



Please reply to:

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Date: 06 September 2024

Notice of meeting

Commercial Assets Sub-Committee

Date: Monday, 16 September 2024

Time: 1.30 pm

Place: Council Chamber, Council Offices, Knowle Green, Staines-upon-Thames TW18 1XB

To the members of the Commercial Assets Sub-Committee

Councillors:

L. E. Nichols (Chair)

R. Chandler

D. Saliagopoulos

S.N. Beatty (Vice-Chair)

A. Gale

H.R.D. Williams

Substitute Members: Councillors M. Beecher, T. Burrell, M. Gibson, K. Howkins and K.E. Rutherford

Councillors are reminded that the Gifts and Hospitality Declaration book will be available outside the meeting room for you to record any gifts or hospitality offered to you since the last Committee meeting.

Spelthorne Borough Council, Council Offices, Knowle Green

Staines-upon-Thames TW18 1XB

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Agenda

Page nos.

1. Apologies for absence & substitutions

To receive any apologies for non-attendance and details of Member substitutions.

2. Minutes

5 - 12

To confirm as a correct record the minutes of the meeting held on 05 August 2024.

3. Disclosure of Interest

To receive any disclosures of interest from members in accordance with the Members' Code of Conduct.

4. Questions from members of the Public

The Chair, or his nominee, to answer any questions raised by members of the public in accordance with Standing Order 40.

At the time of publication of this agenda no questions were received.

5. Urgent Actions

To consider any urgent action that have arisen since last meeting.

6. Forward Plan

13 - 16

To note the Forward Plan for future Commercial Assets Sub-Committee business.

7. Update on Recruitment of Independent Person

17 - 30

To receive an update on the recruitment process for the Independent Person.

8. Exclusion of Public and Press (Exempt Business)

To move the exclusion of the Press/Public for the following items, in view of the likely disclosure of exempt information within the meaning of Part 1 of Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985 and by the Local Government (Access to information) (Variation) Order 2006.

9. Commercial Portfolio Update

Verbal Report

To receive an update on the rent collection, voids and arrears of the Commercial Portfolio.

10. Letting of 3rd and 4th Floors Tothill Car Park 31 - 36

To consider a report on the proposed letting terms for the 3rd and 4th Floors of Tothill Car Park.

11. Reletting of Unit 46, Elmsleigh Shopping Centre 37 - 40

To consider a report on the proposed reletting of Unit 46, Elmsleigh Shopping Centre.

12. Asset Portfolio Exit Strategies 41 - 66

To consider a report on the draft exit strategy for each investment asset.

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**Minutes of the Commercial Assets Sub-Committee
5 August 2024**

Present:

Councillor L. E. Nichols (Chair)
Councillor S.N. Beatty (Vice-Chair)

Councillors:

R. Chandler D. Saliagopoulos

Substitutions: Councillor M. Beecher

Apologies: Councillors A. Gale and H.R.D. Williams

In Attendance: Councillor K. Howkins

11 Apologies for absence & substitutions

Apologies were received from Councillor Gale and Councillor Williams.
Councillor Beecher attended as substitute for Councillor Gale.

12 Minutes

The minutes of the meeting held on 01 July 2024 were agreed as a correct record.

13 Disclosure of Interest

Councillor Nichols advised that he was a Director of Knowle Green Estates Limited.

14 Questions from members of the Public

There were none.

15 Urgent Actions

There was one urgent item to discuss, due to its confidential nature this item was moved to the end of the agenda.

The Sub-Committee **resolved** to recommend that the Settlement of Dilapidations as set out in the report is progressed as an Urgent Action.

16 Forward Plan

The Chair advised the Sub-Committee that he had requested a meeting with the Deputy Chief Executive and the Group Head – Assets to discuss the format and content for the standardised reports for the Sub-Committee

The Sub-Committee **resolved** to note the Forward Plan.

17 Exclusion of Public and Press (Exempt Business)

It was proposed by Councillor Beatty, seconded by Councillor Beecher and **resolved** to exclude the public and press for the following agenda items, in accordance with paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 (as amended) because it was likely to disclose information relating to the financial or business affairs of any particular person (including the authority holding that information) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because, disclosure to the public would prejudice the financial position of the authority in being able to undertake even-handed negotiations and finalizing acceptable contract terms.

18 Ashford Football Ground Surrender and New Lease

The Sub-Committee consider a report on the surrender and regrant of the lease for Ashford Football Ground.

