Runnymede Borough Council

Asset Management Strategy

February 2023



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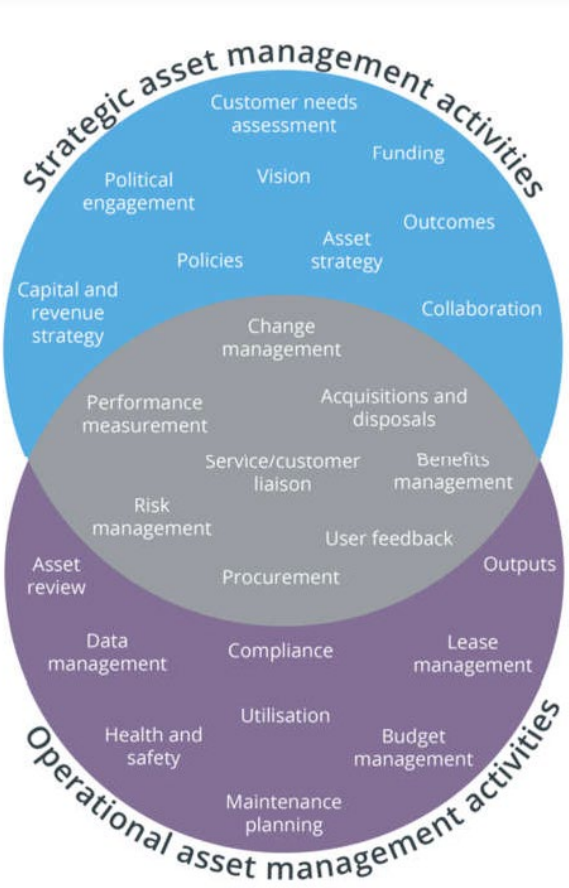
Executive Summary

Local Authorities across the UK hold large property portfolios (assets made up of buildings and land) which have been acquired, some gifted or inherited. Property assets are an important resource for the Borough in delivering income generation in respect of our commercial property. Our operational property assets need to be fit for purpose and should make a positive contribution either to direct service delivery or to other social economic objectives of the Council.

Our Corporate Plan for the period 2022-2026 with its five strands including a Climate Change strategy, Empowering the Community strategy, Economic Development strategy, Health and Wellbeing strategy and Organisational Development strategy are integral to the Borough's success. This asset management strategy gives direction of how we manage our assets will sit alongside the corporate strategies and assist in delivering the aims and objectives of the Council.

This strategy does not cover Council dwellings/housing, the strategy for which, around meeting housing needs and delivery of capital replacement is covered in a separate strategy, the Housing Asset Management Plan 2021-2026

The key activities for both commercial and operational asset management are shown in the Venn diagram below:-



1. Vision and Objectives of the Asset Management Strategy

1.1. RBC's land and property assets are held in two portfolios: the Housing Revenue Account ("HRA") covering social housing and related land and buildings, and the General Fund covering all other RBC land and buildings, including investments. This Strategy covers RBC's General Fund assets only, with those within the HRA covered by a Housing Asset Management Plan 2021-2026 (adopted separately).

1.2. This Strategy will cover the period from 2023 – 2028, providing the principle framework for strategic asset management of RBC's General Fund land and property assets as a corporate resource. It sets out RBC's vision, aspirations, opportunities and objectives for its portfolio, and outlines an Action Plan for how it aims to achieve these outcomes.

1.3. The purpose of the Strategy is to provide a framework for the strategic management of RBCs' assts as a corporate resource. The Strategy has been put in place in the context of the market and the wider economic and social impacts and draws out the 5 strategic elements of the Corporate Plan.

1.4. This document will form part of RBC's policy framework, which provides Member and Officer guidance on management of RBC's land and property portfolio. It is aimed at providing transparency as well as establishing priorities and clarity of purpose across our organisation and will enable teams to measure success when it comes to the performance of the land and property portfolio.

2. Runnymede Borough RBC Regeneration Strategy

2.1. Surrey is a County of 1.1m inhabitants. It includes a number of larger towns (including Guildford, Woking, Staines, Reigate and Epsom) but is significantly characterised by a large number of dormitory towns and villages, which grew up in the nineteenth and twentieth centuries, initially due to the proximity of London as a place to work. Surrey has benefitted subsequently from having two major airports just outside of its borders; Heathrow to the Northwest and Gatwick to the South which have become major employment centres.

2.2. Runnymede is particularly well located. It has rail connections to London via the Reading-Waterloo and Woking-Waterloo lines. The M3 and M25 straddle the Borough, offering excellent connectivity to all parts of London, the Home Counties and the airports. The Borough is home to a significant number of businesses, large and small. Amongst the largest employers are Samsung. BUPA, Gartner and Belron along with many IT based companies. The Government's Animal and Plant Health Agency is located at New Haw with Royal Holloway College (part of the University of London) located in Egham. A new Garden Village is under development at Longcross. The village will comprise 1700 homes when completed but also houses a media operation with NETFLIX occupying the main part of the commercial site and having recently signed a lease for 25 years occupation in 2021.

2.3. The Borough's towns and villages are regarded as desirable places to live offering a combination of great connectivity, job and housing opportunities and green space. RBC recognised a decade ago that our towns were looking tired and dated and that within an area of economic vibrancy and opportunity, our towns no longer met the aspirations of the business nor indigenous communities. The Council therefore set

about plans to rejuvenate and revive three towns, each with its own characteristics and personalities which would fit an area both popular and buoyant.

2.4. Current Position

- Addlestone

A new Civic Office complex was built and opened in 2007. It acts as a multi-agency base for over 300 Borough RBC workers, Surrey Police and Surrey County Council (adult social care). It also contains a library. As agile working is rolled out, there is a greater aspiration to involve other agencies including Surrey Heartlands CCG and the Department for Work and Pensions. The centre contains a state-of-the-art CCTV control room providing services for three other Boroughs, with three more interested in buying into our services.

Addlestone is a small town with a core population of 16,000. RBC has therefore sought to take a pragmatic approach to regeneration. Between 2014 and 2018, Addlestone One (which stands next to the Civic Offices) was built. It comprises 210 flats in various tenures including social housing, private rented and privately owned. It also comprises a number of commercial outlets with the accent on entertainment and leisure (a six-screen cinema, three food and beverage outlets, a coffee and bubble tea business as well as a 24-hour gym. Other leisure-based offers are under offer including a fully immersive football-based experience and a physiotherapy business.

An Addlestone 2 project is planned opposite the Civic Offices. It would, at its heart, provide a medical centre for 8 GPs to replace a much smaller surgery no longer fit for purpose. It would also comprise either hospital outpatient services or failing this, private health care (in the form of physiotherapy, chiropractice and dentistry). It would also comprise over 70 flats for older people giving the town much needed daytime footfall. All this is supported by Surrey Heartlands, Ashford and St Peter's Hospital Trust and the local GPs. The indicative business plan demonstrates this is achievable, fits with modern NHS standards for GP surgeries and produces a small surplus in rental income to RBC.

This is part of the vision for a modern Surrey town. It does not rely on retail as other centres have bigger and better offers. It provides all of the daytime services and convenience that local people require (the 20-minute town concept) and a leisure, recreation and entertainment offer (already well received before further improvements) which will give the town a destination attraction and a night-time economy.

- Egham

Egham has a diverse population. It is a family town with a significant proportion of elderly people. It is also the home of Royal Holloway University of London and an international community of over 10,000 students. Major companies such as BUPA, and Gartner are well established on the edge of the town. Egham is linked via the M25 to Heathrow terminals which are just 8 miles away.

Two major schemes have been funded by RBC in Egham. The first regeneration scheme involved the replacement of a 50-year old leisure centre with a new complex, Egham Orbit which was completed and opened in 2019. The new centre, which cost

£19m provides an 8-lane swimming facility and spa, sports hall and gymnasium as well as a number of training and dance facilities and outdoor pitches.

The second major scheme Magna Square, costing £90m was opened just a few months ago. The scheme comprises flats for sale and rent (including affordable units), a new cinema, food and beverage units and a supermarket. It is almost completely let already with interest in the remaining outlets. This is the first part of a plan for Egham. Magna Square has been nominated already for a number of awards. Its importance to the town cannot be over-estimated as it links the station (Reading to Waterloo line) with the town centre and already has demonstrated that the town needed this regeneration to ignite its vibrancy. A much needed second phase is planned to replace a dilapidated shopping offer in the centre of the town.

- Chertsey

The third of the towns sitting in the centre of the Borough is Chertsey. It has historical significance and is home to the Chertsey Museum. It has many listed buildings and substantial potential with good communication links. St Peter's Hospital in Chertsey is one of the major employers within the Borough, employing 4,500 staff.

RBC has drawn up a masterplan for the town, but planning is at a very early stage. A substantial capital investment is necessary to modernise the town, currently estimated at c. £120m.

- Longcross Garden Village

The Council has been working for nearly two decades with Crest Nicholson and AVIVA to create a new garden village at Longcross in the Northwest of the Borough. The site staddles the M3 with the northern section comprising 900,000 sq. ft of commercial space and 250 new homes whilst the southern part will comprise the residential element of 1450 homes. So far, 186 dwellings have been completed, with the expectation of a further 1700.

The northern site is predominantly occupied by NETFLIX who recently completed a 25-year agreement for occupation of the site and will be using the facilities as a major production centre. Several planning applications are under consideration.

2.5. All of this regeneration has created new jobs (we estimate 500 for the Addlestone and Egham developments) and a strong basis for a vibrant, attractive Borough for the next 40 years. Regeneration is important to the business base that Runnymede is fortunate to enjoy and is a major reason, along with excellent connectivity, for companies deciding to stay put and expand post-Brexit. Runnymede enjoys the largest GVA in the County by a considerable margin.

2.6. It is important to appreciate that regeneration projects cannot be achieved without considerable outlay. It takes significant investment to employ the architects, engineers, quantity surveyors and lawyers necessary to bring schemes to fruition. Procurement itself has a cost, as does the obtaining of planning consent. Moreover, there is a loss of income. For instance, in achieving the Addlestone One development, a row of shops owned by RBC was demolished in 2014. This cost the Council c.£300,000 or £1.5m over the life of the development in lost revenue. It is important

to recognise that in maintaining services, the Council is unable to fund regeneration, whether it be project costs or lost income, without other sources of income to support the business plan. This is central to RBC's strategy to invest in property.

2.7. Whether RBC is retaining and managing these schemes itself or handing them over to a pension fund or commercial operator, the initial costs of the project have to be borne by the public sector. It is very unlikely that the private sector will want to take over a site where compulsory purchase may be required, demolition is necessary and planning approvals are needed. With due regard to the nature of Surrey towns, the early stages of regeneration are public sector functions and therefore require significant public investment before there is likely to be any private sector interest. In the case of both Addlestone One and Magna Square, RBC has decided to retain and manage these developments in order to recoup the significant capital outlay.

3. Corporate Business Plan

3.1. This Strategy should be read alongside the Corporate Business Plan and the five stand-alone strategy documents and action plans:

- Climate Change
- Empowering Communities
- Health and Wellbeing
- Economic Prosperity
- Organisational Development

4. Aims of the Asset Management Strategy

4.1. The primary aims of the Asset Management Strategy are to:

- Support the Corporate Business Plan 2022 – 2026 and identify where land and building assets could be used in delivery of key objectives.
- Review the influences and explain the opportunities to use RBC's land and property assets
- Explain how we will manage assets safely and effectively and to be fit for purpose
- Set out how we will protect and optimise the value of RBC's assets
- Demonstrate how we will provide a co-ordinated approach to asset management across the authority through the Corporate Landlord Model.
- Communicate how we will identify opportunities to contribute to the provision of affordable housing in the Borough
- Protect and optimise the value of RBC's assets whether operational or investment by taking opportunities of improving and re-purposing existing assets
- Provide flexible spaces (Civic Centre, Community Hubs etc) that can economically adapted to adjust to service needs including sharing with partner agencies and encourage partnership with other agencies
- Illustrate how we will identify and develop opportunities for joint working with partners and stakeholders
- Detail performance measurements in relation to land and property

5. Influences on the Asset Management Plan

5.1. Runnymede Borough covers 30 square miles in northwest Surrey and just over 70 per cent of its land area has green belt status. Development land is a therefore a limited resource in the Borough, keeping land values and property prices high, impacting on the viability of development schemes.

5.2. The Runnymede 2030 Local Plan is RBC's principal planning policy document and sets out the visions, objectives spatial strategy and planning polices for the entire Borough area for the period up to 2030. The Runnymede Local Plan 2030 guides growth to meet the needs of our communities while taking the opportunities to best preserve our environment and enhance our green spaces up to 2030.

5.3. The Local Plan is integral to this strategy as the Local Plan enables us to consider the sites which are highlighted for regeneration and redevelopment which will form part of the Assets and Regeneration Team's Service Delivery Plan (Appendix 1). There are also statutory planning aspects to consider as part of the regeneration along with financial pressures which will affect any development/regeneration and these will need to be reflected to and will be dealt with in accordance with the regulated statutory obligations.

6. Portfolio Overview

6.1. The 230 land and building assets are currently worth around £980M and generate a gross income of over £28M across 580 leases.

Asset Type	Number of Assets
Car Parks (excluding open space and commons car parks)	5
Cemeteries	6
Community Centres/Halls	8
Industrial	6
Land – Access	19
Land – Allotments	3
Land – Agriculture	3
Land – Sub-stations	8
Land – Grazing	2
Land – Lakes and Reservoirs	2
Land – Mixed	9
Land – Open Space, Parks & Leisure	61
Land – Vacant/Derelict	4
Land – Verges	10
Mixed Use	48
Museum	1
Offices	15
Residential	21
TOTAL	230

6.2. Why RBC holds interests in real estate

- Service delivery for our residents
- Community Buildings that support the needs of our communities

- Amenity land and Open Space
- Income generation
- Heritage protection
- Gifted assets and land held in Trust
- Strategic land holdings
- Vitality and economic sustainability of towns and villages
- Surplus assets pending disposal or re-purposing

6.3. As a landowner, RBC has legal and financial liabilities for every piece of land. In some instances, these can be passed on to Tenants through leases. Where this is not the case, RBC has direct and indirect costs of continuing to hold assets, as well as legal liability.

7. Management Structure and Resources

7.1. The Assets and Regeneration team is responsible for achieving the aims and objectives of the Corporate Business Plan in relation to the use of RBC land and buildings.

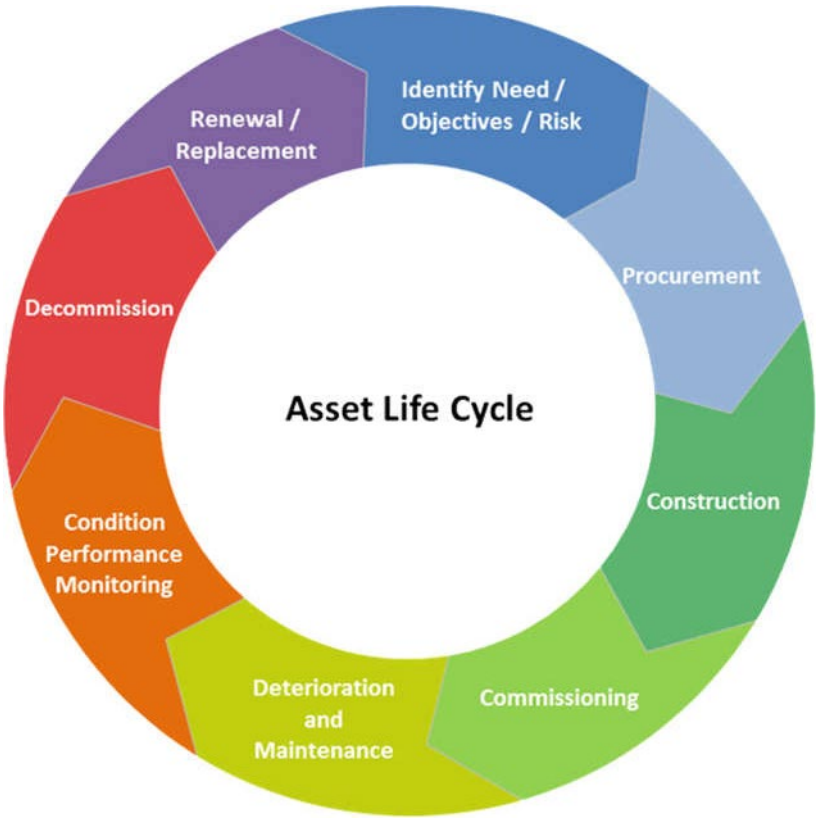
7.2. The decision to retain our large regeneration assets has influenced the structure of the Assets and Regeneration team, which will also need to adapt in accordance with the Corporate Business Plan and objectives for Runnymede in the future.

