



# Practice

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Founded by members of RICS in 1955, the RICS Education Trust is a registered charity with a remit to support research and education throughout the world into the theory and practice of surveying.

## RICS Education Trust – supporting the profession

The RICS Education Trust is a long-standing means by which RICS supports the development of the surveying profession's knowledge base. It does so by awarding research grants to academics and researchers in RICS partner universities and elsewhere.

The charity has a board of trustees appointed by Governing Council, all of whom are chartered surveyors. With an aim to support research and education in all its branches, the Trust has a wide remit, and this is reflected in the range of issues that it has addressed over the years. Recent awards have been into topics as diverse as residential space standards and the retention of families in inner-urban locations, and the decision-making processes in commercial property investment.

More recently, partly in response to the applications that they received but also reflecting wider concerns within the profession and society, the trustees have funded an increasing number of projects that explore issues relating to sustainability. Indeed, to mark their golden jubilee in 2005, the trustees supported a major study by a team from the University of Melbourne into



scenarios for energy saving and carbon emission reductions at the city-wide level.

An increasing trend of the work of the Trust is the increasing global nature of the grants, reflecting in part the worldwide education base of surveying. In 2007, about half their grants were to universities outside the UK, addressing issues such as property rights issues in Australia and construction management in China.

However, all awards have one thing in common – a recognition that it is in everyone's interest that the built and natural environment is effectively managed. The projects that the RICS Education Trust has been able to support have, over the years, been able to make a difference to this and it is a reflection of the commitment of RICS to supporting the public interest that they provide funding for this cause. It is something of which RICS members should be both aware and proud.

### Contact us

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## Retaining talent without breaking the bank

Cost-cutting and redundancies have become a daily focus of many property firms. But at the heart of every property business are great people. Lose them and emergence from the downturn may be slower.

If you are a limited company, why not consider an EMI (Enterprise Management Incentive) share option scheme to retain your key people? For partnerships, it is easy to miss a tax saving opportunity normally associated with growth.

In partnerships, the change from salaried to equity partner can result in significant tax and national insurance savings. This is because salaried partners are normally treated as employees and equity partners as self-employed.

Employed salaried partners pay National Insurance Contributions (NIC) at 11% on the majority of their earning up to £40,040 and then 1% on any excess. The majority of their income is also subject to Employers' NIC payable at 12.8%. Whilst 'self-employed' partners pay Class IV NIC on their share of the profits up to £40,040 and 1% on any excess, the firm doesn't pay Employers' NIC for them. This results in a significant saving – just under £13,000 on a salaried partner earning £100k.

So why not consider progressing salaried partners towards equity partnership? It can be structured so junior equity partners don't receive the same cut of the profits as other equity partners whilst they are developing in the role. Paying a base amount, or prior share – similar to a salary with a small share of profits – is a popular tactic. To finance the progression, you might offer the Employers' NIC saving back to them as a pay rise. Or you can split the difference.

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