The Sub-Committee **resolved** to agree the recommendations as set out in the report.

19 New Letting 13th Floor Thames Tower

The Sub-Committee considered a report on a new letting for the 13th Floor of Thames Tower.

The Sub-Committee **resolved** to agree the recommendations as set out in the report.

20 Commercial Portfolio Update

The Sub-Committee received a verbal update on the rent collection, voids and arrears for the Commercial Portfolio.

The Sub-Committee **resolved** to note the update.

The meeting ended at 14:05

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Spelthorne Borough Council Services Committees Forward Plan and Key Decisions

This Forward Plan sets out the decisions which the Service Committees expect to take over the forthcoming months, and identifies those which are **Key Decisions**.

A **Key Decision** is a decision to be taken by the Service Committee, which is either likely to result in significant expenditure or savings or to have significant effects on those living or working in an area comprising two or more wards in the Borough.

Please direct any enquiries about this Plan to CommitteeServices@spelthorne.gov.uk.

Spelthorne Borough Council

Service Committees Forward Plan and Key Decisions for 06 September to 31 January 2025

Anticipated earliest (or next) date of decision and decision maker	Matter for consideration	Key or non-Key Decision	Decision to be taken in Public or Private	Lead Officer
Commercial Assets Sub-Committee 16 09 2024	Asset Portfolio Exit Strategies	Non-Key Decision	Private	Coralie Holman, Group Head Assets
Commercial Assets Sub-Committee 16 09 2024	Letting of 3rd and 4th Floors Tothill Car Park	Non-Key Decision	Private	Sian Bowen, Principal Asset Manager
Commercial Assets Sub-Committee 16 09 2024	Reletting of Unit 46, Elmsleigh Shopping Centre	Non-Key Decision	Private	Sian Bowen, Principal Asset Manager
Commercial Assets Sub-Committee 16 09 2024	Update on Recruitment of Independent Person	Non-Key Decision	Public	Coralie Holman, Group Head Assets
Commercial Assets Sub-Committee 07 10 2024	Asset Portfolio Exit Strategies	Non-Key Decision	Private	Coralie Holman, Group Head Assets
Commercial Assets Sub-Committee 11 11 2024	Half Year Portfolio Review	Non-Key Decision	Private	Coralie Holman, Group Head Assets
Commercial Assets Sub-Committee 11 11 2024	Update on Elmsleigh Centre Management	Non-Key Decision	Private	Coralie Holman, Group Head Assets
Commercial Assets Sub-Committee 11 11 2024	Asset Portfolio Exit Strategies	Non-Key Decision	Private	Coralie Holman, Group Head Assets

Commercial Assets Sub-Committee 27 01 2025	Investment & Regeneration Assets Business Plans	Non-Key Decision	Private	Coralie Holman, Group Head Assets
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Recruitment Pack

Independent Member of Spelthorne Borough Council's Commercial Assets Sub Committee

August 2024

Contents

1. Advertisement
2. Personal Specification
3. Terms of Reference of the Audit Committee
4. Recruitment Process
5. Application Form

Advertisement

Vacancy for Independent Member of the Commercial Assets Sub Committee

The Council is looking for a local person, unaffiliated to the Council's political groups and with no connection with the Council, to sit on our Commercial Assets Committee (CASC). We are looking for a person with experience of working in an organisation at a senior level or have other experience which would give similar experiences. Ideally you will have Asset management experience (Tenancy management, investment, acquisition/disposal transactions of large multi-let commercial office premises).

CASC is a newly formed committee with effect from May 2024 and will provide challenge and assurance in respect of the Council's management of its commercial property investments. CASC is a non-decision-making committee, with the remit of assessing the risk and understanding the wider financial issues connected to the Council's investment portfolio to support the Council in ensuring that it is well managed and able to deliver its priorities.

The Sub-Committee focus on all aspects of the investment portfolio including approval of tenant lease events above a certain value threshold i.e. lettings, rent reviews and lease renewals. In addition, the committee will consider reports detailing performance of the assets against KPIs, and general property benchmarks. The committee will consider capital expenditure proposals and requests, in advance of these being taken to the Corporate Policy and Resources Committee and/or Full Council as appropriate to seek budget approval.

The Committee will meet monthly (usually on a Monday at 1.30pm). You will sit with elected councillors and bring an informed and independent perspective to the Committee. This is role which carries public responsibility.

You will be appointed up to the end of the 2027/2028 Municipal and this appointment may be renewed annually thereafter.