7.3. The team provide four key areas of expertise:

- Portfolio Management – maximises income, manages properties and tenants (including running service charge budgets if needed) and 'sweats' the assets namely extracting the optimum value from the property through looking at various strategic options namely regearing leases, looking at alternative uses
- Project and Building Surveying – delivers building and regeneration projects from inception through to practical completion, including procurement and management of the professional teams. Sustainability improvements as and when required will be delivered through this team.
- Facilities Management – deals with all hard and soft FM contracts and utilities contracts across the portfolio, including procurement and performance management, to ensure the smooth running of our buildings. Health and Safety compliances falls under this section ensuring that all of our buildings meet current legislation.
- Residential Sales and Lettings – undertaken by RBCI Ltd deals with Private Rented Sector lettings portfolio along with sale of the any residential assets within the portfolio particularly ADD1 and Magna Square

7.4. 'Business as usual' for the team means ensuring rent collection on investment portfolio is maintained to a high standard. Ensuring compliance with all health and safety aspects across the operational estate, deliver value for money on any new contract arrangements in respect of both operational and investment portfolio. Ensure that all our buildings operational or investment are well-maintained, fit for purpose, used effectively and run efficiently through the Corporate Landlord Model.

7.5. The diagram below shows the lifecycle of a typical building and the stages of asset management that occur:



8. Management Policies

The following policies have been written alongside this Strategy, to explain in detail how those aspects will be managed:

8.1. Corporate Landlord Policy – Appendix 2

The Corporate Landlord Policy was agreed by CMC in December 2020. The model definition is where there is one property function which manages assets and the asset related budgets. Moving forward operational teams will not need to be fully involved in property related matters which sometimes means that decision making about the future property use is undertaken by varying different groups across the Council. This usually leads to duplication of effort and lost opportunities to consolidate and create an efficient operational estate. Moving forward the Corporate Landlord model which is a strategic property function has the ability to properly manage our operational estate which will deliver efficiencies and savings.

8.2. Commercial Lettings Policy – Appendix 3

The Council's preference will be to let properties on proper commercial lease terms and open market rents on an "arm's length basis". When looking at our community assets the hidden rental subsidy will be given a grant subsidy which will fully offset any adjustments to budgets. This will also ensure that RBC achieve its overall support to the voluntary sector and we will be more visible and transparent. *See Grant Criteria and Funding Opportunities Guide February 2022.*

With regard to commercial lettings rent reviews and lease renewals; when instigating a new letting the aim will be to achieve the best possible rental income stream in line with the market evidence. In respect of rent reviews and lease renewals the legal

framework of the lease will be followed and where possible an enhanced rental increase will be achieved. All leases will have an upwards only rent review clause thereby ensuring that the rent will not go below the current rate enabling budget settings to be achieved. Lease renewal will follow statutory framework of the Landlord and Tenant Act 1954 ensuing notices are served on a timely basis and the length of the lease and rental are in line with the market influences.

8.3. Accommodation Policy – Appendix 4

Use of space and allocation for services is a corporate decision. This Policy sets out a process for changes to those allocations.

All operational accommodation needs are to be reviewed regularly. In light of the Agile Working Protocol and likely ongoing trend of hybrid working, touch down desks are likely to be a feature in the future and break out spaces to enable productive working for all services.

8.4. Acquisition and Disposal Policy – Appendix 5

Acquisitions are going to be limited in nature and are likely to be linked to schemes identified in the Corporate Business Plan.

Under-utilised land and building assets will always be considered for housing in order to assist with housing targets, although they will not always be suitable or viable.

Disposals may be incidental, major or Community Asset Transfers. This policy sets out all the disposal methods and the criteria for CATs.

8.5. Repairs and Maintenance Policy – Appendix 6

Property is a core resource, and as such we want it to be fit for purpose, safe, efficient, and sustainable.

Using comprehensive condition surveys of all aspects of the property, will allow us to understand the condition of all properties, what works are required, their cost, and what priority that work has. This will include responsibility for the maintenance of car parks when that function transfers to Assets and Regeneration.

We will continue to strive towards good Health and Safety practices, utilising our Property Management System to record data and provide reports, working with our new FM Principal Contractor.

The policy includes a protocol for Management of Contractors, and management of key compliance issues.

8.6. Investment Property Update – Appendix 7

Our performance as a business unit will be reported to the Assets and Regeneration Group, which meets on a bi-monthly basis and reports directly into Corporate Leadership Team. Any key decisions outside delegations will be taken to Service Chairs and ultimately Corporate Management Committee.

9. Reporting Requirements, Training and Governance

9.1. Reporting of performance will be undertaken as part of the Quarterly Treasury and Capital Performance Monitoring report to the Corporate Management and Overview

& Scrutiny Committees and/or the Quarterly Budget Monitoring report whichever is felt more appropriate at the time.

9.2. The Council recognises the importance of ensuring that all staff involved in the management of property are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

9.3. The responsibility for investment decisions remains with RBC at all times whether directly or through the Scheme of Delegations (Appendix 8). It recognises that there may be potential value of employing external independent and expert advice in order to acquire access to specialist skills and resources to ensure due diligence is suitably robust before any new transactions are entered into.

9.4. When it employs such service providers it will ensure it does so for reasons which have been submitted to a full evaluation of costs and benefits. It will also ensure that the terms of appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. And it will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed.

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Appendix 1 – Service Delivery Plan

Service Area Plan for Financial Year 2023/24

Business Unit:	Strategic Land and Property Assets
Corporate Head of Service:	Alex Williams
Version:	1.2 COMMITTEE FINAL

Approvals

Approved by CLT:	25/01/2023
Approved by Service Cttee:	23/02/2023

Service Area Narrative and Mission Statement

The Assets and Regeneration Team undertake the day to day running and maintenance of the Council property portfolio which consists of operational and investment assets. The operational assets are used by our residents and the function of the team is to ensure a statutory compliant and fit for purpose estate that delivers key services whether it be statutory function or non statutory function.

We have focused on purchasing investment properties that create revenue generating opportunities and at present the property portfolio has a value of in excess of £675M and a rent roll of over £25M. This revenue goes towards providing key services for our residents. The business unit is effectively a property company in its entirety which requires expert resources namely qualified surveyors, lawyers and accountants to ensure the portfolio can maximise its assets and at the same time comply with good practices along with ensuring all assets are compliant with health and safety legislation and most recently the Building Safety Act 2022. It is also essential that the business unit continues to provide a resonable return for the Council.

In addition to the functionality of the team, the Council has 3 special purchase vehicles which are 100% owned by Runnymede Borough Council. They are RBCH Ltd , RBCI Ltd and RBCS Ltd. They perform separate functionality for the Council and have their own governance structure and articles of association.

There are some significant priorities facing the business unit - these include the working with DHLUC in respect of the up and coming Levelling -Up and Regeneration Bill working closely with them to work through capital borrowing along with our capital plans and looking at how we can reduce our borrowing which may mean commercial assets need to sold to reduce the borrowing costs. In addition to this we are in a period of economic downturn which has an underlying affect on economic growth on our portfolio. Energy costs are exhorbitant and this will also affect the day to day running of the investment portfolio and the operational portfolio. The introduction of the Building Safety Act 2022 will have an impact on the running of all our assets and there are additional statutory responsibilities which will need to addressed as part of running a mixed portfolio of operational and investment assets. In addition construction inflation and a reduced supply chain of materials and contractors will mean increased running costs. This will affect budgets both internally and our service charge budgets for our tenants. Any capital enchancement projects on our operational asset base which will be subject to full viability and feasibility.

Furthermore work will be required to the asset base to ensure that we meet the carbon zero target. Work is currently being undertaken in respect of what the exact baseline is for RBC. Out of this will be additional budget pressures to ensure that all our operational assets achieve this target. With regard to our investment assets all efforts will be made to engage with the tenants to ensure that they make the necessary improvements but this is not at RBC gift so there will have to be a balanced view as to how we achieve this when tenancies come to an end. All new developments have complied with sustainability issues through the planning process. Whilst the team went through complete "change mangement" in 2021 there is a need to undertake a further restructure to the Assets and Regeneration team within the next 6 months to ensure delivery of all the demands and changes that are required for a fit for purpose, compliant and sustainable estate.

Business Unit:	**Strategic Land and Property Assets**
CHoS	Alex Williams
Service Area 1:	Property Portfolio Management
Service Area 2:	Project and Building Surveying
Service Area 3:	Facilities Management
Service Area 4:	Residential Sales and Lettings

Service Organisational Structure https://www.runnymede.gov.uk/working-us/leadership-team

Budget Book Information Budget information 2022-23

Description of Service (1) Property Portfolio Management

Main Purpose: The property portfolio team manage both the operational and investment assets. The team comprises of four chartered surveyors with the following titles, Property Portfolio Manager, Portfolio Manager (of which there are three) and one graduate surveyor along with two property administrators who worked across the team functions. As part of our Asset Strategies we will be adpating the team to ensure that it can deliver the ongoing needs of the Council but in principle the role of this team is to ensure that the rental income of the investment properties is collected in a timely manner and that each property is managed to its optimum level through service charge managment along with ensuring that rent review and lease renewals are carried out in a timely fashion. It is also the role of the surveyors to deal with the day to day running of the properties particularly those that are multi tenanted and require specialist service charge expertise in maintaining these assets. This includes setting up of appropriate service charge budgets, informing the tenants and ensuring that the monies collected go towards the day to day running of that particular property. Quarterly inspections on each investment property are carried out and the surveyors ensure that the tenants are complying with the terms of their lease as well as ensuring they are following good practices with regard to health and safety and other key aspects that affect the assets, including the appropriate EPC (Energy Performance Certificate) being publicly displayed. The surveyors will have regularly meetings with tenants as part of good estate management and will further ensure that there is good landlord and tenant relationship in place.

The current valuations undertaken on our property assets are as follows: -
£574M work of mixed-use investment portfolio with a rent roll of in excess of £25M
£5M worth of car parking assets
£10M Civic Offices
£9.5M Community Centres
£4.5M Public Halls
£79M under construction namely Magna Square

Our Performance Indicators measure rent arrears, tenant turnover rates and % of total RBCI PRS vacant units.

Description of Service (2) Building Project Surveying

Main Purpose: The main objective of this post will be to deal with all projects emerging our the estate whether this is the operational estate or investment estate. The aim will be that the Building Project Surevyor will deliver "building projects" for the team. This role reports directly to the Corporate Head. Within the team but again reporting directly to the Corproate Head a chartered surveyor to deal with ascertaining whether the council's priority projects that could achieve capital receipt, revenue and/or social value will involve legal due diligence, feasibility studies and take a project through RIBA 1-4 with the Building Project surveyor taking itf fom RIBA 5-7 (construction to completion). The Corporate Head in conjunction with the chartered surveyor and Building Projects Manager, will ensure that all the projects, are procured correctly and they will further ensure that any project for any asset is managed in accordance with the project management guidelines. They will also assist with ensuring any projects that are undertaken by the authority are within budget and on time. Part of their role on any project will be to manage a multi-disciplined professional team namely; architects, engineers, quantity surveyors and contractors.

Key Functions and relevant Statistics from Previous Year:

Regular project updates are reported as part of the Council's Project Portfolio across the year.

Description of Service (3) Facilities Management

Main Purpose: The facilities team deal with all aspects relating to hard and soft facilities management whether that is cleaning, landscaping, electrical, mechanical, advertising and promotion, deliveries, and vehicle management (transport plans etc). They also deal with anything that affects the day to day to the running of the properties that we have within our portfolio and work closely with all the other teams including the Property Portfolio and Project team. They will all work together to deliver the corporate landlord model where there is one property function which manages the assets and the budgets. This will deliver a strategic property function within the authority which will deliver efficiencies and savings across the estate. The Facilities Team moving forward wil imminently undergo a restrcuture and will consist of a Building Contract Surveyor and M&E Contract Surveyor, a H&S and Sustainability Advisor, Assistant Building Contract Expert, Assistant M&E Contract Expert, and Facilities Apprentice,. They will be supported by a Maintenance and Compliance Co-ordinator and an Administrator. This team will manage the "super FM contact" which is currently bein procured. In addition to above we have 3 employees which are employed thorugh our special purchase vehicle companies and in particular RBCS Ltd whereby the cost of providing fit for purpose multi-tenanted properties is paid through the service charge. The properties they specifically work on are ADD1, Civic Centre, and Magna Square which will comprise of retail, leisure, student accommodation and residential units.

Key Functions and relevant Statistics moving forward :

Undertake compliant buidling condition surveys of our operational assets both in respect of building fabric and associated facilities and complaint mechnical and electrial condition ensuring compliance with with H&S legislation and the new Building Safety Act 2022 which will have to be adhered to. Our Performance Indicators will measure the % of planned maintenance completed in respect of priority 1,2,3 works identified by condition surveys. It will also split capital and revenue costings and put in place a capital programme year on year.

Description of Service (4) Residential Sales and Lettings

Main Purpose:
One of the special purchase vehicles is RBCI. This company undertakes the sales of completed residential units which are sold in the open market or rented out as private rented accommodation. The resource allocated to this role known as the Sales and Letting Advisor who is also supported by the Business Graduate for the Companies which accommodates the needs of each asset, namely ADD1 and Magna Square.

Key Functions and relevant Statistics from Previous Year: Apart from minimal churn the ADD1 development and both Magna Square are fully let through Assured Shorthold Tenancies. We have sold six flats in the Magna Square development albeit it is challenging times for the housebuyers market. Witley House which comprimises 24 units at ADD1 is under offer to a housing association and there are few sales which are "on hold" awaiting completion of the cladding works which will be December 2024

Service Area Plan for Year 2023/24

Business Unit: Strategic Land and Property Assets

Colour Key:
- Corporate Business Plan/ Strategy Action
- Type of initiative = Legislation/ Regulatory requirement
- Type of initiative = Service/ efficiency improvement
- Type of initiative = Income generation
- Type of initiative = Staff / Resources requirement

ID	Type of initiative	Service Area	Description of initiative	Outcomes/ Deliverables	Priority	Service Area Lead Team/ Individual(s)	Additional resources required from outside department	Additional growth required? Y/N plus indicative costs ££	Anticipated start date	Anticipated completion date
HWB 028	CBP Strategy Action	Assets & Regeneration	Work in partnership with Sir Williams Perkins School to identify opportunities and the feasibility for new sports facilities at Barnsbrook Farm, Chertsey, ensuring access for community use and benefit of residents.		Should - the initiative should be done		• Sir William Perkins School • Active Surrey • RBC Community Services • RBC Planning	Growth		
HWB 022	CBP Strategy Action	Community Services / Development	Support and provide input as required to the viability of community Hub at Egham Hythe Centre, working in partnership with Egham Hythe GP Practice		Should - the initiative should be done	Community Dev		No growth	Apr-22	Mar-23
HWB 022	Service/ efficiency improvement	Day Centres/Social Centres	Move from viability stage to implementation of Community Hub project at Egham Hythe Centre. Deliver any capital works projects with Community Development acting as Client	Proceeding with this will be dependent on the considerations of HWB022	Should - the initiative should be done	Halls/Day Centres	Assets and Regen	Sept '22 - likely cost to configure site will be known (for community hub use) (to be updated) Growth/ bids or external funding, re-use of internal resources Capital requirement		
AR0 01	Service/ efficiency improvement	Property Portfolio Management	Production and delivery of the Assets and Regeneration strategy		Must - the initiative has to be done	AW/MD		Y = £102K (for MSCI Real Estate system	Sep-22	Nov-22
AR0 02	Service/ efficiency improvement	Facilities Management	Mobilise super FM contract and Contract Management		Must - the initiative has to be done				Sep-22	Mar-23
HWB 024	CBP Strategy Action	Property Portfolio Management	Support the review of Kings Lane, Englefield Green incl the lease and building asset as part of wider consideration of sports and recreation facilities at the site.		Should - the initiative should be done	Open Space Strategy & Development/Community Development (Leisure)	Assets and Regen Environmental Services	N Review may lead to requirement for growth to implement any recommendations		
AR0 03	Staff / Resources	Project and Building Surveying	Refurbishment and works at the Chertsey Depot and consideration of the future of The Orchard and associated buidlings		Must - the initiative has to be done	AW/KM	Environmental Services as Client	N	Sep-22	Mar-23
HWB 021	CBP Strategy Action	Community Services / Development	Support the viability review and any implementation works to set-up a Youth Café facility in Addlestone considering working with Partners to potential deliver a service which is funded through Safer Streets monies		Should - the initiative should be done			Youth cafe subject to grant funding (Safer Streets)	Apr-22	Mar-23

