

Business Improvement Sub-Committee
11 OCTOBER 2016

Present: Councillors: Paul Clarke, Jonathan Dancer, Nigel Jupp and Michael Willett

Apologies: Councillors: Brian O'Connell, Andrew Baldwin and Tim Lloyd

Also Present: Councillor Leonard Crosbie, Chairman of Overview & Scrutiny Committee
Brian Elliott, Property & Facilities Manager

9 **MINUTES**

The minutes of the meeting held on 12th July 2016 were approved as a correct record.

10 **ELECTION OF CHAIRMAN FOR THE PURPOSES OF THIS MEETING**

In the absence of the Chairman of the Committee, Councillor Jonathan Dancer was elected as Chairman for the purposes of this meeting.

11 **DECLARATIONS OF MEMBERS' INTERESTS**

There were no declarations of interest.

12 **ANNOUNCEMENTS**

There were no announcements.

13 **PROPERTY & ASSET MANAGEMENT: UPDATE FROM THE PROPERTY & FACILITIES MANAGER**

The Property & Facilities Manager presented a summary of how the Property Asset List was being managed. This included information on the structure and responsibilities of individuals within the team, and how the portfolio was being developed.

Members noted details of the Investment Portfolio and Operational Portfolio and the Property & Facilities Manager outlined the core areas of activity. Members were advised that the outsourcing of services and restructuring of the team had led to a 25% reduction in payroll costs over the last two years.

The sub-committee discussed the Council's temporary housing portfolio and were advised that the 17 units being constructed within the Bishopric flat development would be sufficient to accommodate the average number of

families currently staying in Bed & Breakfasts due to a shortage of temporary housing.

Members discussed opportunities for outsourcing functions of the Property & Facilities Department, in addition to the repairs and maintenance already outsourced to SSE. It was confirmed that external surveyors were being instructed to manage larger repair and maintenance jobs, eg Billingshurst swimming pool re-tiling and recent repairs and decoration of Horsham Museum. Members were advised that it was also anticipated that some aspects of commercial property management would be outsourced in due course.

The Property & Facilities Manager talked through the key objective for developing the property portfolio, which was to generate revenue to support the Council's broader activities. The target yield of 6% for new properties was noted. The Property & Facilities Manager confirmed that the additional budget to expand the commercial property investment fund was £5m and that two properties had been purchased. It was noted that the Cabinet Member for Finance & Assets was looking at ways of increasing this sum.

The Cabinet Member for Finance & Assets was also at the early stages of developing a proposal for the Council to create an affordable housing portfolio, as was being done by other local authorities.

Members questioned whether performance targets and benchmarking were required to monitor how the portfolio was performing in terms of income and capital growth. It was noted that the Accounts, Audit & Governance Committee received performance figures for the commercial property investment fund on a quarterly basis.

- The sub-committee recommended that the Finance & Performance Sub-Committee look into how performance reporting for the property portfolio can be improved.

The meeting closed at 6.58 pm having commenced at 6.00 pm

CHAIRMAN