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How can housebuilders protect their sites and save on business rates? Residential guardians just might be the answer, says **GINETTA VEDRICKAS**

Development sites can be fraught with problems, and few things are worse than spending the budget on evicting squatters and cleaning up vandalism. Expensive 24-hour security is typically the solution but, increasingly, housebuilders are discovering that using live-in guardians can offer a cost-effective alternative.

Take Telford Homes, which has submitted planning for the development of its Cambridge Heath Road site in Bethnal Green and expects the application to go before the committee this year. The building originally belonged to the London Electricity Board before privatisation in the 1990s. Tower Hamlets Council then occupied the building but it then lay empty apart from being used as a film location for police dramas until Telford Homes bought it as an unconditional sale during a tender process. Six months ago, the housebuilder employed Live-in Guardians to take over the site while seeking approval for planning, saving, explains Telford Homes' contract manager David Diggons, "thousands of pounds in security costs": "We were worried about the site being vulnerable, especially as we'd had a call from the police informing us that travellers had been evicted from a nearby site and were looking for somewhere. That's the last thing we wanted to happen, so we decided to get Live-in Guardians in."

Numerous companies are setting themselves up as guardianship companies but finding an effective and reputable firm is vital, says Diggons: "We chose Live-in Guardians because of the attractive set up time to turn it into temporary living space and the flexibility of terms. The fact that we know that we can get it back quickly when we need to start work was a big deciding factor in who we used."

Telford Homes' own site survey revealed that some of the buildings were more vulnerable to squatting and vandalism than others. The ►



former LEB building has a railway line at the rear which turned out to be a positive: "At least people, and vehicles, can't access the site that way, although the building's layout proved to be a complex challenge for us to transform into housing," explains Danny Schindler, Live-in Guardians' chief operating officer. "This is quite a tricky building, which is why we have a 24-hour security concierge on the front desk. This is unusual as our guardians normally perform that role. If a building has just one entrance it's a lot easier, but this has several, making it a challenge."

Hiring security is costly but employing a guardianship company has no cost to housebuilders who also save on business rates as having tenants in a building changes your tax liability. Guardianship companies convert buildings into residential at their own cost so calculating cost of refurbishment, versus how long they can retain the building, can be challenging. Schindler explains that the Telford Homes' site involved a complex conversion thanks to its several floors of open-plan spaces but his company will carry out major works if the building will be in their care for a period that makes it profitable. "We are a business after all," says Schindler, who admits

that the former LEB building is their most significant spend so far at a cost of around £60,000.

And don't assume that guardians' properties are just one step above squatted properties. A site tour reveals well-ordered accommodation with simple but adequate kitchens and bathroom facilities. Bedrooms are sizeable and can be rented to individuals and couples. "The rooms are too big really, as most guardians prefer smaller rooms which are cheaper," Schindler explains.

Guardians typically pay between £300 and £1,000 a month, many are young professionals relocating to London. "People are often surprised by the calibre; there are all sorts of professions from accountants to doctors, graphic designers and artistic directors. We meet amazing people through doing this and each of them has a story to tell," says Schindler, who organises an annual Christmas party for all guardians.

Housebuilders need not fear that their sites will be misused and there are wider benefits to the local community. A strong sense of community typically arises among sharers and in the neighbourhood. "This brings in a boost to areas as guardians use local shops and businesses" says Schindler, useful

for any housebuilder contemplating commercial spaces.

Head guardians are appointed at larger schemes to establish cleaning rotas and report outstanding issues. Most guardians have been with the company for at least six years, they must be in full-time employment, aged over 21 and not receiving benefits. It's a 'win-win' for developers hoping to save on security but it's also an insurance against lengthy court proceedings to evict squatters, which could interfere in the planning and construction process. "And it's a positive way of housing those who would struggle with London rents," says Schindler, whose current waiting list is over 2,000.

Housebuilders are typical clients as are councils, local authorities, NHS trusts and even individuals. A former site, Tintagel House in Lambeth, was owned by the Duchy of Cornwall; acquired in 2011, Live-in Guardians handed the building back in 2015 – taking two weeks and having saved the owner £2,313,500 in business rates and £919,800 on security.

"One of our strengths is being able to move guardians in quicker than anyone else," says Live-in Guardians' founder Arthur Duke, a former commercial lawyer.



THIS PIC Arthur Duke
RIGHT Darren Tubb





“First and foremost, the guardians are there for security. If we have a vacant building, it’s important it is secured to ensure squatters don’t get in, but guardians have also helped us make substantial savings on business rates”

Duke undertook a Freedom of Information request across 22 London authorities to assess the capital’s empty buildings, resulting in what he describes as a “conservative estimate” of 10,666 empty buildings in zones 1-3. “It’s like The Titanic not filling all its lifeboats, thousands of buildings that can create affordable means of living are lying empty,” says Duke, who wants the government to look into its empty building portfolios when it comes to improving housing availability.

The figures reveal the worst offenders: the City of London, with 3,409 empty buildings; Hammersmith & Fulham with 1,288 empty buildings; and Ealing with 1,147 vacant commercial properties. Notably, Kensington & Chelsea and Newham councils did not respond. Duke struggles to find the figures acceptable. “Especially when there is an increased amount of red tape forecast and fines of up to £20,000, which will mean higher costs to get these buildings in a condition where they are suitable for guardian occupation. These buildings could be housing Londoners who are struggling to afford quality accommodation in the central London zones.”

Trevor Racke, acquisitions and asset manager for Galliard, has used Live-in

Guardians at five developments: “First and foremost, the guardians are there for security. If we have a vacant building, it’s important to ensure it is secured to ensure squatters don’t get in, but guardians have also helped us make substantial savings on business rates.”

Some companies are expanding their security offering. Ad Hoc Property Management describe itself as “Europe’s leading provider” of property guardians but the company recently launched its new division Ad Hoc Security UK Limited, to strengthen its security service for owners of empty buildings. Focusing solely on security and technology, affordable security guards and Cyclops-powered Smart Camera Tower System and Smart Alarm System are at the forefront of its property protection solutions.

Operating out of its Birmingham office, Darren Tubb heads the division, and he finds that housebuilders often prefer to use the guardian scheme for new builds, as this provides an onsite, visible presence during the later stages of the build process. “One particular project in Telford comes to mind, where many of the completed properties were being broken into prior to sale or let with boiler fittings that had been stolen or damaged, as well as

general fixtures and fittings having been tampered with.”

Sometimes a combination of guardians or traditional security measures can work at different build stages. At the Telford site, Tubb recalls that prohibitive costs had prevented the housebuilder using 24-hour security guards and regular security patrols had proved ineffective. “Ad Hoc Guardians were utilised in two properties at either end of the small development to begin with, and this quickly eliminated the thefts.”

But Tubb says that some developers, particularly in the earlier build stages, opt for CCTV or SmartAlarm systems: “Once the building stages had progressed, we placed guardians into some of the completed properties and were subsequently able to scale down our alarms and cameras on the site. Whatever the owners preferred choice of security happens to be, Ad Hoc reviews measures with owners during every project and tailors solutions accordingly throughout the process. That often means a combination of measures, either at different stages of the development and/or different parts of the site. A feature of our service that developers find invaluable is our ability to provide full management support with any project we are involved with.” ^{sh}