Service Area Plan for Year 2023/24

Business Unit: Strategic Land and Property Assets

Colour Key:
- Corporate Business Plan/ Strategy Action
- Type of initiative = Legislation/ Regulatory requirement
- Type of initiative = Service/ efficiency improvement
- Type of initiative = Income generation
- Type of initiative = Staff/ Resources requirement

ID	Type of initiative	Service Area	Description of initiative	Outcomes/ Deliverables	Priority	Service Area Lead Team/ Individual(s)	Additional resources required from outside department	Additional growth required? Y/N plus indicative costs ££	Anticipated start date	Anticipated completion date
AR019	Staff / Resources	Facilities Management	Utility cost increases		Pick from list			Y = market forces review required to take place asap outcome of review will give £s required	Sep-22	Mar-23
AR004	Service/ efficiency improvement	Facilities Management	Strategic Review and condition surveys of all council-owned car parks to ensure required upgrades are considered/delivered as part of any upgrades for ANPR or ECV charging installation e.g. switch to LED lighting, upgrade electrics, renew car-park surfacing etc.		Must - the initiative has to be done	AW/KM/GH		Y =capital required for general improvements eg lighting and tarmac £500k over three years		
AR005	Legislative/ Regulatory Change	Project and Building Surveying	Building Safety Act 2022		Should - the initiative should be done	AW/KM/GH	Housing	Y= £300K over 5 years	Sep-22	
AR006	CBP Strategy Action	Project and Building Surveying	Support Chertsey Masterplanning working with stakeholders and key businesses in the Town		Should - the initiative should be done			Growth for additional Chertsey masterplan work in Planning Policy SAP (20k)	Sep-22	
AR007	CBP Strategy Action	Project and Building Surveying	ADD2 Health Hub feasibility and viability and delivery options to be investigated	Enhanced health facilities	Should - the initiative should be done	AW/JM/KM	Community development, Housing, NHS, CCG	Y professional fee in the region £50k	Jan-23	Mar-25
AR008	Income generation	Project and Building Surveying	Procurement of FM for Student Block Magna Square		Must - the initiative has to be done			Subject to CMC 22.9	Sep-22	Jun-23
AR009	Service/ efficiency improvement	Property Portfolio Management	Procurement of commercial and residential agency advice for portfolio	Income generation on Commercial and Residential portfolio	Must - the initiative has to be done			No	Oct-22	Feb-23
AR010	Income generation	Property Portfolio Management	Egham Orbit way forward		Must - the initiative has to be done					
AR011	Legislative/ Regulatory Change	Facilities Management	Condition Surveys Revisited for Operational Assets to ensure compliance and fit for purpose splitting capital and revenue budgetary requirements	Fit for Purpose Opertional Estate	Should - the initiative should be done	AW/GH/KM	Community development re Halls and Day Centres	Y 20%+ increase on current budget (263K) likely due to the current condition of assets but additional bldg assets are being discovered and their condition unknown	Oct-22	5 year work prog
AR012	Legislative/ Regulatory Change	Facilities Management	M&E Condition survey of all operational and where appropriate investments that have CHN	Sustainability of portfolio	Must - the initiative has to be done	AW/GH/KM		Possibly subject to findings	Oct-22	5 yeare work pro

Service Area Plan for Year 2023/24

Business Unit: Strategic Land and Property Assets

Colour Key:
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- Type of initiative = Income generation
- Type of initiative = Staff/ Resources requirement

ID	Type of initiative	Service Area	Description of initiative	Outcomes/ Deliverables	Priority	Service Area Lead Team/ Individual(s)	Additional resources required from outside department	Additional growth required? Y/N plus indicative costs ££	Anticipated start date	Anticipated completion date
ARD 13	Income generation	Project and Building Surveying	Feasibility of Egham Precinct all leases fall in by 2025 no income will be achieved	New income achieved with residential income	Should - the initiative should be done	AW/JM/KM	Housing	Y £50K for RIBA 0-2 consultancy costs. Construction costs to be quantified at RIBA 0-1.	Jan-23	Mar-26
ARD 14	Service/ efficiency improvement	Property Portfolio Management	Procurement of Valuation for the whole RBCs property portfolio	Audit requirement and ensure managing property portfolio effectively	Must - the initiative has to be done	AW/MD	Finance	Y - cost £10-15K	Jan-23	Mar-24
ARD 15	CBP Strategy Action	Property Portfolio Management	Full reivew and options for office portfolio	Reduction in borrowing	Must - the initiative has to be done	AW/MD	Finance	Y £50K	Apr-23	Mar-24
ARD 16	Legislative/ Regulatory Change	Facilities Management	Replacement of Roof at Civic Centre, BMS, HVAC, Windows mechanism, Lifts	Ensure compliance with legistion and insurance requriements and to fit for purpose civic centre failure to do will lead to failure on compliance	Must - the initiative has to be done	AW/GH/KM	Procurement	£1M	Aug-23	Mar-24
ARD 17	Income generation	Property Portfolio Management	Sale of Laser House	Capital receipt	Should - the initiative should be done	AW	External Agents offset from capital receipt	N	Feb-23	Nov-23
ARD 18	Service/ efficiency improvement	Property Portfolio Management	Climate change initiatives across portfolio	Carbon Net zero	Must - the initiative has to be done	AW/GH/KM	Climate Change	Yes	Apr-23	31/03/2024
ARD 19	Income generation	Property Portfolio Management	Asset challenge - Council owned assets	Capital receipt	Must - the initiative has to be done	AW/JM/KM	Finance and procurment	Y £150K	01/04/2023	31/03/2024
ARD 20	Service/ efficiency improvement	Property Portfolio Management	Asset Strategies	Efficient and Compliant Investment and Operational Property Portfolio	Must - the initiative has to be done	AW/MD/KM/GH	No	No	01/04/2023	01/04/2024
ARD 21	Service/ efficiency improvement	Property Portfolio Management	Change Management	Service Efficiency for Team	Must - the initiative has to be done	AW	Human Resources	Y estimated £100K	01/04/2023	01/08/2023

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Runnymede Borough Council

Corporate Landlord Policy

January 2023



1. Introduction

1.1. At a meeting of the Council's Corporate Management Committee on 17 December 2020, the Committee agreed that it was appropriate for the Council to adopt the Corporate Landlord Model so that there would be one property function which managed General Fund assets and budgets across the organisation.

1.2. The Council needs to ensure that its land and buildings are managed as corporate resources, the right stakeholders are involved, and decisions are made in the context of the Council's priorities and objectives.

1.3. The Council has adopted a Corporate Landlord approach to the management of its land and buildings portfolio. The Corporate Landlord model approach takes a more strategic approach to property and asset management. Assets are centrally managed and maintained as a corporate resource by the Corporate Landlord, with services occupying corporate assets as 'Tenants'. This provides the best mechanism for driving a more strategic approach.

1.4. Definition of Corporate Landlord model:

"A corporate and strategic approach to the management of the Council's estate, involving closer integration of property asset management and facilities management resources, and closer working with service directorates and partners on estate planning – supported by effective governance and decision-making.

A fundamental principle is that all property is treated as a corporate resource such that decisions on the management, maintenance and funding of property assets must be taken in the interests of the Council to ensure best value for the taxpayers of Runnymede.

2. Key Principles

2.1. The ownership of an asset and the responsibility for its management, maintenance and funding is transferred from service departments to the Corporate Landlord, which is a centralised corporate body, with associated transfer of budget control.

2.2. The Corporate Landlord adopts a greater strategic focus and business partner approach to work closely with services and partners to better understand their asset needs and aligning the assets to enable service transformation and new ways of working. to supporting RBC's economic growth priorities and drives income generation through an enhanced investment portfolio.

2.3. The key performance indicators of the Corporate Landlord include:

<u>Processes</u>

- Aligns to the end-to-end asset lifecycle with clearly defined accountabilities with responsibilities

- Contains sufficient controls to ensure that RBC provides an estate that is healthy and safe, in compliance with statutory obligations and responsibilities.

Technology

- Single point of accountability for asset data /systems
- A Property Management System that provides a single version of the truth on RBC's estate Information
- Enable robust data management to support effective strategic decision making across the estate
- Drive improved customer satisfaction through the definition of standards of service with effective performance management against Service Level Agreements

Organisation

- Integration of asset management, capital project and facilities management responsibilities and resources into a single business unit
- Increased strategic and project capacity and capability
- Help Property/ FM functions to be scalable and resilient to change
- Drive value for money in terms of internal resource and third party spend, with improved visibility and control of costs

People

- Retain, upskill and/or recruit the right people with the right skills and capabilities
- Retain a sufficient level of in-house expertise for intelligent supplier and contract management
- Retain a sufficient level of in-house expertise for planning, budgeting and programme management

Governance

- Adoption of a Corporate Landlord approach whereby all property is treated as a corporate resource such that decisions on property assets must be taken in the interests of RBC as a whole to ensure best value for the taxpayers of Runnymede
- Corporate capital/asset governance that supports effective decision making on RBC assets
- Corporate Landlord operates as a cost centre on an efficient basis with any surplus used to drive improvement in service delivery

Clarity

- Clearly set out responsibilities and expectations for all occupiers of RBC owned properties

2.4. The Corporate Landlord Model is an Intelligent Client model across Asset Management, Capital Projects and Facilities Management with a best-in-class supply chain supporting each functional area. The Corporate Landlord strategic approach provides:

- A consistent, corporate and strategic approach in the way that the estate is managed
- Consolidation and better planning of property resources

- Elimination of duplications of effort
- Improved efficiency and better management of risks
- Clear and consistent policies and end to end processes for property
- Assurance that the property portfolio is safe and fit for purpose
- Consistently procured property related services
- Comprehensive understanding of the performance of the portfolio and its use to inform the strategic decision making

2.5. The Corporate Landlord's responsibility extends further to the acquisition, development and disposal of land and buildings.

2.6. The Corporate Landlord is responsible for asset planning, review, feasibility and options appraisal accounting for the needs of all service areas, but most importantly, making decisions based on overall corporate priorities.

2.7. In Runnymede the Corporate Landlord is responsible for the following activities:

- Design and Project Management
- Statutory Compliance of Buildings
- Delivery of capital projects
- Energy Management
- Carbon Reduction within the property portfolio
- Management and Commissioning of Repairs and Maintenance along with capital projects which are enhancement of our assets
- Facilities Management (in relation to cleaning, catering, security, caretaking and area facilities officers)
- Estates and Valuation Services
- Strategic Asset Management Planning
- Planning and maximising the safe mode of occupation of our buildings in line with the office Accommodation Policy
- Management of RBC's Investment Property

2.8. The role of other business units is simplified, as they are responsible only for the services provided from the buildings, rather than the buildings themselves. This will ensure that appropriate knowledge and expertise is applied to where it is needed on a consistent basis across all RBC owned land and property.

3. Documentation

3.1. Where RBC owned properties are occupied by third parties, the Corporate Landlord will ensure there is appropriate occupational documentation in place between RBC and the occupier, such as lease, licence, or tenancy at will. These documents, prepared by in-house or external legal advisors, need to set out the rights and obligations of both parties.

3.2. Where an RBC owned property is occupied by an RBC service, it is not appropriate to document the occupation in the same manner as above. Nevertheless, it is important that there is a clear understanding of the rights and obligations of both parties. A template agreement can be found at Appendix A.

--END--

Appendix A - Inter-Council Occupation Template

Corporate Landlord Service ('Landlord')

The Corporate Landlord is ultimately governed by the Corporate Management Committee. CLS holds the following responsibilities, subject to budgetary control and the implementation of the principles of good estate management:

1. Repairs

   CLS is responsible for repairs to the fabric and integral mechanical and electrical installations of the building. Repairs are defined as works required to return a failure of the building fabric or fixed service to an acceptable state of operation, to the reasonable satisfaction of the Property Manager.

   Repairs and maintenance is categorised as follows:

   Routine Maintenance

   Work undertaken on building systems in accordance with a predetermined schedule in order to achieve optimum performance for age. For the avoidance of doubt, such systems are detailed below:-

   - Heating and Hot Water Systems
   - Ventilation and Air Conditioning Equipment (excluding IT server and Tenant installed systems)
   - Fire Alarm and Emergency Lighting Installations
   - Security Systems
   - Lift Installations
   - External Drainage Systems
   - Maintenance of external envelope of building, to include roof, external works, doors, windows, rainwater goods.

   Planned Maintenance

   Work periodically undertaken on the building fabric to prevent failure of a component within its design life.

   Life Cycle Replacement

   Work undertaken to replace life expired components of the building fabric or fixed services to return the building to an acceptable state of operation.

   Inspection and Testing

   Work undertaken on a periodic basis to meet statutory requirements or to address a health and safety risk. For the avoidance of doubt, such works are detailed below:-

   - Inspection of fixed electrical installations
   - Inspection of firefighting equipment
   - Inspection of lightning protection installations
   - Glazing risk assessment

2. Facilities Management

   Work undertaken to ensure acceptable standards are maintained within the building for Service Occupiers. For the avoidance of doubt, such works are detailed below:-

   - Office cleaning including waste management
   - Internal redecoration and renewal of floor finishes within communal areas
   - Window cleaning
   - Maintenance of chilled water dispensing equipment
   - Security / Caretaking

3. Corporate Management

Work undertaken as part of corporate strategy managed by CLS. For the avoidance of doubt, such works are detailed below:-

- Asbestos Management
- Legionella Management
- Access Audits
- Energy Efficiency

4. Outgoings

CLS is responsible for the payment of property related outgoings from centralised budgets for the following:

- Rent
- Service Charge
- Business Rates

5. Grounds Maintenance

Ground Maintenance, to include soft and hard landscaping, inclusive of car parking and boundaries serving the corporate asset.

Occupying Service ("Tenant")

The Occupying Service has the following responsibilities and obligations:

6. Internal Repair / Maintenance

The occupying Service is responsible for the following:

- Carpets
- Decoration
- Furniture
- IT Equipment etc.
- Storage shelving

7. CLS Repairs

The Occupying Service must report any items of disrepair that are noted to CLS at the earliest opportunity.

8. Occupying Service Management

The Occupying Service is responsible for undertaking the following and maintaining the required documentation and certification:

- Asbestos awareness
- Fire Procedures & management, to include Fire Testing and Emergency Lighting
- DDA – Accessibility Plan
- PAT Testing
- Legionella prevention requirements
- Arrange and monitor key holders and security. In delivering on this item, relevant occupying Services will act in accordance with the building insurance provision for vacant buildings.
- Complying with good practice in terms of energy efficiency and carbon reduction

9. Alterations

The Occupying Service must not make any alterations to the property, whether to the building fabric or furniture layout. Any requirements for such alterations must be submitted to CLS with a justification or business case for approval.

10. Sharing of Space

The Occupying Service may not share the allocated space with any other party without the approval of CLS. If a requirement for sharing accommodation with a third party arises, then CLS will engage directly with the third party to ensure that the occupation is appropriately documented.

11. Good Practice

Occupying Services are required:

- To observe the occupational requirements of the Accommodation Policy
- To not act in any way which could impact on RBC's insurance policies or the use of the building by other occupiers

12. Capital Funding

The stock condition survey data allows appropriate annual budgets for routine and planned maintenance and lifecycle replacement works to be considered and set on a forward planning basis. The prioritisation of such works will take account of the ongoing condition of the estate in the context of available budgets, value for money and good estate management practice. All service directorate requests in respect of works to the corporate office accommodation will be submitted to the Corporate Landlord to be considered in accordance with these principles.

--- END---

For all information contained within this document contact:

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Further copies of this publication, or copies in large print other formats or languages can be obtained via the above contact details.

Search: Runnymede Borough Council



Runnymede Borough Council

Commercial Lettings Policy

January 2023



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1. Purpose

1.1. The purpose of this policy is to set out a framework of transparent, consistent and impartial processes that are to be used during the letting of any land or premises owned, or managed, by RBC.

1.2. The aims of the policy are to ensure that RBC complies with standing legislative requirements and that it also maximises the return on the investment it makes in any land or premises held for commercial purposes.

2. Governance Structure

2.1. The governance arrangements are as follows:



2.2. The Corporate Head of Assets and Regeneration chairs the Assets and Regeneration Group which meets on a bi-monthly basis and the Draft Terms of Reference for this Group is in Appendix A.

