Minutes of the Commercial Assets Sub-Committee
5 October 2026

Present:

Councillor L. E. Nichols (Chair)
Councillor D. Saliagopoulos (Vice-Chair)

Councillors:

S.N. Beatty H.R.D. Williams

Independent Member: M. Bunney

Substitutions: Councillors K. Howkins (In place of R. Chandler)

70/26 Apologies for absence & substitutions

Apologies were received from Councillor Chandler. Councillor Howkins attended as her substitute.

71/26 Minutes

The minutes of the meeting held on 7 September 2026 were agreed as a correct record.

72/26 Disclosure of Interest

Councillor Williams advised he was employed part-time at a unit in the Elmsleigh Centre.

Mark Bunney, Independent Member of the Sub-Committee, advised he was employed by Knight Frank Investment Management LLP, a wholly owned subsidiary of Knight Frank LLP, and would not provide an opinion or view on matters where Knight Frank had provided valuation.

73/26 Questions from members of the Public

There were none.

74/26 Urgent Actions

There were none.

75/26 Forward Plan

The Sub-Committee noted there were no further items on the forward plan and requested clarification on further disposals. The Group Head – Assets confirmed that since publication, two further disposals had been scheduled for Corporate Policy and Resources Committee and Council: the Elmsleigh Shopping Centre, and the Summit Centre. These would be added to the forward plan, and the November Sub-Committee meeting may need to be rescheduled to fit in with the consideration of these items.

The Sub-Committee **resolved** to note the forward plan with the inclusion of the raised items.

76/26 Annual Commercial Property Report

The Sub-Committee received the Annual Commercial Property Report for Financial Year 2025/2026.

The Asset Manager summarised the performance of the portfolio for the last financial year and set out how this compared to the market. The report included 12 assets, as one was sold before year-end. The vacancy rate amongst the portfolio was below the industry norm, and the Elmsleigh Shopping Centre had 100% occupancy rate which was above average. Rent collection had improved since the Council had taken over rent collection. Overall, the property values had fallen due to shortening lease lengths, office vacancies, and the need for capital expenditure on aging buildings. During the financial year, as a result of Statutory Directions issued by the Secretary of State for Housing, Communities and Local Government, the property strategy shifted to focus on debt reduction and asset rationalisation. Focus on asset rationalisation would continue, as well as continuing to let space.

If approved by the Corporate Policy and Resources Committee, the report would be made publicly available on the Council’s website to ensure there was full transparency around the portfolio and its performance. The financial information accompanying the report would be published once finalised in the Statement of Accounts.

Some members of the Sub-Committee felt it was important to note that the valuation presented in the reports was backward-looking for accounting purposes rather than sale. Some members of the Committee noted the ongoing marketing and sales of sites within the portfolio, and felt that this should have been reflected in the report. The Sub-Committee felt they could not find consensus on how the report should represent the status of the property portfolio and should be expanded to include further information on the future of the assets.

The Sub-Committee **resolved** to **not** recommend to Corporate Policy and Resources Committee to:

1. Approve the Annual Commercial Property Report for the year ending 31 March 2026; and
2. Publish the Annual Commercial Property Report on the Council's website.

77/26 Exclusion of Public and Press (Exempt Business)

The Chair wished to discuss as much of the remaining items on the agenda in public session, and suggested the public and press be excluded only when necessary during debate.

78/26 Commercial Portfolio Update

The Sub-Committee received updates on the progress with the asset rationalisation as well as rent collection, arrears and voids within the Commercial Portfolio.

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

79/26 Communications House

The Chair suggested part of this item be heard ahead of item 8 to allow as much discussion to take place in public session as possible.

The Sub-Committee acknowledged the offer received was above red book valuation for the site.

The Sub-Committee noted the site was adjacent to the Elmsleigh Centre, and expressed concern about work being undertaken on the Staines Masterplan alongside the sites being disposed of. Some members of the Sub-Committee felt the Social Value Strategy should be applied to the site disposal alongside the Elmsleigh Centre, however the Sub-Committee were reminded that the Social Value Strategy applied to sites within the regeneration portfolio, and both sites were considered investment assets by external auditors.

It was proposed by Councillor Beatty, seconded by Councillor Nichols and **resolved** to exclude public and press for part of the discussion of this item and for the remainder of the agenda in accordance with paragraph 3 of part 1 of Schedule 12A of the Local Government 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 circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information because the disclosure to the public would prejudice the financial position of the authority in being able to undertake even handed negotiations and finalising acceptable contract terms.

80/26 12 Hammersmith Grove

The Chair suggested part of this item be heard ahead of item 8 to allow as much discussion to take place in public session as possible. Part of the discussion of this item took place alongside the public discussion of Communications House, and the public and press were excluded from part of the discussion of this item.

The Sub-Committee acknowledged the offers received were above the target price. The Sub-Committee explored the reasons behind the fall in value of the asset since purchase and options for future works on the site. Some members of the Sub-Committee acknowledged the low chance of the market improving in future.

The Chair advised he would provide a note summarising the sub-committee's considerations and questions to the Corporate Policy and Resources Committee ahead of their consideration of the reports (attached).

Meeting ended 15:31