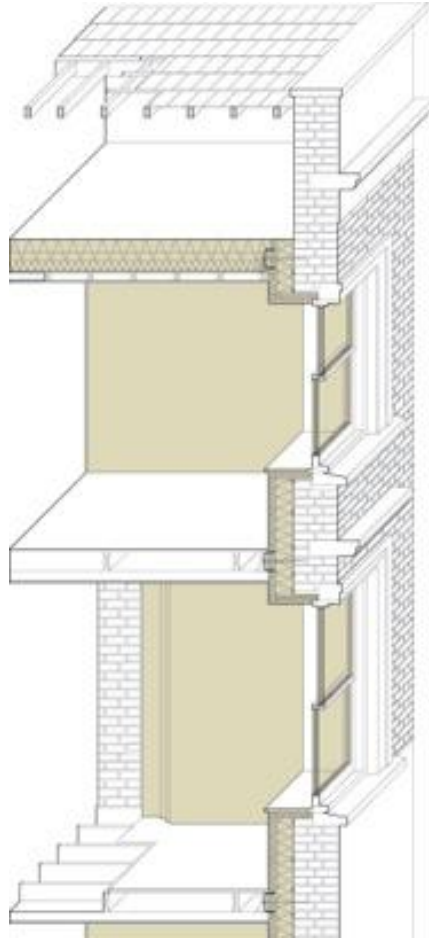
External wall insulation



1
Insulation
External

Whole house retrofit principle

Internal wall insulation



1
Insulation
Internal

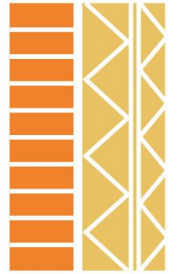
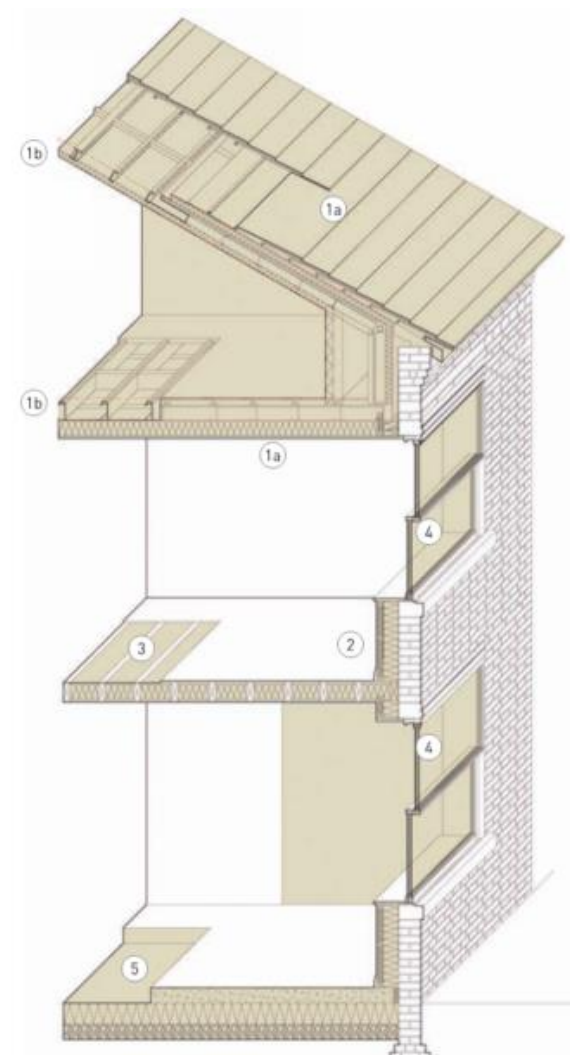
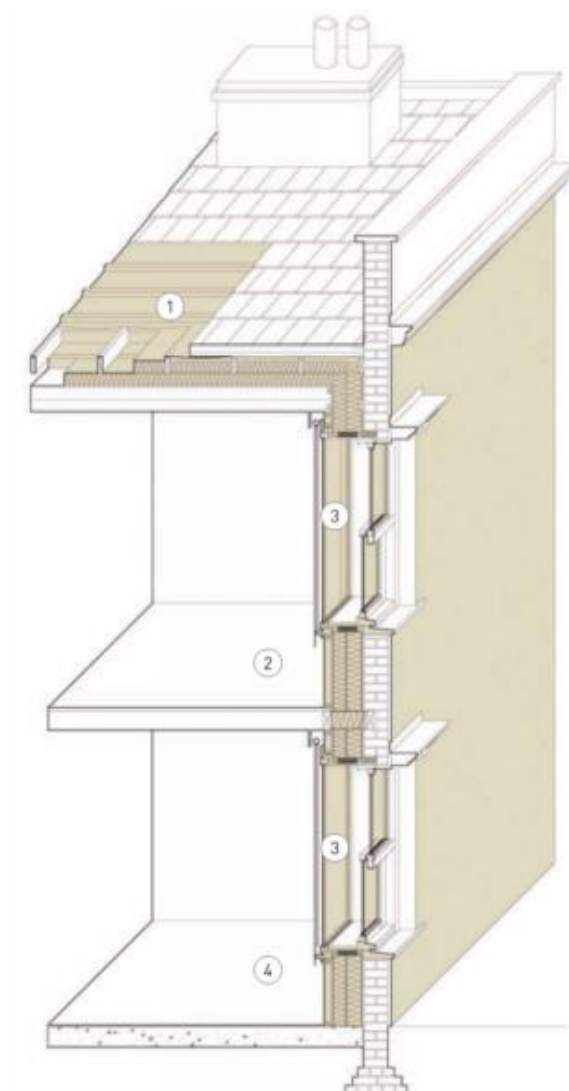
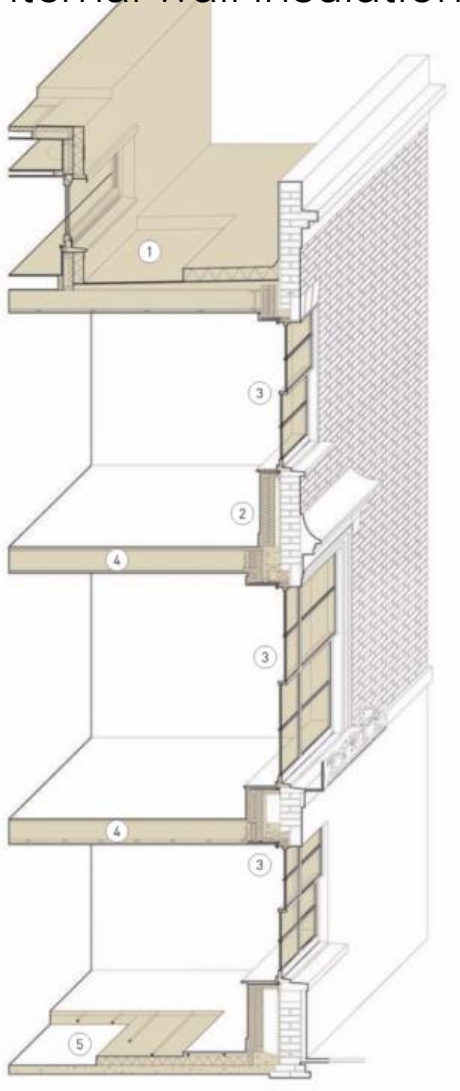


PassivHaus
certified

First UK Victorian residential retrofit to be certified to the Passivhaus standard

Whole house retrofit principle

Internal wall insulation



1
Insulation
Internal

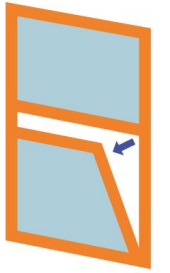
Whole house retrofit principle



Vacuum glass LANDVAC – **0.5w/m²k**



Vacuum glass FINEO – **0.7w/m²k**



2
Windows

StudioPDP

studiopdp.com

Thank you

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An Introduction to Business Rates



- Introduction to Business Rates
- Occupied Rates- Action Points
- Landlord and Investor- Action Points
- Topical Issues



Introduction to Business Rates

- Property Tax charged on commercial property
- Each property allocated a Rateable Value (RV)
- RV= Rental assessment of the property
- Determined by Valuation Office Agency (VOA)
- Frequently revalued
- Last Revaluation 01 April 2023 (2023 Rating List) based on 01 April 2021 values
- Next Reval April 2026, based on April 2024 values
- Valuation office duty to maintain the Rating List
- Occupier liable, unless empty when owner becomes liable
- Liability is the RV X Uniform Business Rate (UBR/Multiplier)