2.3. The Corporate Head reports to the Assistant Chief Executive/Section 151 Officer and both have powers under the Council's approved scheme of delegation. Decisions outside Officer delegated limits are taken to Members of the Corporate Management Committee which sits monthly (except in August).

3. Commercial Portfolio

3.1. There are two classes of assets within this Portfolio:

<u>Investment</u>

3.2. These are specific commercial assets identified in accounting terms as being held solely to generate income and/or capital appreciation. Their classification brings with it certain management responsibilities, such as valuing the portfolio annually.

Non-Investment

3.3. These are still commercial assets generally let to businesses but in these cases the intent behind them does not meet the investment criteria. This includes operational assets (those used by the Council to provide services), and other commercial buildings not classed as investments. Properties can move between classifications if circumstances change.

4. Assets and Regeneration Team

4.1. The Assets and Regeneration Portfolio Team provides

- In-house asset and commercial expertise committed to the delivery of RBC's objectives;
- Developed a proactive approach to managing leasing, purchasing and the sale of assets. Where appropriate contracted specialists will be employed ensuring the broadest possible marketing impact whilst achieving best value.
- Maintain regular inspections of all assets, ensuring compliance with lease and other matters or variations.
- Asset Valuation – undertake detailed review of annual 3rd party balance sheet valuations / challenges / assumptions and to provide detailed feedback to Finance team prior to approval being reached.
- Dealing directly with new rent negotiations, lease renewals, rent reviews and legal issues or arbitration;
- Manage and control service charges, dealing with multi-let sites and compliance with the RICS service charge code.
- Manage and maintain records of all properties including the insurance policy requirements of vacant properties and the completion of the required information.
- Procurement of services to comply with RBC's standing orders.
- Maintain records of rental income and outgoing expenditure.
- Managing the operation of the Concerto Property Database ensuring the data is kept secure, accurate and compliant with GPRS requirements.

5. Marketing and Letting

5.1. Vacant properties are a risk to the organisation, above and beyond any financial implications. Empty buildings deteriorate more quickly than occupied buildings and can attract criminal or anti-social behaviour such as fly tipping and vandalism. To mitigate these risks and to maintain our building insurance there is a Managing Vacant Buildings process, attached here as Appendix B.

5.2. Generally, vacant properties are marketed according to the prevailing market conditions and offers made by tenants. If marketing is through external agents, all offers are reported back to the allocated surveyor. An external agent may be used where there is specialist skills and market knowledge required.

5.3. The surveyor will review offers and recommend the most economically advantageous. Like in procurement, this is not just a case of highest rent offer wins. The surveyor must consider other factors, such as tenant mix, suitability for the neighbourhood, and

what is known as the covenant strength of each tenant, taking into account their ability to cover the rent and service charge, and their future business efficacy.

6. Leases/Licences

6.1. A lease is an agreement in which the landlord agrees to give a tenant the exclusive right to occupy land or premises for a specific term, subject to the terms and conditions of the lease.

6.2. A lease differs from a licence, in that a licence gives permission to the holder to carry out a permitted activity without the right of exclusive occupation.

6.3. All leases must be granted in accordance with the Council's approved scheme of delegation.

6.4. Occasionally, a charity or community group may wish to take a lease of a commercial building. The rent will be a market rent to ensure we comply with s123 Local Government Act. The tenant may want to make an application to RBC for financial support, under the approved Rent Grant Aid Policy applicable at the time. This should ideally be done before entering into negotiations if it will impact the tenant's decision to take the property. Otherwise, the vacant period for that property is extended and RBC end up paying additional void costs whilst waiting for this to be resolved.

6.5. Lease terms are negotiable and reflect constant changes in the market. They cannot be pre-set or specified, but some general principles are:

- Length – longer is usually better, provided it fits with the strategic future of the asset. Tenants may require regular breaks to end their lease liability should business factors change.

- Incentives – rent-free periods and capital contributions. These should be in line with the market norm, seeking evidence from local and national agents if necessary to demonstrate parity. In some cases we have insisted on penalty clauses to recoup some of the incentives if the lease is broken early.

- Pandemic clauses – these are now more commonplace and essentially provide the tenant with a rent discount should future lockdowns occur in their sector.

- Turnover rents – Retail and leisure sectors particularly are requesting turnover style rents, directly linking income with rent payable. Expert valuation advice is likely to be needed in order to provide comfort that best consideration is achieved. It would generally be unacceptable to have both a pandemic clause and turnover rent.

7. Tenant Deposits

7.1. The surveyor carries out financial vetting on potential tenants, to assess the risk of default. The process is set out in Appendix C. The typical mitigation measures for these risks are for the Tenant to provide a deposit or parent company guarantee.

7.2. Where deposits are used, the money is held for a defined period to cover rent and other arrears under a lease. Legally, the money belongs to the Tenant unless it is legitimately drawn down in accordance with the terms of a rent deposit deed.

7.3. The Royal Institution of Chartered Surveyors requires its regulated firms and members (i.e., the Assets and Regeneration Team's chartered surveyors) to adhere to strict, mandatory rules regarding such deposits (called client money).

7.4. The objective of these rules is to keep client money safe; and ensure it is only used for appropriate purposes. RICS Members must: -

- ensure compliance with all anti-money laundering legislation, rules and regulations for all receipts of client money
- ensure compliance with the mandatory requirements of the latest edition of the RICS professional statement Countering bribery and corruption, money laundering and terrorist financing
- follow all procedures for handling client money at the firm where they work
- not override any controls in place to protect client money
- make appropriate disclosures to a senior member of the firm or a regulator immediately if they become aware of any risk of or actual misappropriation of client money and to keep a written record of that disclosure

8. Service Charges

8.1. These rules also apply to service charge funds. In addition to the above, professionals involved in the management of service charge accounts must adhere to the following: -

- All expenditure that the owner and manager seek to recover must be in accordance with the terms of the lease.
- Owners and managers must seek to recover no more than 100% of the proper and actual costs of the provision or supply of the services.
- Owners and managers must ensure that service charge budgets, including appropriate explanatory commentary, are issued annually to all tenants.
- Owners and managers must ensure that an approved set of service charge accounts showing a true and accurate record of the actual expenditure constituting the service charge are provided annually to all tenants.
- Owners and managers must ensure that a service charge apportionment matrix for their property is provided annually to all tenants.
- Service charge monies (including reserve and sinking funds) must be held in one or more discrete (or virtual) bank accounts.
- Interest earned on service charge accounts – or where separate accounts per property are not operated, a proper and reasonable amount of interest

calculated on normal commercial rates – must be credited to the service charge account after appropriate deductions have been made.

- Where acting on behalf of a tenant, practitioners must advise their clients that if a dispute exists any service charge payment withheld by the tenant should reflect only the actual sums in dispute.
- When acting on behalf of a landlord, practitioners must advise their clients that following resolution of a dispute, any service charge that has been raised incorrectly should be adjusted to reflect the error without undue delay

Appendix A – Terms of Reference Assets and Regeneration Group

DRAFT TERMS OF REFERENCE FOR ASSETS AND REGENERATION GROUP

Purpose

To provide accurate briefing to Group Members; including but not limited to the following:

- Oversight of the Assets and Regeneration workload and objectives
- Reporting on key projects
- Agreeing, reviewing, and updating the Asset Management Strategy and Policies
- Receiving the Quarterly Investment Update
- Reporting on debt management
- Reporting the departmental risk register and mitigations
- Reporting on loan to value ratios

Composition

- Chief Executive
- Assistant Chief Executive
- Corporate Head of Law and Governance
- Corporate Head of Finance
- Corporate Head of Assets and Regeneration (Chair)
- Assets and Regeneration Team Members as appropriate to the Agenda

Authority

The Group is accountable to the Corporate Leadership Team.

Decision making powers are as per RBC's approved scheme of delegation. Decisions outside of these powers goes to Corporate Management Committee.

Role of the Chair

To provide effective leadership of this Group, including how this Group operates, builds relationships and engages with stakeholders.

Meetings

The Group shall meet bi-monthly although the Chair may convene additional meetings if necessary.

Assets and Regeneration will carry out the administrative function for this Group.

The agenda and supporting papers for the meeting will be agreed and issued at least 24 hours prior to the meeting.

Appendix B – Managing Vacant Buildings

Our building insurance places the following obligations on RBC (as the "Insured"):

Unoccupied Buildings
the Insured shall notify the Insurer in writing as soon as is reasonable when any when any Building(s) or portion thereof become(s) Unoccupied for more than 30 (thirty) consecutive days and shall pay or agree to pay any additional premium if required by the Insurer. The Insured will notify the Insurer when any Unoccupied Building(s) or portion thereof become(s) occupied.
When any Building(s) become(s) Unoccupied :
a) the Premises are secured against illegal entry by closing and locking all windows and doors and setting any fire or intruder alarm systems;
b) all mains services are disconnected except for the electricity supply to maintain any fire or intruder alarm;
c) all water pipes and tanks are drained down;
d) all letterboxes are sealed to prevent insertion of any materials or liquids;
e) the Premises are kept clear of all moveable combustible material;
f) the Insured or authorised employee of the Insured's appointed agent shall inspect the premises in accordance with the timescale agreed with the Insurer and a record of these inspections are kept for inspection by the Insurer;
g) any defects in maintenance or security shall be rectified immediately.

In order to make sure our buildings continue to be insured whilst they are empty, we need to follow these requirements, or obtain authority from the insurers to deviate from them.

An RBC Vacancy List LIVE spreadsheet has been prepared and saved in X:\Commercial\01 PROPERTY PORTFOLIO\3 – WORKING SCHEDULES\RBC Vacancy List LIVE. This is a master list and must not be saved anywhere else. It should contain a line for each vacant property with a record of what has been done in respect of the above requirements and the responsible team member.

When a property first becomes vacant, or when it is first inspected by a new person, it should be evaluated using the UNOCC PREMISES Initial Risk Assessment.

Subsequent inspections should happen every 21 days (unless the initial risk assessment identifies a need for more regular inspections) using the UNOCC PREMISES Inspection document.

Both of these documents can be located in X:\Commercial\01 PROPERTY PORTFOLIO\6 – PROCEDURES\2021Procedures\Vacant Buildings

All records must be kept by uploading them to the relevant Concerto site, under "documents". Please ask for guidance if you are unsure how to do this.

In some cases, a third party may do our insurance inspections. In this case, please ensure the records are provided to us to upload, or that the third party have access to Concerto to upload their records directly.

Appendix C – Financial Vetting Process

Commercial premises within Runnymede's portfolio may be vacant as a result of;

- There being vacant space at the time of purchase e.g. Pine Trees, Staines
- Space formerly occupied where the tenant has chosen to vacate upon lease expiry or exercising of a lease break clause.
- Tenant's business has failed and therefore moved out.
- Premises have been vacant long term as a result of dilapidated condition and uneconomic for RBC as landlord to repair/redevelop.

Officers within the Assets and Regeneration Team are to carry out due diligence on each and every potential new tenant. However, the level of diligence to be undertaken may vary dependent upon;

- The value & type of premises, i.e. whether it is a prime, high quality property or a rather more secondary lower value asset for which finding a tenant may prove more challenging.
- The expectation as to the quality of tenant being sought which will typically depend on the location and quality of the property as well as the lease package and level of rent payable.
- The market at the time e.g. following the 3 x lockdowns resulting from the COVID19 pandemic, retail lettings were especially difficult to achieve notwithstanding incentives being made available as experienced on Addlestone One as an example.

The specific information to be requested by officers in order to assess a potential new tenant and to be reviewed as part of the process is to include where possible;

- A detailed review of the last 3 years audited financial accounts. Where these are not available, management accounts and alternative proof of revenues generated are sought.
- A detailed review of a credit report providing the financial background on the tenant company, its make-up, assets, directors, structure, debts etc
- A request of the proposed business model of the tenant and detailed understanding of the operation
- A request for details of funding sources and proof of funds where applicable
- Enquires on the level of experience of the parties in the intended business operation e.g. if a new franchisee to a business, confirmation of the training etc to be undertaken

Where it is necessary to consider tenants of weaker than ideal covenant status and where as a result there may greater risk of failure, officers are to seek to mitigate the risk to RBC by the following means;

- Securing a deposit to cover a period of 3-12 months rent that would be drawn upon in the event of a tenant failing to meet its lease obligations
- Seeking a parent or personal guarantee on any debt arising
- Ensuring that any installations of plant, M&E equipment etc are reserved as landlord fixtures to avoid the tenant removing on vacation and minimise any cost of dilapidations

Officers are to use their professional judgement and expertise to identify any risks associated with a letting to a particular new tenant and it is likely a combination of the above activities will be required dependent on the information that can be made available in each instance. Where there are technical financial or legal matters requiring greater expertise before a decision can

be reached officers are to seek assistance of colleagues in the finance and legal teams for further advice.

All proposals for new lettings will require the approval of the Corporate Head of Assets and Regeneration as well as approval of the Corporate Management Committee if so required under the current constitution as appropriate before proceeding.

---END---

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Appendix 4 – Accommodation Policy

Runnymede Borough Council

Accommodation Policy

January 2023



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1. Introduction

1.1. Business accommodation is one of the most expensive resources that services use and therefore inefficient use results in increased occupancy costs and the potential for costly operational inefficiencies.

1.2. This Accommodation Policy is fundamental to RBC's Asset Management Strategy in aiming to achieve the most efficient estate possible whilst ensuring the accommodation is appropriate to the needs of all staff, elected members and residents.

1.3. RBC recharges the full cost of support services and facilities to the relevant service area. This is done to comply with accounting practice, to ensure that services reflect 'true and reasonable' costs i.e., include costs from supporting service areas, and to ensure that comparisons can be made between authorities.

1.4. To ensure that the accounting standards are followed accurately and to support RBC's requirements to achieve best value, RBC follows the standards as set by Chartered Institute of Public Finance and Accountancy (CIPFA) and defined in the CIPFA Service Reporting Code of Practice (SeRCOP).

1.5. This policy incorporates best practice from central government (National Audit Office) and contains space standards recommended by the Health & Safety Executive (HSE).

1.6. This policy has been developed to provide a clear and coherent framework for decision making about the utilisation of RBC's estate. Responsibility for space provision, allocation and maintenance lies with the Facilities Management service and any changes to the use of space or occupancy are subject to the Corporate Management Committee governance process.

1.7. A 5-year plan will be developed for RBC's Civic Offices

1.8. A more urgent and fundamental review of RBC's Depot is required and is underway with the aim of providing enhanced facilities for the teams that work from the Depot during the financial year 2023/24

2. Ownership and Responsibilities

2.1. The Chief Executive, Assistant Chief Executive and Corporate Head of Assets and Regeneration are delegated responsibility for all matters relating to the accommodation for RBC services.

2.2. The Civic Centre accommodates other public bodies and occupiers namely; Police, Surrey County Council - Adult Social Care team, Surrey library, Safer Runnymede and external café operator all occupy the premises by way of leases or licences. In respect of inter-company occupation appropriate documentation will be put in place.

2.3. Under the Corporate Landlord Model, Assets and Regeneration are the 'landlord' or owner of RBC's accommodation and their Facilities Management team are responsible for the implementation and monitoring of this policy, ensuring that:

- All accommodation is reviewed on a regular basis
- Risk assessments in relation to accommodation and Health & Safety in the workplace regulations are carried out, recorded and reviewed regularly.
- Accommodation management procedures and safe working practices resulting from them are produced, documented and implemented.
- Lease Licences are put in place to ensure regulated occupancy

2.4. Where departments recruit additional members of staff, appropriate workspace/office space is identified in advance of them starting.

2.5. Facilities Management will maintain records of current allocation of space on RBC's Property Management System. This information will be used to plan budgets and recharges, to identify opportunities for service improvements and rationalisation.

3. Accommodation

3.1. RBC aims to meet statutory and professional requirements and guidelines on accommodation for all staff, members and services.

3.2. Buildings, and the space within them, is not owned by specific departments or services. It is RBC property, managed by the Assets and Regeneration, and all staff and members must be prepared to relocate if it is judged to be of benefit to the organisation.

3.3. The cost of occupation is to be disaggregated to service level. Any savings arising from changes to occupation will be attributed to the General Fund as appropriate and captured as a corporate saving.

3.4. The establishment of generic space should be encouraged and shared between services wherever possible.

3.5. Occupation of accommodation is based on the principles detailed here.

3.6. Open plan offices will be considered the norm of provision. Where these are provided, RBC will ensure that the necessary ICT and telephony is available and that there are sufficient spaces available for quiet working, team working and private meetings.

