

Appendix 3 – Key Performance Indicators

KEY PERFORMANCE INDICATORS (INVESTMENT & REGENERATION PORTFOLIOS) PERFORMANCE INDICATORS					
	Responsibility	Reason	Data Source	Benchmark	Comments
FINANCIAL (INCOME)					
Portfolio Income Growth	Asset Management	To assess how SBC portfolio compares to budget in terms of net receivable income	Monitoring reports/financial outturn (May each year?)	To achieve or exceed Budgeted income outturn	Letting agents are used to secure new tenants on Market terms.
FINANCIAL (EXPENDITURE)					
Irrecoverable Revenue Expenditure	Asset Management	To monitor expenditure on refurbishments and holding costs against Budget	Monitoring reports/financial outturn	Expenditure is no greater than budget allowance	MSCI would provide a benchmark. A suite of documents including the Asset Management Plan, Annual Investment Strategy and individual Asset Business plans set out proposed investment needed to ensure it is recoverable via the service charge or met from capital budgets
LEASE EVENT MANAGEMENT					
Rent Reviews	Asset Management	To avoid delays in recording rental uplifts and for good estate management reasons		All reversionary rent reviews to be instigated prior to rent review date unless by exception	Reports are run 12-18 months in advance of lease event dates to ensure work can be programmed and external advice sought where necessary

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Lease Expiries	Asset Management	To avoid delays in recording rental uplifts and for good estate management reasons		All contracted out expiries to be instigated prior to expiry date unless by exception	Reports are run 12-18 months in advance of lease event dates to ensure work can be programmed and external advice sought where necessary
	Responsibility	Reason	Data Source	Benchmark	Comments
TENANT RISK					
Regular review of occupier credit ratings	Asset Management	To ensure that current and future occupier risk is identified and mitigated against	Dun & Bradstreet & Experian	Target = bi-annual reporting	Suggest bi-annual 'RAG' update from credit monitoring source on high risk / high value occupiers with annual review of whole portfolio.
Rent collection (lease rent only, exc turnover)	Asset Management	Regular monitoring of rent collection to assist with Finance budgeting and to identify problem tenants	Cushman JLL	80% within 14 days 90% by Qtr end	Bluebox (BP), External Managing Agents (Investment) and Customer Services via Integra (Municipal) undertake the rent demand Monitoring in place Rent Arrears report issued D&B reports and alerts Regular communication with tenants
PORTFOLIO RISK					
Portfolio Weighted Average Unexpired Lease Term to exceed market average lease length on new letting <i>[Current SE Office index is 7.9 years]</i>	Income	To ensure strategies are in place to preserve longevity of income	Annual Valuation	Carter Jonas – MSCI benchmark	Letting agents are used to secure new tenants on Market terms

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