In order to be eligible to apply for the position, applicants must not be:

- Be a Councillor or officer of the Council or have been so in the preceding five years prior to appointment
- Be related to, or a close friend of, any Councillor or officer of Spelthorne Borough Council.
- Have been convicted of any offence.
- Be an undischarged bankrupt
- Have significant business dealings with the Council
- Have a formal connection with any political group

If you are interested in becoming an Independent Member of the Commercial Assets Sub Committee, please apply by completing the application form.

There is an annual allowance of £2000 for the role. You can also view an information pack about the role.

The closing date for applications is 5pm Wednesday 11th September 2024. Applications will be considered by the committee in mid-September and those short listed will then be contacted about the interview process and dates in late September.

For more information or an informal discussion, please contact Coralie Holman, Group Head of Assets on 01784 446243.

Personal Specification

Qualifications and Experience

You will be a person who has experience of working in a medium / large organisation at a senior level or other experience which would give similar benefits.

You are required to have experience dealing with decision making connected to the Asset Management of a Commercial Property Portfolio. This should include in-depth understanding of tenancy management (i.e. lettings, rent reviews lease renewals), investment transactions i.e. acquisition/disposal transactions of large multi-let commercial office premises.

Skills

You will have:

- an ability to understand complex property issues and the importance of accountability and probity in public life
- an ability to analyse and question written and verbal reports in respect of the strategic asset management of commercial property activities
- an understanding of the need to safeguard and maximise income whilst managing and reducing associated risk
- an ability to demonstrate integrity and discretion
- effective interpersonal skills
- be able to maintain strictest confidentiality of sensitive information

Knowledge

All members of the Commercial Assets Sub Committee should have, or should acquire as soon as possible after appointment:

- An understanding of the objectives and key activities of the Council and current major initiative and significant issues for the Council
- An understanding of the Council's structures and responsibilities, including key relationships with partners, businesses and organisations
- An understanding of the organisation's culture
- An understanding of any relevant legislation or other rules governing the organisation
- An understanding of corporate governance arrangements in place across the Council
- An understanding of the governance environment generally
- An understanding of risk management

Other

You must:

- Have local connections, and either reside in the Borough, carry out the main part of your work in the Borough or have other recognisable ties to the area.
- Agree to abide by the provisions of the Code of Conduct while serving on the Committee.

You must not:

- Be a councillor or officer of the Council or have been so in the preceding five years prior to appointment
- Be related to, or a close friend of, any councillor or officer of Spelthorne Borough Council.
- Have been convicted of any offence. The Council has the right to DBS check any independent committee members.
- Be an undischarged bankrupt
- Have significant business dealings with the Council
- Have a formal connection with any political group
- Have a proven history of vexatious and/or frivolous complaints against Spelthorne Borough Council
- Be the holder of a significant office in an organisation being grant aided/supported by Spelthorne Borough Council

Terms of Reference of the Commercial Assets Sub Committee (CASC)

COMMERCIAL ASSETS SUB-COMMITTEE

Objective

Within the overall policies and strategies set by the Council, to provide leadership, decision making and accountability for the management of the Council's Investment properties and commercial assets within the Council's regeneration programme.

Membership

A minimum of 4 Members reflecting political balance, with at least 1 member from each political party. An independent member will also be appointed.

Functions

1. Acquisitions relating directly to Regeneration purposes only (acquiring assets for alternative purposes is not covered via the Objectives of this Sub-Committee)

(a) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to possible new strategic property acquisitions for regeneration purposes only.

(b) Following (a) above, to give an initial steer on whether to investigate further those potential acquisitions.

(c) Following (b) above and any subsequent reports from officers, to make recommendations to the Corporate Policy & Resources Committee to proceed with acquisitions in accordance with relevant Council procedure rules.

2. Disposals

(a) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to the potential freehold (or long leasehold) disposal of investment assets and/or commercial assets within the regeneration programme.

(b) To receive recommendations from officers (where officer/member delegation financial limits are exceeded) as to the potential joint venture initiative involving investments assets and/or commercial assets within the regeneration programme.

(c) Following (a) or (b) above to give an initial steer on whether to investigate further those potential disposals or joint venture initiatives.

(d) Following (c) above and any subsequent reports from officers, to make recommendations to the Corporate Policy & Resources Committee to proceed with the freehold (or long leasehold) disposal or joint venture initiative in accordance with the relevant Council procedure rules.