3.7. The desk to staff ratio for back-office functions will be 6:10 and working space will 8-10m2 per person. This is based on space standards recommended by the Health & Safety Executive (HSE)

3.8. Staff members whose work patterns mean they do not fully utilise a desk or office will be required to use designated hot desk areas.

3.9. In line with good accommodation management we will at a future date be undertaking a space planning exercise at the Civic Centre. This should be reviewed periodically to ensure the accommodation is being used efficiently and effectively.

4. Meeting Rooms

4.1. All meeting rooms within RBC buildings are considered a shared resource. Customer Services manage the booking and monitoring of meeting room usage. Fees and charges are applicable in accordance with the rates agreed and published on our website.

5. Agile Working

5.1. RBC introduced Agile Working Policy in June 2021 which has been reviewed and updated. One of the aims of the Policy is to utilise the Civic Space in a more innovative way in order to generate income. Evidence will be gathered via staff surveys and feedback from Corporate Heads of Service on performance levels, responsiveness, team cohesion etc this will enable us to work out numbers of officers, partners, stakeholder that are working in the Civic Centre on a daily basis.

5.2. It is likely that changes to our civic centre accommodation will be implemented as a result of this policy but at the time of writing what those changes are is unknown at present.

5.3. Following the consultation/surveys and subject to the outcomes it is likely that a space planning exercise will be required to ascertain each service needs. This key exercise will enable “surplus space” to be used where appropriate for external organisations voluntary and/or public stakeholders eg NHS/CCG

6. Accommodation for Non-RBC Staff

6.1. Accommodation for non-RBC staff can be allocated for operational reasons, although this will not be considered unless space is available.

6.2. The use of this space will be charged at an appropriate rate taking into account whether the co-location delivers a cashable saving to RBC or any additional costs arising from the provision of the space.

6.3. In respect of voluntary sector appropriate grant aid will be applied in accordance with the appropriate policy, which is managed by Community Services Team.

6.4. All space occupied by non-RBC staff or departments will be subject to a formal legal agreement.

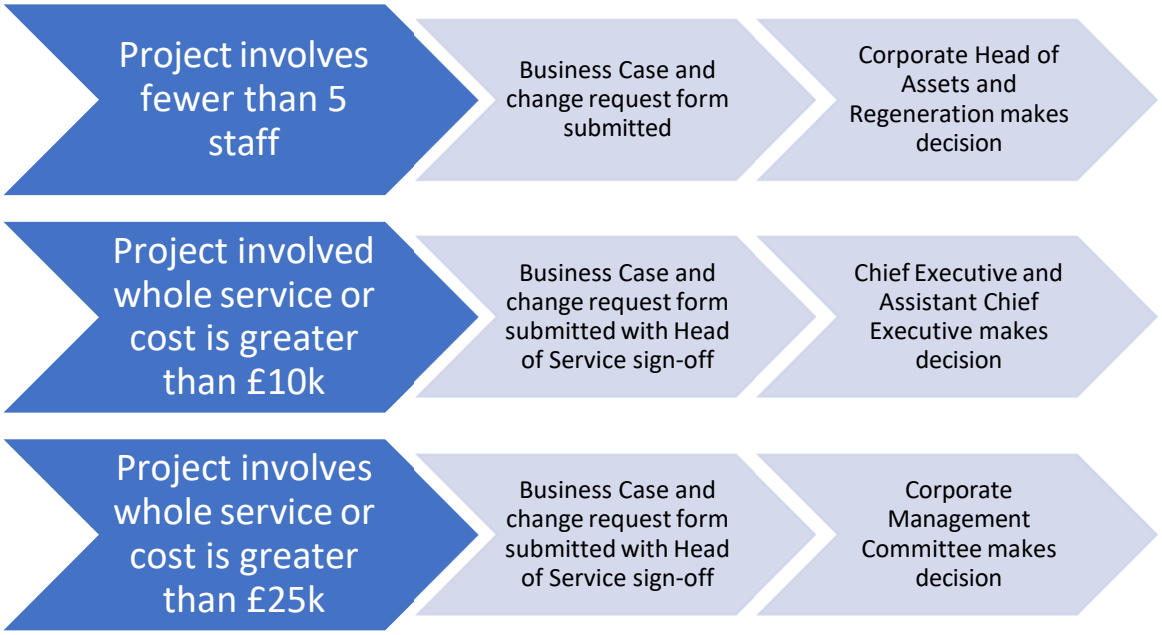
7. Process for Change

7.1. All requests for space, changes of use, bids for, or requests for additional space by departments, whether they involve building alterations or not, will be managed under this policy and subject to approval.

7.2. The Asset and Regeneration Team will have overall responsibility for the optimisation of space and will ensure building/room allocations are based on need and corporate objectives.

7.3. Any service requesting changes in accommodation are to use the process outlined below and complete the request form and business case.

7.4. Where funding is required, the service's accountant must provide cost centres for charging. This expenditure must be authorised by the budget holder for the cost centre.



7.5. Before submitting a new business case, services seeking a move may find it useful to have an initial discussion with the Facilities Management.

7.6. The formal request should be sent to the Corporate Head of Assets and Regeneration and will be acknowledged in writing within five working days. Decisions will be sought according to the above diagram – please note the likely timetable for CMC meetings and allow plenty of time for papers to be prepared.

7.7. Once a change has been agreed details of the move will be passed to Facilities Management who, working with the manager who requested the change, will manage all aspects of the move, liaising with Digital Services as appropriate.

7.8. Where there are to be major changes, such as reshaping or relocation of whole departments, these will constitute capital projects which must follow RBC's process for capital bids.

7.9. Consideration will need to be given to any requirements under RBC's Handling Organisational Change Policy

7.10. The Facilities Management team will not carry out any accommodation moves unless they have been authorised through this process.

8. Accommodation Recharging

8.1. RBC has a policy of recharging the full cost of support services and facilities to the relevant service area. This is done to comply with accounting practice, to ensure that services reflect 'true and reasonable' costs i.e. include costs from supporting service areas, and to ensure that comparisons can be made between authorities.

8.2. The recharging policy is agreed between the Corporate Head of Finance and Corporate Head of Assets and Regeneration and set accordingly for budget purposes.

9. Monitoring Compliance and Effectiveness

9.1. The Corporate Head of Assets and Regeneration has day to day responsibility for ensuring that space is efficiently used, recharges are fair and proportionate and that all governance processes are followed.

9.2. The use of office accommodation is recorded in Computer Assisted Drawings (CAD) or Microsoft Visio and kept on RBC's Property Management System. The drawings are updated every time a move occurs. Each building is inspected at least annually to ensure that drawings are accurate.

9.3. To ensure that space is being used efficiently a full utilisation study is conducted on a regular basis to record how space is being used. The results of this survey will be reported to the Chief Executive.

9.4. The Facilities Management team will monitor the cost of administrative buildings per square metre and per desk in order to benchmark costs both within RBC and against similar organisations and national indices that are available via British Institute of Facilities Management. The data will also be used to identify trends in cost/use and to enable ongoing targets to be set for reductions in overheads and energy consumption.

10. Car Parking

10.1. All staff have the ability to access to the Addlestone One Multi Storey Car Park when driving to work. The undercroft car parking area is allocated to services for staff

who need to make multiple car journeys during their working day, or where they are moving heavy equipment as part of their role.

10.2 Strategic Action Plan for car parking at the Civic Centre:

- Review with HR/PM essential car users and who has right to park in the undercroft
- Understand Police car parking requirements along with other Stakeholders and ascertain whether additional revenue can be achieved
- Improve signage as “car share” no longer in situ
- Review with each Corporate Head their car parking requirements for their service
- If parts of the Civic Centre accommodation can be let to external parties, car parking spaces will need to be allocated and be paid for through rent as part of their legal agreement
- All Staff will continue to be encouraged to park at Addlestone One Multi Storey Car Park and not in undercroft
- Consideration for the purchase of pool cars be considered and electric vehicle charging points be installed to enable staff to move sustainably around the Borough.

--END--

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Runnymede Borough Council

Acquisition and Disposal Policy

January 2023



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1. Introduction

1.1. The purpose of this Policy is to provide guidance and demonstrate transparency and fairness for the acquisition and disposal of property assets, and to provide a consistent process to be followed.

1.2. This Policy will:

- Act as reference point for procedural matters.
- Ensure that RBC is consistent in its dealings.
- Ensure that best practice is considered.
- Ensure that RBC meets legislative requirements.
- Enable efficient and effective responses to purchase requests; and
- Enable RBC to reduce overall property holding costs.

1.3. Part One – sets out the policy for Acquisitions.

1.4. Part Two – sets out the policy and guidance in relation to Disposals, including unintentional disposals (land grabs/encroachment).

1.5. Part Three – deals with Community Asset Transfers ("CAT") and sets out a transparent, positive, and proactive framework to enable, where appropriate, the transfer of assets from RBC to a local community organisation.

1.5.1. The CAT framework will support asset transfers that:

- meet community need and demand.
- support RBC's aims and objectives.
- are evidenced by a transparent business case including financial implications to the authority; and
- are sustainable in the long term (particularly if long lease or freehold transfer).

1.6. Part Four – Former Owner Rules

1.7. Part Five – Templates, Diagrams etc

2. PART ONE - ACQUISITIONS

2.1. Land and property interests will only be considered for acquisition if, after consultation, the following circumstances apply:

- The acquisition will make a positive contribution to the current delivery of RBC services and meets our visions and priorities. Acquisitions will be considered if they promote or improve either the economic, social or environmental wellbeing of Runnymede Borough Council.
- All other methods for the delivery of this service will be investigated and a full options appraisal will be undertaken which highlights the acquisition route as the most economically advantageous and efficient method of service delivery.

2.2. In addition to the above, the following circumstances may apply:

- The acquisition of the interest has potential for future strategic regeneration and/or redevelopment purposes in pursuit of RBC's strategic aims and priorities.
- No other available land and property asset can provide a more cost effective and/or efficient point of service delivery.
- There is an adopted RBC Plan/policy/strategy, with resources identified, which will bring the land or property into beneficial use in the foreseeable future.
- Acquisition may include partnering arrangements and there is potential for advantageous shared use.
- Acquisition is not in conflict with strategic planning policies
- There are measurable benefits (not just financial but in addition to financial) with maximum period of 15/20 years

2.3. The investment in land and buildings is used as a part of a wider Treasury Management function for the allocation of capital to provide an investment/revenue return to support front line services. Any investment decision would meet target hurdle rates of return appraised using discounted cash flow/internal rates of return methodology. Prior to bringing an acquisition to the Asset and Regeneration Group consideration the principle must be appraised by the Section 151 Office and Corporate Head of Finance who in turn will discuss with Chief Executive, followed by Service Chairs, Corporate Management Committee and finally Full Council.

3. Compulsory Purchase

3.1. RBC has powers to acquire land and property by the use of Compulsory Purchase Orders (CPO) in order to carry out a function which parliament has decided is in the public interest. Commonly the powers are used to support development of land or to resolve issues with empty property with a view to bringing them back into use. Because of their nature in depriving people of their assets albeit with compensation RBC will not proceed without having considered all other alternatives and obtaining Corporate Management Committee or Full Council approval in all cases before issuing orders.

3.2. Properties acquired under such a process will normally be intended for re-sale either before or after value added activity to achieve the specific goals of RBC unless a viable and credible business case exists otherwise and appropriate funding is available.

4. Investment/Capital Spending

4.1. Under an approved Property Investment Strategy, RBC invested loans from the Public Works Loans Board in prudent property purchases; not just for income generation but also for regeneration, business growth and the ability to provide much needed affordable housing in the Borough. Borrowing for purely income generation reasons

has now ceased and the investment property portfolio has moved into the 'asset management' phase.

4.2. The latest Capital Strategy is scheduled to go to Full Council in February 2023. This Capital Strategy demonstrates that RBC takes capital investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability, and affordability. The Capital Strategy also sets out the long-term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes. Decisions around capital expenditure, investment and borrowing should align with the processes established for the setting and revising of the budget for RBC and the Capital Strategy shall be reviewed each year as part of the budget setting process.

5. Housing as a priority

5.1. RBC approved the establishment of RBC Investments Ltd, to play a significant role in delivering new homes across the Borough with a focus on:

- Housing at affordable rents through private sector rentals (assured shorthold tenancies)
- Retired Living and/or Supported Living where viable
- Market rent
- Market sale

5.2. The Business Plan of RBCI Ltd which written in 2015 set an ambitious target of over 250 new homes to be delivered over the life of the 5-year plan. Since its inception the Company has achieved this target. A new business plan for the period 2023- 2028 in line with this Asset Strategy has been prepared and adopted by the Board and Shareholders with the aim of continuing to provide new homes in varying guises for the Borough.

5.3. RBC as part of the asset management plan will review the purpose and use of any land and property and identify any that are surplus to requirements. Any sites declared as surplus could be considered for Housing, either by RBC or through the Special Purpose Vehicle, RBCI Ltd. Any land or property transferred across from RBC to the Company must be valued independently for both regulatory and Subsidy Control purposes.

6. PART TWO – DISPOSALS

6.1. Under the Local Government Act 1972 local authorities have powers to dispose of property in any manner they wish, subject to certain constraints. The Local Government Act 1972: Section 123 Local Government act 1972 prescribes that a RBC *shall not dispose of land for a consideration less than the best price that can reasonably be obtained* subject to certain exemptions contained in the General Disposal Consent (England) Order 2003 set out below.

6.2. Legally, Councils may dispose of land at less than the best consideration reasonably obtainable provided that any undervalue does not exceed £2 million and the

transaction is considered by the local authority to help secure the promotion or improvement of the economic, social or environmental well-being of its area. Disposals at greater than £2 million under-value require consent of the Secretary of State.

6.3. A disposal for the purposes of the 1972 Act consists of –

- a freehold transfer; or
- a grant of a term exceeding seven years; or
- the assignment of a term which, at the date of the assignment, has more than seven years to run.

6.4. Since the 1972 Act, Government policy has introduced the concepts of Community Asset Transfer, community rights in respect of Assets of Community Value, and recognition of the Social Return on investment. The Localism Act 2011 further extends rights and powers for communities and individuals. Councils may also be restrained from disposing of land for a purpose that was not the purpose for which it was acquired under legislative powers and this is particularly relevant for Allotments, Open Space and Burial Grounds.

6.5. This strategy applies to freehold or long (over 7 years) leasehold disposal of commercial or operational land and buildings.

7. Identification of surplus/under utilised property

7.1. Property assets will be challenged and reviewed and may be identified as potentially surplus or underutilised if not performing (or predicted to perform) inadequately – functionally and/or financially. This may include circumstances where the asset generates a position that is deemed to be excessively onerous / uncertain by nature of the holding structure.

7.2. It is the responsibility of each RBC service, in conjunction with the Assets and Regeneration Team, to identify any property or part thereof that is under-utilised or surplus to individual service delivery requirements.

7.3. Following the identification of potentially surplus property, the Assets and Regeneration Team will consider any other potential uses for the property, which will include the identification of any other parties that may be interested in the property, e.g., another RBC service, pubic-sector partners or external organisations.

7.4. The relevant Chairman shall be consulted prior to any report to committee containing (a) the declaration of any property as surplus, and (b) proposing the disposal of any property. No property can be disposed of unless the relevant committee has declared it surplus and approved the principle of disposal and method of disposal.

8. Open Space

8.1. RBC will not normally dispose of any core recreational open spaces i.e., Parks and Gardens, Provision for Children and Young People, Outdoor Sports Facilities, Allotments, Community Gardens, Cemeteries and Churchyards and Civic Space. Circumstances where disposal could be preferable is where a sale of the open space and re-provision or enhancement of open space elsewhere will significantly benefit the wider community.

8.2. RBC will seek to dispose of 'incidental open space' and areas of landscaping or parts of these – particularly where it will reduce the financial and legal burden on RBC.

8.3. In contemplating these sales, RBC must comply with its legal requirement to advertise proposed sales of public open space and consider objections prior to deciding to dispose of the site.

8.4. A flowchart with the process is attached in Appendix A below.

8.5. There is no legal requirement for RBC to provide a reason for not selling, however, RBC may refuse to sell on the following (non-exhaustive) grounds:

- it judges that the personal safety for users of the remainder of nearby open space will be detrimentally affected e.g. where a narrow alleyway is created; or

- it will result in the wholesale loss of, or detraction from the visual quality/amenity of the surrounding area. Alternatively, in such cases it may apply covenants on sales to retain the open nature of landscaped areas and/or to require the provision of certain standards of new boundary fencing, walling or delineation; or

- it is considered that there will be detrimental impact of such sales on neighbouring properties not financially involved in, or not benefiting from the sale.

