

A positive spin

Smart technology will allow asset owners to get the most out of their cycle storage facilities, suggests **Nick Knight**

Much attention has been paid to the benefits of cycling for society and cyclists, but what are the asset management advantages of providing better cycle parking facilities in office buildings?

Incorporating cycle storage into new buildings has moved from being a planning obligation to an occupier necessity, with more spaces and better facilities demanded. Cycling satisfies staff health and wellbeing requirements as well as occupiers' and landlords' corporate social responsibility and sustainability objectives. High-quality showers, lockers and changing rooms now aim to fulfil the aspirations of occupiers.

New model

But what about the specifications for the cycle parking itself? It requires considerable floorspace, but there's no direct rental benefit or compensation for providing it. Occupiers have expectations for cycle parking, although as its provision is ancillary, the charge for the facility is included in the office rental.

Charging for cycle parking is not straightforward, as allocation of racks is hard to identify or monitor unless the building is occupied by a single organisation or the racks are physically separated to provide exclusive use for each occupier, which can be an inefficient use of space. There is a lack of direct evidence about bike parking charges as occupiers are generally paying for car spaces that are instead being used for bike storage.

Fully automated cycle parking systems are a potential game-changer, as each space is uniquely identifiable, meaning it can be rented or sold, and spaces can even be reserved on an app. Occupiers would be willing to pay for cycle parking, especially if it ensured a more secure and convenient facility. Where a rate of, say, £200 per annum per bike space is charged, this is relatively minimal compared with the tenant's rent for

the office space, and in some locations a multiple of this bike rate could be charged. An explicit charge could lead to occupiers being more appreciative of the value of the space and more likely to make use of it. Valuers tell us that such ancillary income would be valued at the building's capitalisation rate, ensuring that the installation of the parking system can be recouped, unlike traditional cycle parking. Before charging for cycle parking becomes commonplace, new leases could make an explicit provision and charge a zero rate for the spaces, with the expectation of rental evidence being available by the first rent review.

Public access

If automated cycle parking is adopted, usage can be monitored and surplus spaces offered to the public, as the entrance to the store can be in the public domain. This can further improve rental returns, while being socially sustainable by promoting cycling among the local community through the provision of secure parking, as well as avoiding wasted space.

Automated systems allow for stacking of bikes, thus having a significantly smaller footprint than traditional parking methods, so valuable space can be released for alternative uses: where there's space in the landscaping or the public realm, then it's entirely feasible to free up all the area allocated for cycle parking in the building while having a better, more accessible system.

Existing buildings with poor cycle provision could improve their facilities, helping to attract and retain occupiers. A centrally located store can be made available for residents, commercial occupants, the public and cycle hire as they can all use the same system and have different payment regimes. If there's room to accommodate an above-ground automated store, then this can provide a focal point in placemaking, and public art funds could be used in the design of the cladding. Large digital screens can enshrine sense of place by showing sporting and music events as well as general information.



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The cycling revolution is only just starting in the UK, with 2% of all journeys being by bike compared to 70% in the Netherlands. Transport for London reports that there are now 670,000 daily cycle trips in London, and through its Healthy Streets agenda it is striving for a significant increase in cycling. Asset managers can therefore futureproof buildings by oversupplying spaces now, renting surplus spaces to under-served neighbouring buildings and the public.

Providing smart infrastructure to enable a cycling nation will reap the rewards of a healthier society, while also earning a good financial return on the investment. **C**



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