

24 March 2020

Last night, Boris Johnson outlined strict new measures to tackle the spread of COVID-19, including insisting the public 'stays at home' and all non-essential shops/premises close. This action means that many investors will need to consider how to best safeguard their portfolios during this unprecedented situation, some considerations of which are detailed below:

1. Health & Safety
2. Insurance
3. On Site Staff
4. M&E
5. Occupier Engagement
6. Rent collection and concession analysis

Health & Safety

- **Site inspections** - Statutory inspections should continue for fire alarm systems and cooling towers. Periodic inspections are good practice but not critical, especially if services can be isolated (lifts, high access equipment, etc.). If necessary, these can be inspected prior to the building being back in full use. This will be undertaken by current M&E contractors as it should be classed as essential work.
- **Property maintenance** – Statutory inspections and testing should continue. If contracted providers are unable to fulfil this role then additional provisions must be considered before the building is back in full use. If you would like an alternative recommendation, please [contact us here](#).
- **Unmanned property checks** - Periodic checks (daily, weekly, etc.) by mobile security team must be considered. Security of these buildings can be undertaken by current CCTV monitoring facilities where available.
- **Potential prosecution due to exposure to COVID-19 in the workplace** - It is difficult to prove that an employee or visitor has contracted the virus within a building. However, all employers and landlords have a duty of care under the *Health and Safety at work etc Act 1974* to provide staff a safe place to work. This can be demonstrated by clearly following all government guidance and conducting risk assessments for any staff that remain in buildings as well as visiting, and during lockdown by taking all reasonable precautions to protect everyone's safety and welfare.

Insurance

- **Communication on occupancy** - Keep insurers advised as to occupancy levels at properties. On-site staff should document any tenants accessing or vacating space.
- **Additional control measures** - To be implemented so as not to invalidate insurance e.g. further risk assessments may be necessary to reflect the changing occupational and operational patterns.
- **Timely statutory insurance inspections** – Ensure they remain within date and certification is issued to avoid plant being taken out of service.
- **Review extent of cover and sums insured** – Understand the provisions for loss of rent and their effectiveness.

On Site Staff

- **Security personnel** – If the site is manned, welfare checks should be carried out and lone working avoided. All security personnel are SIA accredited, however any other site staff, including front of house, must not be left alone in the building.
- **New security personnel** – Using security guards unfamiliar with the property should be avoided. If unavoidable, a full induction should be undertaken detailing emergency procedures, contacts, escape routes and hazardous areas to the new guard.
- **Additional security control measures and tools** – This could include video, audio and physical controls, or even thermal imaging, for mitigating return to work risks.
- **'Access permits' or 'Right to enter certificates'** – These will need to be supplied to contractors to demonstrate to enforcement agencies that they are function critical and highlight the purpose of their task
- **Focus on critical services** - Where contracted site-based staff are employed, there will be a focus on critical services, with an emphasis on security for asset protection. For any essential occupier or staff access; they must understand that services will be reduced or unavailable (e.g. lifts being isolated).

M&E

- **M&E maintenance** – Certain services such as lifts, hot water provision, heating and cooling, etc. could be isolated which will reduce costs and risk of failure.
- **Environmental management** - Non-essential plant to be switched off, or operating hours reduced to a minimum, where possible.

Occupier Engagement

- **Regular communication and breakdown of government guidance** - Property management teams to send out regular communication relaying government guidance and property-specific updates to occupiers and service partners such as security, front of house, cleaning, catering, etc.
- **Emergency entry protocol and contact information** – Agree a protocol for gaining access to the property in the event of an emergency, with necessary approvals and notifications. Circulate contact information, communication hierarchy and escalation procedures to all occupiers and service providers.
- **Establish a plan** – On site staff to create a plan with security teams to ensure remote CCTV access and a daily reporting protocol to prevent theft, unauthorised access, etc.
- **Remote working assistance** – If your occupiers are unequipped to work remotely and need support please click [here to contact us](#) to receive advice on site-specific implementation plans and costings options.

- **Community involvement** - Liaise with local councils, where possible to aid the community, such as utilising empty assets to provide shelter, food banks, etc.

Rent Collection and Concession Analysis

- **Rent payment solutions** – Government guidance has banned Landlords' ability to evict commercial occupiers who default on rent over the next three months. Regular liaison with occupiers to understand the best solutions for meeting this rent liability in the future is essential.
- **Resource & communication** - Ensure credit control teams well resourced and have a plan to collect payments whilst businesses are working remotely. Regular and transparent communication with occupiers is essential.
- **Rent concession analysis** - Our property management accounts team are gathering regular information from occupiers as the crisis unfolds and will provide detailed feedback and rent concession analysis over the next few days.

Conclusion

Although occupiers may not be present in your buildings, it is our responsibility to maintain relationships with them in a meaningful way. We can create a single point of contact, so that occupiers do not feel isolated during this time; so they know that we are there to assist; and allay concerns they may have.

Whilst we have provided some practical advice here, get in touch with your own property managers to ensure they are advising your occupiers on these matters. If you have any questions, please do not hesitate to contact one of the team below:

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