8.6. As highlighted above, restrictive covenants may be employed to prohibit unforeseen development whereby a purchaser benefits disproportionately from the sale of public land. If the covenant is to be released for a sum of money (following consultation with the relevant Ward Member) this will be the decision of RBC. The Assets and Regeneration Team will provide a recommendation of value in line with RICS valuation principles.

9. Property disposal responsibilities

9.1. Disposals are the responsibility of Corporate Head of Assets and Regeneration in line with the Constitution, Standing Orders L7.

9.2. Where a disposal is considered, the following criteria must be satisfied: -

- **Market Testing** - Any sale of an asset should be subject to an open market test where reasonable steps have been taken to identify all interests in acquiring the asset and so to have sought to optimise the value of the sale;

- **Valuation** – Where there is a substantial value to the asset an independent valuation should be sought. For property sales, an independent Royal Institute of Chartered Surveyors' Red Book" valuation should be undertaken which confirms the value of the sale is at or above the independent valuation;

- **Optimising Value** - RBC should seek to optimise the price paid through considering current and future value and, for property sales for example, applying overage clauses in the sale agreement, where there is a potential for increasing the number of residential units to be built / increased value of the units / land assembly with increased marriage value / etc.

10. Disposal Methods

10.1. As a general principle, disposal on the *open market* is the most appropriate way to attract interest and secure best consideration. However, there are circumstances where alternatives should be considered.

10.2. *Formal Tender* requires a great deal of preparation, as the tender document forms the contract for sale. A full appraisal of the transaction needs to be carried out, including a valuation which may be used to provide a guide price, in order to have a baseline against which to assess the tenders when they are returned.

Advantages:

- it can be concluded quickly where it is unconditional.
- it avoids tentative time-wasting enquiries.
- RBC does not need to accept any tender if the offer is not satisfactory provided this is made clear in the invitation to tender.
- the tender procedure should guarantee complete fairness; and
- as bids are not public, tenderers should put forward their best offer.

Disadvantages:

- potential purchasers are often put off by the procedure whereby they commit themselves contractually upon making any financial offer.
- there is little room for discussion about the scheme itself, and this method is too robust and inflexible to take account of any conditional offers, e.g. subject to planning etc, which places a greater financial burden on the purchaser by way of up front speculative due diligence.
- it precludes consideration of higher bids that may be received after the tender process, which may in themselves suggest that the highest tender figure is not "best" consideration.

10.3. In view of the inflexibility and disadvantages of the formal tender procedure there should, in normal circumstance, be a presumption against this method for the disposal of property, with a preference for a more informal approach.

10.4. The Local Government Ombudsman has issued the following guidance on *informal tendering*:

> *"Informal tendering is a process by which offers are invited but perhaps without a firm closing date. Unlike a formal tendering process (when tenders are submitted in sealed envelopes all of which are opened together) offers in the informal process are opened as they are received. Bidders may be invited to increase their bids, possibly having been told that that a higher bid has been received. Whilst the practice of informal tendering (which might also be described as extended auction) does frequently give rise to complaints, the Ombudsman accepts that such a procedure may sometimes be appropriate and may result in the Council obtaining a higher price for the land than if bidding was restricted to a single sealed tender. At the end of such an extended auction process all parties still expressing interest should be asked to submit a final bid by a specified date".*

Advantages:

- the most advantageous terms for RBC can be formulated even in very complex cases.
- RBC does not need to accept any tender if the offer is not satisfactory, either in monetary terms or the conditions attached.
- as bids are not public, tenderers should put forward their best offer. (Though not necessarily going to achieve best price because in an auction situation people are sometimes prepared to bid more than they had envisaged, particularly when they see others prepared to bid at that level). This is especially true if one party could be considered to be a special interest purchaser.
- most useful as a tool for resolving competing interest following private treaty marketing.

Disadvantages:

- lacks the certainty of the Formal Tender procedure, can be frustrating since post tender negotiations can be protracted and may not be successful; and
- the requirement to negotiate raises some of the disadvantages of a sale by private treaty.

10.5. Use of an *Approved List* - Potential bidders express an interest to submit an offer. The expressions of interest are reviewed, and a selected list invited to submit offers. This could be advantageous where there is a requirement to deliver corporate objectives and priorities alongside the need to demonstrate best value from a sale.

10.6. There are other principal methods of disposal available, which could be utilised subject to approval by Corporate Management Committee, and their use will be based on the best method available to ensure that RBC meet the requirements of s. 123 of the Local Government Act 1972:-

10.6.1. *Private Treaty – sole party without marketing*. This is to be considered where there is unlikely to be more than one party interested in the property at an open-market price or there is clearly a special-interest purchaser likely prepared to pay above the market price. This generally arises when an application is received

from adjacent or neighbouring owner(s) to purchase the freehold or leasehold interest of a small or inconsequential area of land in RBC's ownership.

10.6.2. If the land is surplus to requirements and has no development value or open market opportunity, *confined'* negotiations can commence with the adjacent or neighbouring owner in order to achieve the most advantageous result. It might also arise in special circumstances where an adjacent owner can gain advantage by combining land to give rise to:

- Ransom Value
- Betterment Value
- Overage

10.6.3. In such cases it is necessary to establish both the market value and the value advantage to the proposed purchaser.

10.7. *Private Treaty – with open marketing*. After a reasonable period of exposure to the market, negotiations are carried out with interested parties and a clear highest bidder might emerge. If two or more interested buyers are identified at similar prices, it is possible to consider moving on to the Informal Tender method below

Advantages:

- allows a flexible approach.
- time pressures are seldom imposed on either the seller or buyer; and
- it is widely understood and accepted by the general public.

Disadvantages:

- the proceedings cannot always overcome suspicions of unfair dealings, and it is therefore a method to be used with caution.

10.8. *Auction* is to be considered when value is difficult to establish or where there could be numerous bidders, especially for small parcels of development land or scarce assets where there is limited market exposure. To achieve success with this method of disposal, external auctioneers will inevitably be used. The auctioneer should be briefed at an early stage, and fully involved in preparing conditions of sale and fixing the reserve price. The reserve should be approved by officers under delegated powers or the appropriate Committee depending on the proposed reserve price and conveyed to the auctioneer before the auction. It should also be recorded in writing which the auctioneer will have available at the time of sale. Sale by auction requires preparation of all contractual details beforehand in order that a binding contract may be effected immediately a bid is accepted.

Advantages:

- Certainty: contracts are exchanged on the fall of the hammer.
- Open process of competitive bidding may lead to a price in excess of that by private treaty; and
- Regional/national marketing by the auction house.

Disadvantages:

- the seller has no control over who buys.
- funds to meet the sale price must be available within a specified period, and this may put off purchasers who need to raise finance.
- potential purchasers have to consider the transaction during the marketing period, with no opportunity to discuss alternative ways to structure the deal.
- the winning bid need only be marginally more than the second highest bid, and need not represent the maximum the purchaser would have been willing to pay; and
- costs of preparing asset for auction can be high, with no guarantee of a sale.

11. Preparation for disposal

11.1. The stages of preparation for disposal should include the following:

- Internal circulation to Senior Leadership Team in order to give Services the opportunity to comment or express an interest.
- Legal Consultation - To report fully on RBC's title, any rights or obligations which may be bound to the site and any restraints on disposal which might be in place due to legislation. Where it is intended to include covenants or conditions, legal advice should obtained prior to negotiations.
- Former Owner – Consider if there is an obligation under the Crichel Down Rules to offer the land back to a former owner. A summary of these rules and procedures is in "Guidance on compulsory purchase process and the Crichel Down Rules published by Department for Levelling Up, Housing and Communities in July 2019".
- Inspection - The purpose of which will be to identify development potential or any matter which is likely to aide or hinder the disposal.
- Physical Constraints – Check RBC's own records, and also those of statutory undertakers, if appropriate.
- Define Development Potential - Appraisal of potential disposal property should always consider the means by which maximum sale proceeds can be generated. In straightforward cases, the equivalent of an "outline planning consent" for the most valuable use available should be secured.

11.2. Where RBC wishes to consider ensuring a desired use of property to achieve its policy objectives, it will be necessary to introduce restrictive covenants, where appropriate. This is especially true where an alternative, higher value use may exist, but is not reflected by either the agreed consideration or RBC objectives under the agreed sale.

11.3. An overage provision may be contemplated, so that RBC can participate in the benefits of any future increase in value due to a more valuable planning consent or cases where there is significant uncertainty in valuation.

11.4. Consideration of Method of Disposal as set out above to consider the options available.

11.5. Special Purchaser - It may be prudent to deal with a “special purchaser” if it would result in capital receipts above that which would be paid in the general open market, or in the furtherance of achieving one or more of RBC’s Corporate objectives, subject to compliance with RBC’s legal requirements.

12. Legal Process

12.1. Once the principal terms are agreed between vendor and purchaser, Heads of Terms will be completed by the Assets and Regeneration Team. These will be approved by Asset and Regeneration Group and/or Committee as appropriate.

12.2. Once approval has been obtained, the Heads of Terms will be issued to the Legal Team. to execute the sale or lease. It may be necessary to outsource the work subject to resources in the Legal Team at that time,

12.3. On receipt of a Completion Notice, the sale will be recorded on RBC’s Property Management System.

13. Unintentional Disposals/Encroachment

13.1. Given the extensive land holdings owned by RBC, and the resource implications of inspecting them on a regular basis, it is not uncommon for neighbouring landowner or occupiers to encroach on RBC land.

13.2. Encroachments may occur through neighbours extending their gardens onto our land; building on our land; removing trees and shrubs or storing items on our land.

13.3. Where such actions have been taken, and they are reported within the statutory time period whereby RBC can take remedial action, it shall.

14. PART THREE COMMUNITY ASSET TRANSFERS

Details of the Community Asset Transfer can be found

https://www.runnymede.gov.uk/community-asset-transfer

https://www.runnymede.gov.uk/strategies-policies/corporate-business-plan-strategies/7

14.1. The Local Government Act 2000 introduced the power for Local Authorities to undertake activities that promote economic, social and environmental well-being of the area.

14.2. Making Assets Work – the Quirk Review of community management and ownership of public assets (2007) considered the role of public assets as an enabler of community empowerment. Local Authorities have traditionally been risk averse in their consideration of asset transfer, but the Quirk Review concluded that the benefits of community management and ownership of public assets could outweigh the risks

and opportunity costs in appropriate circumstances.

14.3. RBC's policy direction is defined in the Corporate Plan: Empowering our Communities Strategy, which identifies the most important issues for local people and the subsequent RBC priorities and strategic outcomes. The focus is on improving the lives of local people and making Runnymede a better place to live, work and visit.

14.4. A collaborative approach by RBC and a range of public, private and voluntary sector partners to deliver our overall vision and priorities is critical.

14.5. The transfer of land or buildings from RBC's ownership into the stewardship and/or ownership of third sector (voluntary and community sector) organisations could be by way of:

- management agreement
- licence to occupy
- short lease
- long lease
- freehold transfer

14.6. Community Asset Transfers usually involves a transfer at less than market value, either at a reduced cost, or for a nominal consideration. The social, economic or environmental benefits of the proposed transfer may be taken into account in determining the value.

14.7. There will be a presumption that any lease will be on a full repairing and insuring basis and the third sector organisation will be responsible for all running costs of the asset.

15. Our commitment to Community Asset Transfers

15.1. RBC recognises the benefits of using Community Asset Transfer (CAT) where appropriate:

- Economic development and social enterprise potentially levering in additional investment.
- Community empowerment.
- Improvements to local services.
- Building capacity and encouraging a more sustainable third sector.
- Value for money; and
- Supporting delivery of RBC's corporate objectives.

15.2. We will pro-actively consider opportunities for CAT as part of our asset management review processes.

15.3. RBC will accept expressions of interest from not-for-profit groups and organisations. Applicants should be:

- Community led.
- Strong links with the local community and directly benefit the people of Runnymede.
- Benefit as wide and diverse as a range of local people as possible and demonstrate an inclusive approach to all members of the community.

- Decision making process influenced by local community.
- Primary purpose must be non-commercial.
- Properly constituted.
- Demonstrate good governance through open and accountable processes; and
- Clear management and financial systems.

15.4. They should also have the necessary skills and capacity to:

- Deliver services and manage the asset being transferred or have access to appropriate skills; or
- Be aware of the need to build capacity and demonstrate how they will achieve this.

15.5. Our policy on CATs is underpinned by the following principles:

- There must be both a need and demand for the activities being proposed.
- The proposed use of the asset should not duplicate activities, services or facilities already being satisfactorily provided in the local community.
- Collaboration between third sector organisations and co-location of services will be actively encouraged to optimise social value and value for money; and
- The proposed transfer must demonstrably support the delivery of RBC's corporate priorities and community strategy.

15.6. The asset transfer decision must be transparent and include an assessment of detailed criteria including:

- RBC's asset management planning requirements for the asset
- Benefits to the community and RBC
- Potential loss of capital receipt and existing income or other opportunity cost to RBC arising from the transfer
- Potential revenue saving to RBC

15.7. We will not guarantee exclusivity on a "first come first served" basis and will consider other expressions of interest. If more than one organisation is interested in a property, then a collaborative approach to consider co-location will be encouraged. If co-location is not appropriate, then a selection procedure will be adopted taking into account the extent to which each organisation meets the application criteria.

16. Sustainability

16.1. The applicant should demonstrate their ability to manage the asset effectively through the provision of a robust business case. This should include an assessment of their financial and organisational capacity:

- Income generation proposals

- Clear analysis of community/social need and demand for the proposed activities
- Space required to effectively deliver proposals
- Clear management structure and details of how building/land will be managed in a day-to-day basis including meeting any statutory requirements

17. A Framework for Considering CAT Applications

17.1. The process for considering applications is detailed in Appendix B. Requests for the transfer of RBC owned assets will be considered where all the criteria contained in Appendix C are met. The degree to which the criteria is met, the condition of the asset and the requirements of potential funders/lenders will be used to determine the most appropriate type of transfer agreement where applicable. For example, an organisation may apply for a long leasehold, but RBC recommend that a short-term lease as part of a phased transfer is more appropriate whilst additional capacity is built.

18. Disposal and Legal Consideration

18.1. Any disposal will be in accordance with this document. Community Asset Transfer of premises will be by way of leases or licences and freehold transfer will only be considered in exceptional circumstances where significant funding depends on such tenure. The tenure offered will be determined on a case-by-case basis dependant on the strength of the applicant and sustainability of the business case, but RBC will endeavour to meet funders requirements for security of tenure.

18.2. The decision whether to charge an open market consideration for the asset will be determined on a case-by-case basis. Factors influencing the decision will include proposed uses, extent of revenue producing opportunities and benefits to the community. Any asset transfer at less than best consideration will be dealt with in accordance with the Local Government Act, 1972; Royal Institution of Chartered Surveyors (RICS); Local Authority Asset Management Best Practice guidelines on disposal of land at less than best consideration and valued in accordance with the RICS Valuation – Professional Standards in force at the time.

18.3. In all cases a Restrictive Covenant or claw-back provision will be inserted within any Transfer to protect RBC's position and ensure RBC receives the Opportunity Cost equal to the undervalue on a future sale and any windfall gain if a purchaser obtains a more profitable planning use.

18.4. Issues may arise in respect of law applicable to procurement issues, state aid, employment contracts, service agreements and other legal issues. These will be considered on a case-by-case basis with appropriate legal guidance. Third Sector Organisations will need to recognise that it is their responsibility to ensure that any disposal at an undervalue complies with and meets regulations and demonstrate this to rRBC so that RBC are able to satisfy themselves that there has been no breach.

18.5. The decision to transfer an asset will not be considered as setting a precedent. Each asset transfer will be judged on its own merits and the detail of the transfer arrangements will be subject to individual negotiation.

19. PART FOUR – FORMER OWNERS

19.1. Successive Governments have accepted the basic principle that land, whether in agricultural or other use originally, should be offered back to former owners or their successors if it was acquired by or under threat of, compulsion or under statutory blight provisions, and if it had not been materially changed in the interim, and was found to be surplus to requirements or otherwise appropriate for disposal. Disposals to former owners under these arrangements will be at current market value.

19.2. This principle was established in the 1954 Crichel Down case and has been used as a guideline for policy ever since. RBC shall follow the guidelines of the Crichel Down rules.

