

Business Improvement Sub Committee
Report on Property and Facilities Department

Introduction

The Property and Facilities Manager has been requested to provide a summary of how the Property Asset List is being managed, with specific information regarding the following:

- General Policies
- Structure and responsibilities of individuals
- Development of the portfolio

Property Asset List

For internal management purposes, the council's property holdings are split into two portfolios; the investment portfolio and the operational portfolio.

Below is a summary of the holdings in each portfolio:

Investment portfolio

- Total income c£2.5m
- Invested in Horsham District
- Comprising offices, shops and industrial property
- Key holdings, Swan Walk ground rent, Oakhurst business park, Lintot Square, Steyning Health Centre

Operational portfolio

- Key operational properties – eg car parks, leisure centres, waste depot, Capitol, museum
- Ancillary properties – buildings occupied by community organisations – e.g. other leisure assets, scout huts, allotments
- Housing portfolio – Temporary accommodation
- Land – Miscellaneous parcels of land with Property and Facilities department. Parks and countryside team manage rural assets, eg Chesworth Farm, Warnham Nature Reserve

General policies and property activities

The strategic objective of the property and facilities department is to align the council's property portfolio with the council's policy objectives. In practice, this means maintaining a stable and growing income from the investment portfolio and ensuring that the operational portfolio is aligned with the council's service requirements.

The various activities to achieve the strategic objectives are as follows:

1. Management of the investment portfolio
 - Increase investment income – rent reviews/lease renewals
 - Add value through creative management
 - Let voids
 - Expand portfolio/disposals

2. Management of the operational portfolio
 - Increase commercial income
 - Transparency of income with community organisations
 - Align property with operational requirements
 - Identify properties for sale
 - Release capital from the portfolio

3. Management of the temporary accommodation portfolio
 - Maintain temporary accommodation portfolio
 - Match portfolio with demand for temporary accommodation
 - Refine portfolio – sell/develop not fit for purpose property

4. Projects – large and small
 - BBHLC redevelopment – property lead - on site in January 2016
 - Hop Oast – property lead – on site September 2016
 - Bishopric flat development – on site March 2016
 - Strategic projects e.g. running track at BBH
 - Major repairs – Billingshurst pool re-tiling, museum repairs and redecoration

5. Repairs and maintenance
 - Outsourced to SSE
 - Planned preventative maintenance programme in place – M&E
 - Reactive maintenance on fabric undertaken as required
 - Planned maintenance budget for fabric being put together for next 5 years from 2016/7
 - Average of 200 jobs undertaken per month

6. Property management
 - Landlord and tenant management of investment portfolio
 - Small matters arising from operational portfolio
 - Housing tenant management dealt with by housing team
 - Management of cleaning and security contracts

Department Structure

The activities detailed above are undertaken as follows:

Role	Personnel	Responsibilities
Dept. Manager	1 no.	Provide strategic direction for the department. Lead officer for large projects, new investments, major transactions, disposals
Asset Managers	2 no.	Add value by undertaking rent reviews, lease renewals, new lettings, refurbishments, creative management of assets.
Property management	2 no.	Day to day management, maintain value by keeping fabric of property in good condition and handling of minor legal issues that arise from the landlord and tenant relationship
Repairs and maintenance	SSE – 2 no. embedded staff – part time	Planned and preventive maintenance of M&E Building fabric reactive maintenance Building fabric rolling programme for next 5 years Statutory compliance issues
Support	3 no.	Accounts, records and database, SSE management

Development of the portfolio

Key objectives are:

1. Release capital by selling surplus property
2. Invest proceeds of sale into new commercial property
3. Identify and promote development opportunities

Proposals in excess of £250,000 are promoted through the PropGroup Advisory Group, PDAG and then to Cabinet.