



Reigate & Banstead
BOROUGH COUNCIL
Banstead | Horley | Redhill | Reigate

SIGNED OFF BY	Chief Finance Officer
AUTHOR	Daniel Jones, Property Services Manager, Pat Main, Chief Finance Officer
TELEPHONE	Tel: 01737 276872, Tel: 01737 276063
EMAIL	daniel.jones@reigate-banstead.gov.uk, pat.main@reigate-banstead.gov.uk
TO	Partner, Shareholder and Trustee Executive Sub-Committee
DATE	Thursday, 14 December 2023
EXECUTIVE MEMBER	Portfolio Holder for Commercial and Community Assets

Key Decision Required	N
Wards Affected	All Wards

Subject	Property Portfolio Performance Quarter 2 2023/24
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Recommendations
(i) To receive the report and provide any feedback.
Reasons for Recommendations
To monitor performance of the Council's commercial assets against comparable market sectors.
Executive Summary
The annex to the exempt report in part 2 of the agenda for this meeting sets out the performance of the Council's commercial property portfolio as at the end of Q2 2023/24. In addition to information about rental income, yields and vacancy rates, the report includes confidential information about proposed new tenancies and other opportunities and threats relating the Council's commercial properties.

Statutory Powers
1. Section 1 of the Localism Act 2011 gives local authorities a general power of competence that enables them to do anything that a private individual is entitled to do, as long as it is not expressly prohibited by other legislation.
Background
2. The Council owns a number of assets that are in commercial use and provide a rental income stream. 3. As part of the ongoing management of the portfolio, Property Services monitors and reports on the performance of these properties in comparison with the relevant sectors of the wider property market.
Key Information
4. The annex to the exempt report in part 2 of the agenda for this meeting contains a report on the performance of the Council's commercial property portfolio as at the end of Q2 2023/24. 5. In addition to information about rental income, yields and vacancy rates, the report includes confidential information about proposed new tenancies, potential alternative property uses and other opportunities and threats relating the Council's commercial properties.
Options
6. The Sub-Committee has two options: Option 1: To accept the report. Option 2: To request additional information before accepting the report.
Legal Implications
7. There are no direct legal implications arising from this report.
Financial Implications
8. Information about Property rental yields is set out on the annex to the exempt report in part 2 of the agenda for this meeting. 9. Updates on rental income forecasts compared to the approved budget are included in the quarterly budget monitoring updates to Overview & Scrutiny Committee and Executive.
Equalities Implications
10. There are no direct equalities implications arising from this report.

Communication Implications
11. There are no communications implications arising from this report.
Environmental Sustainability Implications
12. There are no direct environmental sustainability implications arising from this report
Risk Management Considerations
13. The risks associated with commercial property rental yields are set out in the report.
Policy Framework
14. The Council's commercial property ownership supports the delivery of Corporate Plan objectives to drive the continued economic prosperity of the borough, facilitate improved business infrastructure, and confirm the borough's reputation as a great place to do business.
15. The generation of a rental income stream from commercial and other Council-owned property is also consistent with the objectives of the Asset Management Plan 2023 - 2028 and the Commercial Strategy.
Background Papers
None