19.3. “Guidance on Compulsory purchase process and The Crichel Down Rules” sets out the revised arrangements under which the rules should apply. The Rules are non-statutory but it is recommended, by central government, that they be followed.

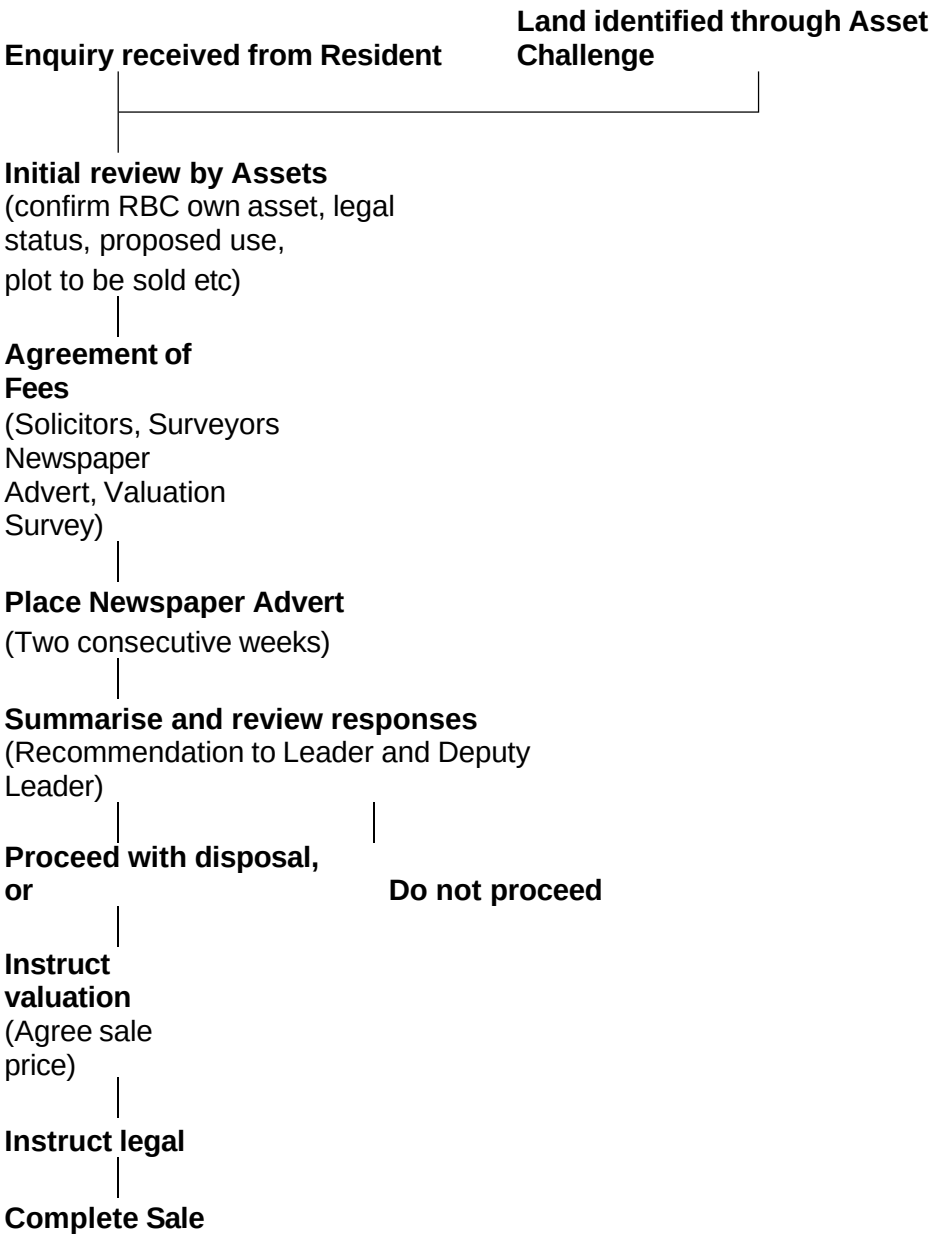
19.4. The general obligation to offer back will not apply to the following types of land:

- agricultural land acquired before 1 January 1935.
- agricultural land acquired on and after 30 October 1992 which becomes surplus, and available for disposal more than 25 years after the date of acquisition; and
- non-agricultural land which becomes surplus, and available for disposal more than 25 years after the date of acquisition.

19.5. The date of acquisition is the date of the conveyance, transfer or vesting declaration.

--END--

Appendix A: Open Space Disposal Process



Appendix B: Community Asset Transfer Process

STAGE	REQUIREMENTS	DECISION MAKER
STAGE 1: Formal Expression of Interest submitted to the Estates Team by the Third Sector Organisation (TSO) in response to: -Request from TSO to take on a community asset -Invitation to express interest in surplus -property following asset review	Outline business case: -Why the asset is needed -Benefits to community, TSO and RBC -Support from community/partners -Governance arrangements If the application is supported the TSO will be invited to proceed to Stage 2. If the application is not supported a full explanation will be provided.	Estates Team (to assess asset management implications) In consultation with: Relevant Service Managers (to assess any service implications) Ward Members Executive Member
STAGE 2: Detailed Business Plan submitted RBC will support the development of the Business Plan including the provision of any relevant asset information available	Detailed Business Plan: -Needs analysis and projected utilisation -Type of transfer sought and why -Planned outcomes and benefits and how they will be measured/monitored -Details of any proposed partnership/collaborative working -Track record for delivering service/managing property -Capacity to manage the asset -3 year plans for revenue and capital funding – projected income and expenditure including costs of managing and operating the asset -Financial sustainability and forward planning	
STAGE 3: Full assessment of Business Plan	Report to Executive with a detailed assessment of: -Benefits for community, the TSO and how they relate to delivering RBC priorities -Risks in relation to financial and organisational ability to manage the asset -Potential loss of capital receipt and existing income or other opportunity cost to RBC arising from the transfer	Executive

	-Establish level of discount (if applicable) -Terms of transfer and any legal issues -Monitoring arrangements e.g. Service Level Agreement	
STAGE 4: Recommendation, Decision and Completion	Report in line with Disposals and Acquisition Policy	RBC

Appendix C: Community Asset Transfer Criteria

a) The Applicant must be:

A Third Sector organisation

- Legal entity
- Exist for community/social/environmental benefit
- Non-profit distributing – any surpluses must be reinvested to further its community benefits/social aims
- Properly constituted e.g. registered charity, not for profit company and constitution allows the management/ownership of buildings and provision of services
- Demonstrate good governance through open and accountable processes
- Demonstrate it has the skills and capacity within or available to effectively deliver its services and manage the asset
- Provide services or engage in activities that deliver economic, environmental or social benefits in line with RBC's core priorities
- Provide copies of the organisation's Annual Report and accounts if available
- Excludes Housing Associations

Community-led

- Strong links with the local community and directly benefit the people of Runnymede
- Benefit as wide and diverse a range of local people as possible and demonstrate an inclusive approach to all members of the community
- Decision making process influenced by local community

b) The Asset

- A legal interest owned by RBC from which the TSO can demonstrate community benefit
- The asset is in the freehold/leasehold ownership of RBC
- The asset is not currently needed or identified for direct service delivery or future investment value
- Preference will be given to applications for multi-uses and co-location of services. Single interest uses will only be considered where there is a significant business case to do so

c) Proposed Use

- There is both a need and demand for the proposed activities and consideration is given as to whether or not this is being satisfactorily addressed by another organisation
- The proposed use will support the delivery of RBC's corporate priorities
- The proposed use will maximise opportunities for income generation to ensure sustainability
- The TSO has established how much space it requires to deliver its proposals, and how they will make optimum use of the asset
- The proposed use will deliver extensive and inclusive reach into the community and will be open to all

d) Business Plan and Finance

- A robust business plan clearly stating the operation and service provision and financial and organisational capacity of the TSO to deliver the proposed services/activities and manage the asset is critical to the success of any transfer.
- This will include:
- Needs analysis – how has the need for the services and use of asset been identified and what needs will be met
- How the building will be utilised to optimum effect
- Type and key terms of transfer sought and why
- Benefits analysis and how they will be measured and monitored
- Details of any proposed partnership/collaborative working
- Track record for delivering service and/or managing property
- Capacity of the TSO to acquire and manage the asset (including managing any liabilities) and how any future capacity building requirements will be addressed
- 3-year revenue and capital funding plans – projected income and expenditure including costs of managing, operating and maintaining the asset (including Health and Safety responsibilities)
- Financial sustainability and forward planning

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Runnymede Borough Council

Repairs and Maintenance Policy

January 2023



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1. Introduction

1.1. Maintenance is defined as the combination of all technical and management actions needed to keep an asset in, or bring it up to, a suitable standard whereby it can perform its intended function at optimal efficiency.

1.2. Maintenance of the property portfolio is managed and controlled by the Assets and Regeneration Team. Property is a core resource, and as such we want it to be:

- 'fit for purpose' – property actively contributing to effective service delivery in terms of location, condition, suitability, accessibility, design, and layout.
- 'safe' – hazards associated with the estate will be identified, mitigations introduced and audited, ensuring the estate is compliant with statutory regulations and standards.
- 'efficient' – Size, location, running costs and in the way that property performs i.e. flexibly and supporting new ways of working; and
- 'sustainable' – both in environmental and financial terms so that it supports the work of RBC and its partners.

2. Property Maintenance Work Types

2.1. *Reactive repairs* are carried out "on demand" in response to reports of failure or requests from internal clients.

2.2. *Planned Preventative Maintenance* items ("PPM") are usually more extensive repairs or renewals that are undertaken as part of a programme of works intended to reduce the probability of failure or the performance degradation of an item, ensuring it remains in an acceptable condition.

For example, the planned replacement of a boiler to maintain a heating system within a building.

2.3. *Cyclical maintenance* are works organised and carried out to a predetermined plan or interval of time, number of operations or other factors. This is done to prevent the premature breakdown of time sensitive components and meet regulatory and legal duties.

Examples are lift servicing, gas appliance servicing, servicing of automatic doors, fire extinguishers testing etc.

2.4. *Capital Improvements* are generally those that lengthening the useful life of the asset or substantially increase its value.

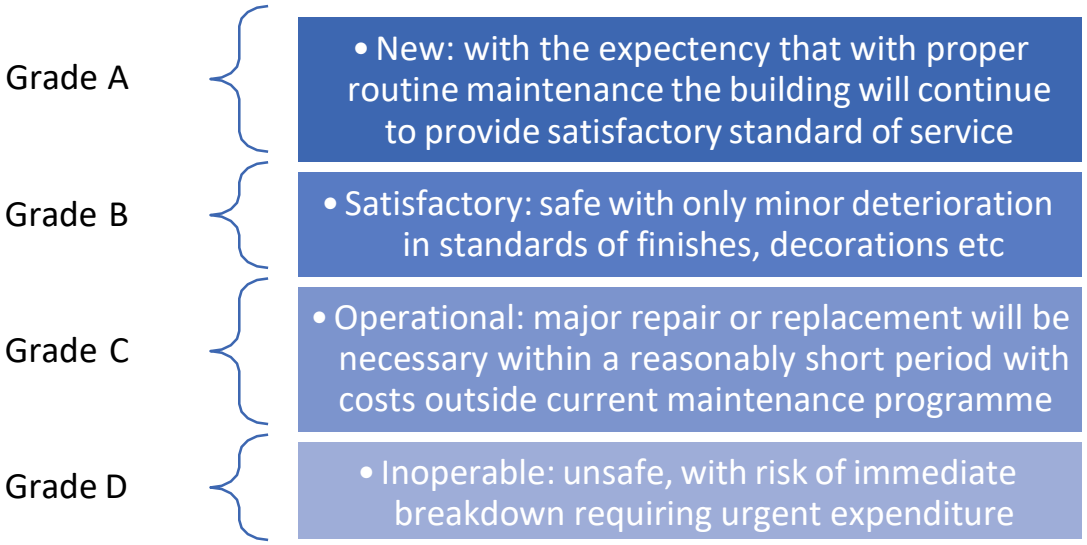
3. Condition Surveys

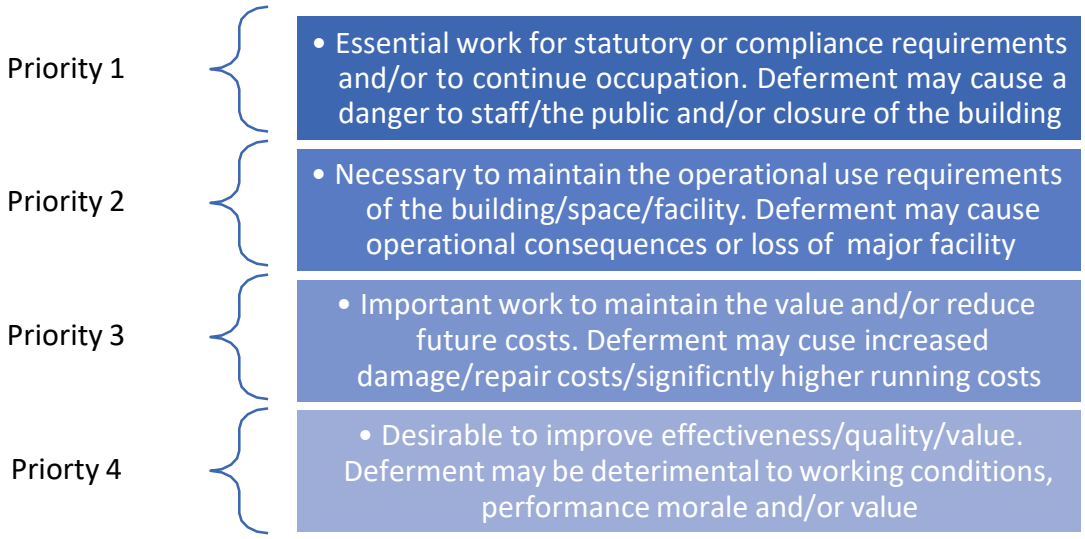
3.1. Over the course of the Asset Management Strategy 2023-2028, RBC will procure condition surveys for both building fabric and mechanical and electrical assets where RBC hold a repairing liability.

3.2. The condition of all building fabric and mechanical & electrical assets will be assessed in detail by means of a condition survey at least once every five years, undertaken by competent and suitably experienced surveyors and engineers.

3.3. Condition reports shall be maintained in the Property Management System. All relevant information shall be uploaded to the system to ensure accurate and up to date building asset condition and compliance records are available to all those who need it.

3.4. The condition reports for each building are broken down by internal, external and mechanical & electrical elements; with each sub-element (windows, boiler etc) then being rated by alphabetic grade and priority number. The following building condition classifications will be used in the surveys:





3.5. To gain an indicative overall classification for each property, the reports will be reviewed, and a subjective opinion reached, based on the number of elements within each grade and their respective costs.

3.6. These costs may include elements of planned and cyclical maintenance, together with elements of capital expenditure. These condition surveys will inform our PPM and renews planning for the 5-year period ahead.

3.7. The condition surveys will therefore be thoroughly reviewed in terms of work identified, funding, alternative solutions, RBC priorities and health & safety impact before informing actual bids for revenue or capital funding.

4. Revenue Budget

4.1. The existing financial arrangements mean there are budgets in different departments (Assets, Community, Open Space, Housing) with responsibility for repairs, maintenance and statutory compliance costs relating to their respective land and building assets.

4.2. Although not currently measurable, RBC should be seeking to achieve good practice standard of a 70/30 split between planned and reactive maintenance.

4.3. The original budget for 2022/2023 represents around 1.00% of the book value of RBC's property portfolio, which is well below the industry recognised best practice spend of 5.00%. In order to continue to achieve a reduction in the maintenance liability, our departments must work closely together to focus priorities on the future strategies of RBC, whilst ensuring legislative standards are met.

5. Statutory Compliance

5.1. Health and Safety issues are of paramount importance across RBC.

5.2. Responsibility for statutory compliance is split between various internal departments, as well as external managing agents, and their respective land and building assets. Assets and Regeneration are undertaking an internal audit of the existing records and the Property Management System which should be a central register.

5.3. Performance data on statutory compliance is currently hard to compile. In future, the Property Management System, in addition with possible integration with contractor's systems will improve our capability to store records centrally, input diary reminders and upload new certificates and test results quickly and efficiently, as well as producing compliance performance data.

6. Environment

6.1. In the Climate Change Strategy, RBC is committed to reducing greenhouse gas emissions to net-zero by or before 2030, ahead of national legislation, and to protect and enhance green spaces within the Borough.