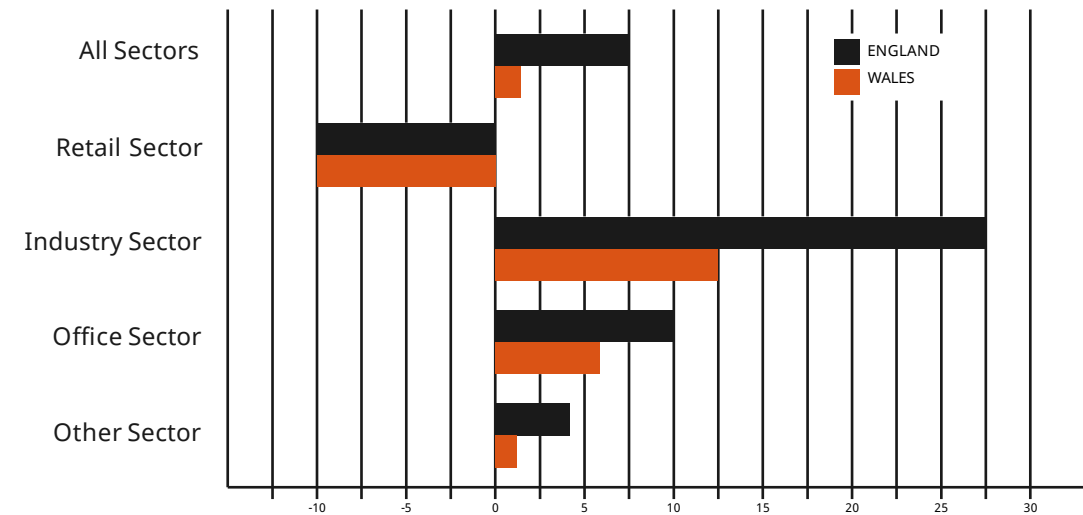
Financial Yr	Small (RV below £51k)	Large (RV £51k and above) + 0.013	Crossrail (greater London £75k + RV) +0.02	City of London + 0.014
2021/22	0.499	0.512	0.532	0.546
2022/23	0.499	0.512	0.532	0.546
2023/24	0.499	0.512	0.532	0.546
2024/25	0.499	0.546	0.566	0.580



2023 Rates Revaluation

- 2.14mil commercial properties assigned a new Rateable Value from 1/4/2023. £70.3bil of Rateable Value
- 3 year window for appeal in England & Wales. Appeal deadline 31/08/2023 in Scotland.
- Right of appeal for Landlords on their tenanted properties
- Next Revaluation will be in 2026

FIGURE 4: PERCENTAGE CHANGE IN RATEABLE VALUE BY SECTOR, ENGLAND AND WALES



Five Key Triggers for Occupiers to Consider

- Rateable Value Review

Forensic review of the value to see if there is merit in advancing a case through the Check, Challenge & Appeal process.

- Enter & Exit Move Strategy

Minimise exposure throughout the property move process to ensure paying rates at the lowest possible level.

- Fit-out & Refurbishment Programmes

Opportunity to secure relief dependent on the extent and duration of the works.

- External Disturbances

Anything that impacts enjoyment of the building (building works, roadworks) could be an opportunity to seek a temporary reduction in Business Rates.

- Empty or Underutilised Space

Changing work patterns, phased occupation/vacation can result in empty or underutilized space and poses an opportunity for achieving savings.



