

Climate emergency and real estate

Reducing workplace emissions is a vital part of the UK's goal to achieve net zero emissions. It is obviously a worthwhile aim, but achieving it will often involve navigating complex landlord-tenant-supplier relationships.

Will Scott and Karli Hiscock look at how to manage the process of making positive changes.



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We are writing this article – in the cold winter months – sitting in our warm well-lit office, and we hope that you are likewise sitting comfortably in warm, light premises. This comfort is something we generally take for granted, but it is contributing to our country's climate change emergency.

The UK government has set a target to reach net zero emissions by 2050. Scotland has declared a climate emergency, with a target of net zero emissions by 2045. The UN warns that we could have only 10 years to make significant changes to avoid catastrophe. The declaration of a climate emergency and hearing such stark warnings can make us fearful, but how can we all take steps to help reduce or halt climate change?

The evidence shows that the bulk of carbon emissions derive from our demand for energy; given that, according to the UK Green Building Council, UK buildings account for 30% of our carbon emissions, we need to start thinking about how to reduce the emissions created by our workplaces.

Elsewhere in this update (*page 8*) our colleague Rebecca Rider provides helpful tips on how to reduce the carbon output of buildings, including in relation to lighting and careful consideration of the type of energy supply. In this article we are taking a broader look at the steps that organisations can take and the shift in the landlord and tenant relationship that may be required to make such changes.

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1. A problem shared

The work of a facilities manager is never done and a wholesale review of the carbon emissions of your premises together with ways to make improvements is likely to be a big task. A first practical step could be to set up a working committee to manage the process. When discussions are then required with the landlord, suppliers and other occupiers, tasks can be delegated and managed and improvements monitored.

2. Policy implementation

You may be able to make changes to your energy supply, as well as to managing your waste and reducing your energy consumption. Planned preventative maintenance of your premises could save costs in the long run and can be a useful way of ensuring that furniture and materials remain sustainable.

3. Collaboration

Changes to your premises to reduce carbon emissions are likely to require discussions between landlords and tenants. For example, a change to a green energy supplier would likely need your landlord to agree to change the supply for the whole building. Would your fellow tenants consider paying a premium for cleaner energy?

If you are looking to make changes to your space to make the premises more energy efficient, you are likely to require consent from your landlord. Seeking your landlord's consent to works is not a new concept but requiring 'buy-in' and collaboration from your landlord does represent a shift. Collaborative decision making by occupiers sharing buildings also represents a new way of working for most tenants occupying commercial space.

4. Monitor and measure

If you are not already collecting the data on your waste management and energy consumption, and monitoring these aspects of your occupation, you are

missing a great opportunity. You cannot track your impact on the environment without monitoring and measuring your carbon footprint. There are online tools to help with this or you may find that seeking the advice of an environmental consultant is the best way for you to measure and reduce your carbon emissions.

None of this should feel like an insurmountable hurdle. If there is already an occupier's forum in your building, this can be a useful first step. A group of people asking for changes can be a powerful voice with landlords.

The inevitable question is where the responsibility for the cost of changes lies. The likelihood is that if a landlord agrees to make changes to reduce the carbon emissions of the premises, then the cost will be payable by the tenants through the service charge. However, this may result in longer-term savings on running costs for each occupier; and if significant improvements are made to the premises the landlord may be in a position to benefit from accreditations as to the energy efficiency of the building and the knock-on health benefits to its occupiers, such as from the WELL Building Standard®. The International WELL Building Institute and other organisations will accredit your premises and recommend actions that can be taken to improve your premises' score, the net result of which will help lessen your premises' adverse impact on the environment.

As the current landlord and tenant relationship is framed, there is often very little that can be done to compel either party to adhere to any environmental policies. Working together to tweak this relationship can ensure that parties can be held to account when it comes to premises having an adverse impact on the environment.

As with many aspects of life, when communities work together a great result is achieved, and this is also true

of occupation of commercial space. Most organisations occupy a part of a building and therefore live cheek by jowl with other organisations. What if the fellow tenants were to start talking to each other about their collective environmental objectives, and what if those objectives aligned? Collectively they would have a much louder voice and have a much greater chance of persuading a landlord to make the necessary alterations to ensure that the building as a whole has less of a negative effect on the environment.

We at Bates Wells have significantly reduced our carbon emissions – life in the office has not changed, but the raw materials that go into that daily life have. We would be more than happy to talk to you about what you can do to reduce your organisation's carbon footprint.

FIND OUT MORE

You can find out more about our commitment to reduce our carbon footprint on our website at <https://bateswells.co.uk/our-impact>

General information on climate change from BEIS 2019 <https://www.gov.uk/guidance/climate-change-explained>

2019 progress report to Parliament by the Committee on Climate Change <https://www.theccc.org.uk/publication/reducing-uk-emissions-2019-progress-report-to-parliament>

Please get in touch with us to discuss our experience and how we can help you to reduce your environmental impact.

