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BRECKLAND COUNCIL

At a Meeting of the

PERFORMANCE TASK & FINISH GROUP

Held on Wednesday, 5 October 2016 at 10.00 am in
St George's Room, Elizabeth House, Dereham

PRESENT

Mr R F W Brame
Mr P R W Darby
Mr K.S. Gilbert

Mr R. R. Richmond
Mr A.C. Stasiak (Chairman)

Also Present

Mr P M M Dimoglou

In Attendance

Julie Britton
Ralph Burton

- Senior Democratic Services Officer
- Strategic Property Manager (BDC)

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1/16 APOLOGIES (AGENDA ITEM 1)

An apology was received from Councillor Marion Chapman-Allen.

2/16 DECLARATION OF INTEREST (AGENDA ITEM 2)

The Chairman and Councillors Brame and Richmond declared an interest due to them being landlords of rental properties.

3/16 URGENT BUSINESS (AGENDA ITEM 3)

None.

4/16 NON-MEMBERS WISHING TO ADDRESS THE MEETING (AGENDA ITEM 4)

Councillor Pablo Dimoglou.

5/16 CHAIRMAN'S ANNOUNCEMENTS (IF ANY) (AGENDA ITEM 5)

None.

6/16 COMMERCIAL PROPERTY INCOME (AGENDA ITEM 6)

The Strategic Property Manager thanked everyone for taking the opportunity to consider the performance of the Council's assets.

A table had been prepared that highlighted a great deal of information on investment assets for income generating purposes; this was an

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extract from a piece of work entitled the Commercial Assets Review project. This project had taken a different more strategic approach of looking at returns by looking at costs on a unit basis rather than a spatial basis pro rata. The yields that had now been calculated differently had been considered to be a very worthwhile exercise.

For the purpose of the Task & Finish Group, the income column was the main issue that Members wanted to review. The information contained in the table was explained - this information informed the Council which assets it should consider disposing of if the yields were thought to be too low.

In response to a question, the Strategic Property Manager provided the Group with an explanation of why a number of sections were highlighted in 'red'. Councillor Gilbert asked if an overall picture of the figures was being provided on a regular basis. Members were informed that it had been a costly approach to get to this different outcome but it had been a worthwhile exercise as it reflected the overall picture. In future, a new piece of software would need to be required so that such information could be provided on a more immediate basis.

Councillor Darby wanted to know why there were so many vacancies in one particular area. The Strategic Property Manager advised that some types of businesses had struggled since the recession but this was the general trend with commercial properties all over the country not just in Breckland. Options of how to overcome these issues were explained.

Councillor Robert Richmond felt that the Council had a very balanced portfolio but urged the Council to think carefully before disposing of any of its assets. Members were informed that new investment opportunities were always being explored. Areas of interest were discussed.

Councillor Darby wanted to know why the Riverside Development had not been included on the list. It was explained that this property would be an investment asset and would be included when it was transferred into the portfolio on completion. In response to a further question, it was noted that the Economic Development Team dealt with regeneration monies.

The report was otherwise noted.

**7/16 LAND & PROPERTY INVESTMENT OPPORTUNITIES (AGENDA
ITEM 7)**

This report had already been presented to the Overview & Scrutiny Commission in September and would be going to the Cabinet meeting on 11 October 2016 for a decision on whether to continue to the next stage of the project.

The Strategic Property Manager highlighted the salient points. The purpose of the project was to diversify the council's investment strategy; generate revenue; and reduce the risk of too much investment in one type of property.

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There was much discussion in relation to investments, inside and outside of the Breckland area. The types of properties that should be constructed were also discussed, although this project to invest in housing was not for construction but for houses that were already built by developers.

Members felt that building and providing the right type of housing for workers was key for inward investment and was an opportunity not to be missed.

It was agreed that inward investment should be part of the Performance Task & Finish Group's remit.

8/16 ASSET MANAGEMENT STRATEGY (AGENDA ITEM 8)

The last item on the agenda was the Corporate Asset Management Strategy which although covered a time period of eight years was due for review as it was already 4 years old.

The Strategy covered all of the Council's assets and the Strategic Property Manager welcomed any assistance and input from the Group on what they thought the framework should look like for the next strategy. In response to a concern, Members were informed that this document needed to be brought up to date as the performance information had changed as the current property market was very different now to what it used to be. The Strategic Property Manager mentioned the key performance indicators and where the Council was at in terms of targets. The Council was in fact well above its income target and the percentage rate for the arrears target was a lot lower than what had been set. The Strategic Property Manager, in his opinion, felt that the Asset Team was doing a very good job for the Council.

In response to a concern on the subject of devolution, Members were informed that any risks to the Council would be closely monitored.

It was

RECOMMENDED to the Overview & Scrutiny Commission that the Corporate Asset Management Strategy be reviewed.

9/16 NEXT MEETING (AGENDA ITEM 9)

The purpose of the Task & Finish Group was raised and whether any further subjects should come forward to the Group for discussion.

It was agreed that no further meetings would be required between now and the date of the Overview & Scrutiny Commission meeting on 24 November 2016.

The meeting closed at 11.25 am

CHAIRMAN