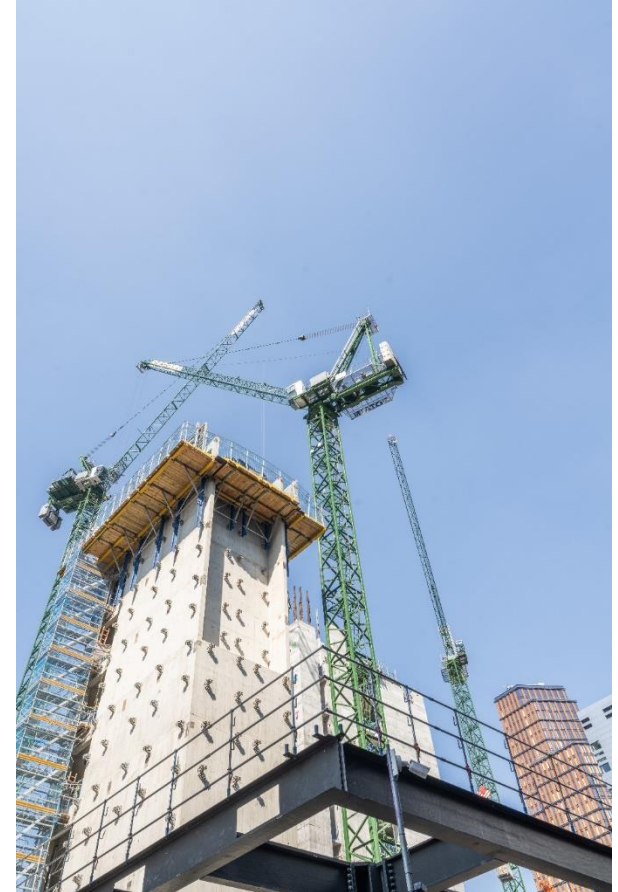
Landlords With Vacant Property (Empty Rates)

- Statutory void period- 3 months (offices/shops etc) or 6 months industrial (warehouse, factory- no rates payable)
- After which 100% Rates Payable
- Void runs with the building- may have already expired
- If Co in Administration, the void will likely have expired
- Ongoing exemptions might apply- e.g listed buildings
- Retail reliefs don't apply to vacant property
- Large multipliers apply to vacant property



Five Key Landlord Action Points

- New buildings, When should they be assessed?
 - Requires completion notice
 - Served by the Local Authority, around Practical Completion (PC)
 - Cannot be backdated
 - Strict procedures
- Refurbishment plans?
 - Should the property be deleted
 - How far do the works need to go
 - Ensure that any deletion is from the commencement of works
- Should there be an exemption?
 - Partially listed buildings
- Should they consider temporary occupation?
 - 6 weeks occupation, resets the void period
 - Occupation can be minimal
- Is the level of Rateable Value putting off prospective tenants?
 - Landlord has a right of appeal even when not the ratepayer



Topical Issues In Business Rates

Duty To Notify 2026

- Ratepayers will have 60 days to notify VOA/Council of any changes to their property or any lease alterations
- Annual return to be filed by ratepayers
- 4 month appeal window when the 2026 list goes live. Disclosure of evidence by the VOA

Rates Avoidance Consultation

- Reset period to be increased from 6 weeks occupation to 3/6 months.
- Limit on number of times empty relief can be claimed in a certain period
- Require more than 50% of the floor space to be occupied