(e) To receive recommendations from officers and approve (or otherwise) any proposals for the granting of a new or reversionary lease at an aggregated rent over the term which exceeds officer delegation levels. Page 244 Part 3 section (b) Updated 25 April 2024

3. Management of Investment Assets and Commercial Assets within the Regeneration Programme

- (a) To approve leasehold disposals (lettings) in investment assets (where officer/member delegation financial limits are exceeded.)
- (b) To approve the change of use of investment assets including recommendations to the Corporate Policy and Resources Committee regarding alternative use or classification of the asset.
- (c) To receive monthly update reports on the management of the investment assets in accordance with the adopted Asset Management Strategy, including rental income, potential letting opportunities, pending break option and lease expiries over the next 12-month period, significant assignments and any other estate management issues based on officer recommendations.
- (d) To approve the exercise of a break option under the terms of lease of land or property where officer/member delegation financial limits are exceeded.
- (e) To approve or agree to the surrender of a lease of land or property where officer/member delegation financial limits are exceeded.
- (f) To approve new lettings where the rental income per annum (net of VAT) exceeds £100k.
- (g) To approve lease renewals where the rent in the first year of the new lease is less than 50% of the passing rent of the previous lease, or where the financial impact exceeds £250k.
- (h) To receive monthly arrears reports on each individual asset/tenant within the investment portfolio by rent quarters.
- (i) To be notified of any potential arrears and issues being faced by individual tenants (including taking decisions on tenant requests to change from quarterly to monthly payments or rent deferment requests) where the rental income exceeds £100,000pa and to be advised of steps being taken by officers to mitigate that risk.
- (j) To receive quarterly reports on the Investment Sinking Funds and to be notified of any change of adverse impact and mitigation measures which are being taken to address.
- (k) To receive notification of and authorize any non-budgeted capital expenditure or any capital expenditure over £50,000. on the investment portfolio.
- (l) To approve, the settlement of rent reviews, lease renewals or lease re-structuring negotiations in respect of the Investment assets where officer/member delegation financial limits are exceeded.
- (m) To review, advise on and approve formal reporting of the investment portfolio to CPRC and/or full council to include Asset Investment Strategies, Business Plans, Key Performance Indicators, Risk Registers, and half yearly update reports.
- (n) To agree the scope of the annual reporting on the Council's investment and regeneration portfolios with the Assets Team.

4. Frequency

Monthly day time meetings. Where meetings are not necessary for lack of business they will be cancelled.

Recruitment Process

- Application submission deadline 5pm Wednesday 11th September 2024
- Applications will be considered and a shortlist of candidates for interview will be produced.
- Interviews will take place. This will not involve any other tests or activities.
- Recommendation for appointments presented to the Corporate Policy & Resources Committee and then Full Council for decision

Application form

SPELTHORNE BOROUGH COUNCIL

APPLICATION FOR THE POST OF INDEPENDENT MEMBER

Personal Details

Name:

Address:

Home Telephone:

Work Telephone:

Mobile:

Email:

Please read the **Person Specification** before completing this form.

Are you currently, or have you been at any time in the past five years, a member of Spelthorne Borough Council or any other local authority?

Yes/No

If yes, please state which Council and give dates.

Are you a paid-up member of a political party?

Yes/No

If yes, please give details.

Are you currently, or have you been at any time in the past five years, employed by Spelthorne Borough Council or any other local authority?

Yes/No

If yes, please state which Council and give dates.

Are you the subject of a Bankruptcy Restrictions Order or Interim Order?

Yes/No

Do you have any convictions that remain unspent?

Yes/No

If yes, please enclose details.

Have you ever been convicted or disqualified for any corrupt electoral practices?

Yes/No

If yes, please enclose details.

Are you a relative or close friend of a Councillor or employee of Spelthorne Borough Council?

Yes/No

If yes, please give details.

QUALIFICATIONS AND WORK EXPERIENCE

Please provide brief details of any professional or academic qualifications, any work experience and/or any roles relevant to the role of an independent member?

SKILLS, KNOWLEDGE, ABILITIES AND PERSONAL QUALITIES

Please briefly explain how you feel you fulfil the role profile for this post.

Please give the names and addresses of two referees

1.

2.

I confirm that the information given in this application is correct.

Signed :

Date:

Please return this form to Coralie Holman, (c.holman@spelthorne.gov.uk) Group Head of Assets, Spelthorne Borough Council, Knowle Green, Staines-upon-Thames, TW18 1XB **by 5pm Wednesday 11th September 2024**

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