ForeView Services

Owners/Investors

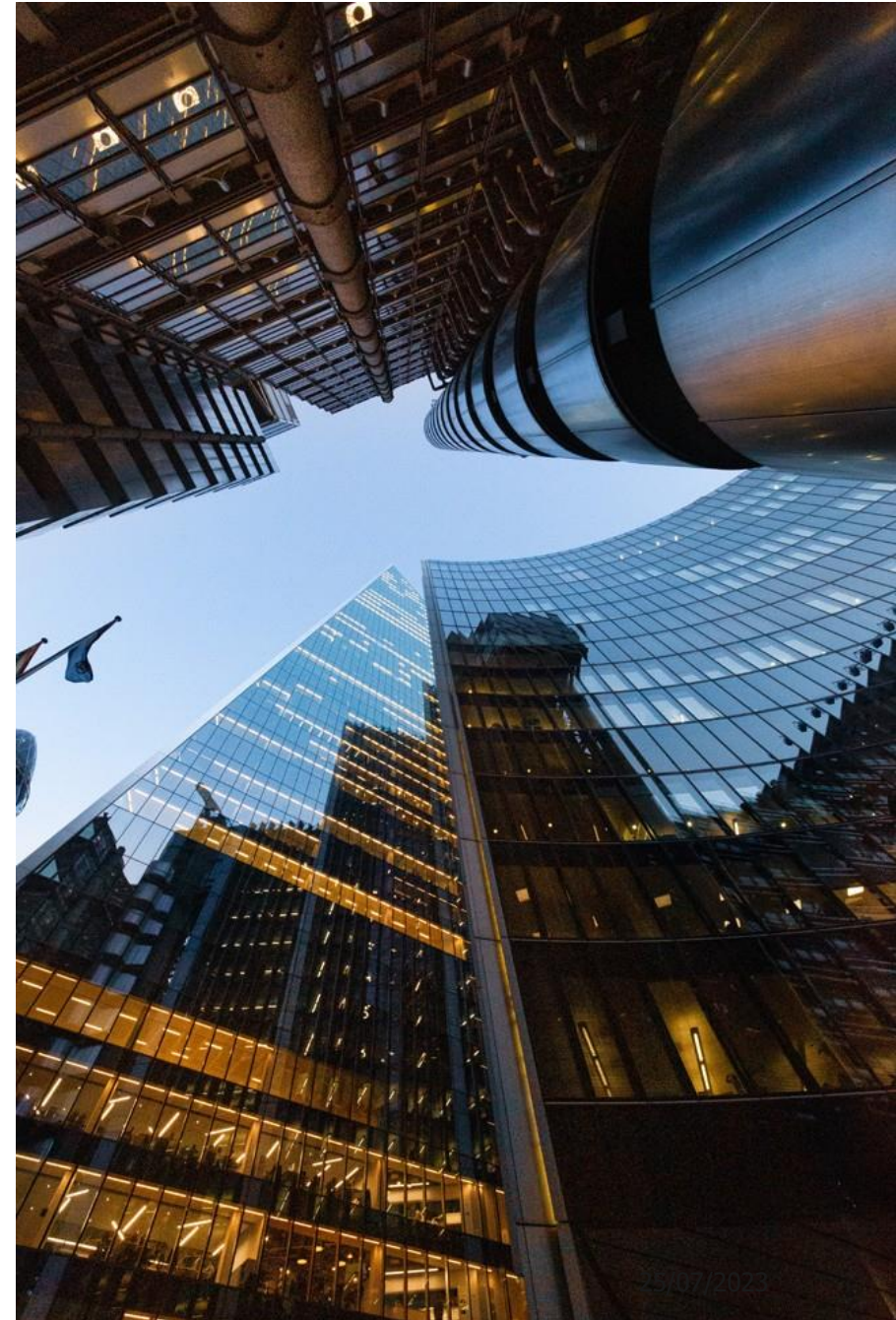
- Budgetary advice / Pre-acquisition
- Exemption and relief applications
- Temporary occupation/rates mitigation
- Deletion advice and appeals
- Completion Notice appeals and/or deferring the assessment of a new property following Practical Completion
- Level of value advice and appeals

Occupiers

- Level of value advice and appeals
- Exemption and relief applications
- Budgetary advice

Compliance & Rates Management

- Rate Payment/Authorisation
- Financial Reporting
- Annual Returns
- Duty to Notify





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in
your
corner



SOLICITORS FOR YOU
AND YOUR BUSINESS

Building Safety Act 2022

Jessica Stanway & Priya Sejpal

[jmw.co.uk](https://www.jmw.co.uk)

Building Safety Act 2022



Building Safety Act 2022 2022 CHAPTER 30

An Act to make provision about the safety of people in or about buildings and the standard of buildings, to amend the Architects Act 1997, and to amend provision about complaints made to a housing ombudsman.

Influencing factors

- Grenfell
- Dame Judith Hackitt review
- Cladding crisis
- Protection of leaseholders
- Political pressure/currency

Part 2 – The “New Regime”

- New Role: the **Building Safety Regulator**
- The BSR will:-
 - Implement the new regulatory regime for higher-risk buildings
 - Oversee the safety and performance of all buildings
 - Assist and encourage competence amongst the industry

Part 3 – The “New Regime”

- Introduces the “Gateway System”
 - Planning Permission (Gateway One)
 - Pre-Construction (Gateway Two)
 - Completion/Final Certificate (Gateway Three)
- Higher Risk Buildings Register

Part 4 – Occupied Buildings

- Introduction of new responsibilities for management of building safety risks
- New Role: Accountable Persons
- Protections for costs of remediation of relevant defects

Part 5 – Other Provisions

- Provides guidance on leaseholder protections
- Introduces remediation orders and remediation contribution orders
- New homes ombudsman scheme
- Introduces a new liability in relation to construction products

Part 6 – Miscellaneous Provisions

- Extends liability to individuals of bodies corporate
- Provides for the DLUHC to review the regime and make regulations

What are the implications?

- Insurance
- Litigation/fresh challenges
- Risk mitigation



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Any questions?

Thank you



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