6.2. Consequently, when maintenance or capital works are identified, consideration will be given to how the work can be carried out in a way that helps to meet those targets.

7. Contractor Management

7.1. The Assets and Regeneration Team have recently reviewed its ‘Management of Contractors’ procedure and will integrate this into tenders for new contractors or services, ensuring there is a fit for purpose contractor performance management process are in place, as well as ensuring contractors and suppliers also have commitments in place to reducing greenhouse gas emissions to net zero and offer social value commitments to the wider RBC community.

8. Procurement of Energy

8.1. The Asset and Regeneration Team procures energy in bulk for consumption, where it can, across both its investment and operational estate.

8.2. Assets and Regeneration will review its current estate to ensure that best value is being achieved by leveraging the buying power of the estate to procure the most favourable rates.

8.3. The service will work with energy management and procurement specialists to mitigate the increasing wholesale cost of energy by aligning supply to RBC’s sustainability and carbon reduction goals.

9. Energy Performance Certificates

9.1. From 1st April 2018 it became unlawful for a building to be sold or let if it did not meet the Minimum Energy Efficiency Standard (E rated or better). From 1st April 2023, existing leases cannot lawfully continue if the EPC does not reach the minimum requirement.

9.2. RBC has been working over the last few years to identify and improve the energy performance rating in readiness for 2023.

9.3. Audits of the estate records have been undertaken and a programme of reassessment is in place

9.4. EPC reports for properties will be reviewed by the Assets and Regeneration Team and where deemed necessary capital improvement works instructed

10. Street and Carpark Lighting Maintenance

10.1. To better understand the street and carpark lighting portfolio and enable the establishment of a works programme, RBC should instruct a condition survey of all the lighting stock. The information captured during the surveys should consist of:

- Location of the light;
- Reference number;
- Type and height of the columns;
- Style of the lantern and fixing bracket;
- Type of lantern;

- Lamp wattage;
- Lamp burn hours.

10.2. Each lighting unit should be given an overall conditionality score using the same style of matrix used for classifying building conditions. This allows a consistent approach to be applied across the asset base.

10.3. RBC will further work where appropriate to limit light pollution through modern technology and considerate design of new installations, whilst also considering factors such as security, night-time economy, residents' views, and the general street scene.

10.4. The data collected during the surveys should enable each light unit location to be plotted into RBC's GIS mapping system. The data can be easily updated and retrieved to answer queries and to assist in formulating a programme of replacement and maintenance works.

10.5. RBC should consider implementing a programme of upgrading the car park lighting lamps to LED. This not only reduces RBC's operational energy costs but also its maintenance liability, as the lighting units can be deferred to a 3-yearly inspection frequency rather than yearly. During the inspection, the structural integrity of the column should be checked.

10.6. The upgrade work, routine safety inspections and day-to-day repairs will be carried out by an external contractor.

10.7. Savings arising from this programme will, in the first instance, be reinvested into further improvements to the overall lighting stock, particularly around column repainting to provide longevity to those columns.

10.8. RBC should challenge the need to retain lighting columns and also consider alternate options to lighting provision. One approach could be to work with Surrey County Council ("SCC") to identify locations and schemes where RBC's lighting stock could be brought up to the required highway standard and then ownership and operational costs are transferred to SCC. The transfer process is carried out in accordance with the Highways Act 1980.

10.9. Within certain areas of inferior quality lighting, it may not be cost effective to bring the location up to the highway standard. In areas such as these a programme of replacement may be needed and funding will be required

11. Maintenance of Car Parks

11.1. The Car Park assets are transferring from another department within RBC to the Assets and Regeneration Team. With the limited data available, the best course of action is to undertake a full condition survey for each car park over the course of the Asset Management Strategy 2023-2028.

11.2. These condition surveys, together with intelligence from Economic Regeneration, Local Plan, masterplans, car park enforcement will inform our maintenance planning strategies for re-surfacing and other works.

11.3. We will instigate an ongoing programme of inspections to routinely inspect the car park surfaces, lining, walkways, lighting, and general condition in order to mitigate the risks of slips trips and falls.

--END--

Appendix A: Management of Contractors

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1. NOTES

The Assets and Regeneration function of Runnymede Borough RBC has prepared this document in order to assist staff and contractors to work safely on Runnymede Borough RBC (RBC) corporate property sites and abide by all safety requirements.

Every effort has been made to explain local conditions, site rules and legal obligations, however, responsibility to understand and observe relevant legislation remains with the contractor at all times.

It is the duty of each contractor to check that references in this document are current, eg Regulations, British Standards, etc, informing the Building Services Department where this or any other information is inaccurate.

No work is to be enacted when there are any unresolved issues regarding information contained within this document.

Implementation of, and compliance with, these requirements in no way reduces, limits, lessens or restricts the contractor's responsibilities and duties under the terms of any contract or applicable legislation.

This document shall be read together with all others which form the contract, where applicable.

2. INTRODUCTION

This document has the very important task of explaining your health, safety and environmental obligations as the contractor when working at RBC's sites.

Assets and Regeneration Team are responsible for the construction of new and alterations to existing buildings and accommodation, along with the maintenance and cleaning of corporate buildings in both boroughs.

The Assets and Regeneration Team, as managers of the corporate properties, has a statutory and social duty to ensure, so far as is reasonably practicable, the health, safety and welfare of all its employees whilst at work; this duty extends to ensuring that activities undertaken by, or on behalf of, RBC does not endanger others who may be affected. RBC's health and safety policies recognise these duties and provide for specific arrangements to be made to deal with specific risks.

This document has been prepared to help staff, contractors and their employees to work safely, and prevent accidents and injuries to themselves, RBC personnel and members of the public. These arrangements also aim to assist contractors in complying with the Health and Safety at Work, etc., Act 1974 and relevant regulations in relation to working on RBC's premises.

All contractors and their employees should be conversant with the safety rules of the respective corporate properties or area in which they are working and the Contractor's Representative has the responsibility for ensuring that this is so.

All contractors working on RBC's premises must conform to these requirements and it is the contractor's responsibility to ensure that all of his employees and those of his sub contractors who will be working within RBC premises are aware of the contents of this document. However this does not, in any way, relieve the contractor of his legal or contractual obligations. Failure to comply or to provide competent personnel could prejudice contractors from being awarded future work.

3. DEFINITIONS

3.1 Contractor: any organisation(s)/consultant(s)/person(s), etc that the Assets and Regeneration Team engages to undertake work for or on behalf of RBC who is not an employee of RBC; (this includes work of a non 'construction' or 'building' nature). Work undertaken by a contractor may include, for example:

- design and related services;
- repair, clean, service or maintain equipment or structures
- commission or decommission equipment or plant
- install, inspect or test equipment or plant
- construction, alteration or redecoration of structures
- dismantling or demolition of structures
- utility related work
- road works, civil engineering
- gardening and grounds maintenance
- pest control
- (The above list is illustrative only.)

3.2 Sub-contractor: any organisation(s)/consultant(s)/person(s) etc engaged by a contractor to undertake work for, or on behalf of, RBC, who is not an employee of RBC's or the contractor.

3.3 Contractors Representative: an employee of the contractor/subcontractor nominated to ensure compliance with these requirements and to liaise with the Assets and Regeneration Team, Premises Representative and or Supervisor.

3.4 Client: the person for whom a project is carried out, whether it is carried out by a contractor or in-house staff.

3.5 RBC Representative: an employee of RBC appointed to implement these arrangements, e.g. Clerk of Works, Building Surveyors, Building Managers, etc.

3.6 Contract Administrator: RBC's Senior Building and Project Manager or his appointed representative.

3.7 RBC Safety Officer: a professional safety officer employed respectively by each RBC to advise on safety and related issues.

3.8 Construction work: the carrying out of any building, civil engineering or engineering construction work and includes:

- the construction, alteration, conversion, fitting out, commissioning, renovation, repair, upkeep, redecoration, maintenance (including cleaning involving the use of water/abrasive at high-pressure or corrosive/toxic substances), decommissioning, demolition or dismantling of a structure;
- preparation, site clearance, exploration, investigation (but not site survey), excavation and foundation work;
- installation, commissioning, maintenance, repair or removal of mechanical, electrical, gas, compressed-air, hydraulic, telecommunications, computer or similar services which are normally fixed within or to a structure;
- assembly or disassembly of prefabricated units forming a structure;
- removal of structures or parts of structures or waste resulting from demolition, dismantling or disassembly of structures or parts of structures.

3.9 Structure: means:

- any building, steel or reinforced concrete structure (not being a building), pipe or pipeline, cable, sewer, road, river works, mast, underground tank, earth retaining structure and any other similar structure;
- any form work, false work, scaffolding or other structure to provide support or means of access during construction work;
- any fixed plant where work involves risk of a person falling.

3.10 Scope:

These arrangements apply to all staff and contractors employed by RBC and to subcontractors employed to work on RBC's properties. Managing of contractors engaged to supply, fit and maintain corporate properties is the responsibility of the Assets and Regeneration Team, on behalf of RBC.

4. ROLES AND RESPONSIBILITIES

4.1 Responsibility for safe working cannot be left entirely to contractors or subcontractors. The client has a duty to ensure, so far as is reasonably practicable, that contractors have safe working procedures and adhere to them. The Assets and Regeneration Team undertakes this on behalf of RBC.

4.2 The Assets and Regeneration Team is responsible for:

- engaging competent contractors;
- providing the appropriate health and safety information to contractors; including risk assessments when necessary;
- monitoring contractors to ensure they comply with relevant requirements;
- liaising with other RBCs staff who may be affected by the contractors activities;
- ensuring, so far as is reasonably practicable, that all work carried out on RBC's properties is arranged by or through the Assets and Regeneration Team;
- ensuring, so far as is reasonably practicable, that all relevant legislation and good working practices are adhered to.

4.3 Contractors are responsible for:

ensuring that adequate resources are available to undertake works in compliance with these arrangements, Legislation, RBC's Health and Safety Policies and the Contractor Management and Control document;

- ensuring all their employees, and any sub contractors, have the correct training, knowledge and equipment to carry out the works safely (including relevant induction);
- providing all necessary risk assessments and method statements specific to the works and ensuring their availability on site;
- adhering to all statutory and RBC requirements relating to the works;
- providing, in good time, information on any hazardous materials that are to be brought to site to execute the works;
- conducting regular safety inspections of all assigned areas and providing details to RBC's Representative for monitoring purposes;
- identifying and correcting hazards which are under their control;
- co-ordinating and co-operating with Assets and Regeneration and site Representatives;
- maintaining adequate insurance cover in respect of the works and public liability;
- establishing and maintaining effective housekeeping;

- disseminating site induction to all employees, any sub contractors employed to execute the works and any authorised visitors to site;
- ensuring that subcontractors are competent (undertaking a relevant health and safety assessment to establish this);
- managing any sub-contractors engaged on the works.

4.4 Sub contractors are responsible for:

- executing the works safely in compliance with statutory, RBC, Assets and Regeneration Team and contractor requirements;
- co-operating fully with the contractor, RBC and Assets and Regenration.

5. DOCUMENTATION

5.1 Risk Assessment

Contractors shall undertake risk assessment in relation to the work to be carried out as required by and in accordance with the Management of Health and Safety at Work Regulations. Risk assessments shall be provided to RBC's Representative when requested (copies should be available on site).

5.2 Safe Systems of Work

Where the need for a safe system of work (e.g. safety method statement/permit to work) is identified as a result of the risk assessment process relevant documentation shall be provided to RBC's Representative, when requested, prior to work commencing (copies should be available on site).

Where a principal contractor is appointed they are required to ensure appropriate documentation is provided by subcontractors.

5.3 Permits to Work

In the case of especially hazardous work, or where contractors operations may need to be especially co-ordinated with those of RBC to ensure safety, the work may need to be governed by means of a formal permit system.

Permits to work may be issued by the contractor and agreed by RBC's Representative. The relevance of such a system to the work to be undertaken will be discussed wherever possible during the planning stage.

5.4 Safety Method Statements

Safety method statements should indicate how the hazards associated with the work being carried out in any given area are to be controlled. They must address site specific issues and detail how the work is to be undertaken in light of the hazards and other requirements in the area concerned. A description of how the work is to be carried out and details of any equipment used and specific training requirements should also be included. This documentation should be available on site during ongoing work.

6. MONITORING

During the implementation of the contract RBC Representative shall monitor occupational safety and health performance by:

- monitoring the work of contractors to ensure that all legal requirements are met and that required documentation is available on site;
- ensuring regular site inspections are conducted of/by the contractor;

- madvising the contractor on newly identified hazards and risks;
- monitoring and following up on corrective actions when non-conformances are identified;
- the review of accident and incident reports, and third-party reports (i.e. HSE) and complaints;
- regular meetings with the contractor

Records shall be kept of any occupational safety and health performance issues.

6.1 Accident Reporting

An accident is defined as an unexpected or undesired event, especially one causing injury or damage.

An incident is a potentially hazardous event that did not cause injury or damage but could have (i.e. a dangerous occurrence or near miss).

Report all injuries, illnesses and incidents, no matter how small, to RBC's Representative; dependent on the circumstances an RBC accident report form may require completion.

If serious personal injury or damage to plant occurs, the area must be left untouched until advice is received from RBC's Representative. This does not apply where interference is necessary to aid or revive any person involved in an accident or to prevent further injury to persons or property.

6.2 Non-Compliance

RBC reserves the right to conduct inspections and audits at any time so as to confirm compliance with these and other, including legislative, requirements. A serious breach, or persistent or regular minor breaches, of RBC requirements may lead to the termination of the contract in accordance with its terms.

RBC's Representative and RBC's safety officers are empowered to stop the work immediately at any time if unsafe practices are being used and there is an immediate risk to any individual working on site, any third party, or member of the public.

RBC's Representative also reserves the right to insist on the removal from site of any individual found to be in breach of RBC requirements. Where a particular practice has been identified as unsafe in the opinion of RBC's Representative (or other appropriate officer) the contractor will be informed and requested to terminate the activity immediately. If an alternative safe method of proceeding can be agreed the contractor shall adopt this method and proceed with the work, noting any revisions in the safety method statement and any other relevant documentation.

If no alternative safe method is available the contractor will be asked to cease work until a suitable safe method is identified. A revised safety method statement and other required documentation should be forwarded to RBC's Team Representative for authorisation prior to work recommencing.

RBCs treat instances of safety negligence very seriously. Should any RBC staff observe any contractor, or their employees, acting in an unsafe manner, the contractor will be required to take immediate action. RBC's Representative will be advised and the incident will be recorded.

Should repeat instances be observed, the conditions of contract will be reviewed and the contract may be terminated.

Failure to wear personal protective clothing and equipment when it is necessary is an example of safety negligence. Another example is incorrect use or handling of hazardous materials.

Non-compliance with workplace health, safety and environmental legislation or RBC's health, safety and environmental requirements will be taken very seriously. The Assets and Regeneration Team assesses contractors not only on their ability to meet construction requirements of the job, within time and cost restraints, but also on their willingness to perform their work at a high level of safety and health.

Should any staff, including contractors and their staff, observe or become aware of anyone acting in an unsafe manner, they will be required to take immediate action. RBC's Representative will be advised and the incident will be recorded. Contractors or their staff may be asked to leave the site.

7. GENERAL REQUIREMENTS

7.1 The Construction (Design and Management) Regulations (CDM)

The Contractor is to familiarise himself with the requirements of the Regulations and must discharge his duties accordingly. Duty holders under the Regulations include the Principal Contractor, and other Contractors, as well as the Client, Designers and CDM Coordinator, the latter being appointed to coordinate health and safety on the project; this role may be performed by any one of the duty holders, if qualified, or may be a separate appointment.

Application of the CDM Regulations will be identified at the planning stage and the requirements implemented accordingly.

7.2 Construction and Refurbishment Work

Before commencing any work on site, issues such as site parking, vehicular access, materials handling, environmental protection, welfare facilities, waste disposal and pollution control measures should be considered and discussed with Assets and Regeneration and/or site representatives.

Contractors must conduct regular site induction sessions for all subcontractors to ensure that they are fully aware of RBCs and site requirements.

7.3 Remedial Work

The contractor must have contact details when arriving on site to carry out remedial work. RBC's Representative should be advised upon arrival and whenever leaving the site.

7.4 Preventive Maintenance

For preventative maintenance work, the contractor should contact RBC's Representative to confirm that the work can be carried out.

7.5 Communications

In all cases, safety will be dependent on good communications between the contractor and his nominated point of contact at RBC. The point of contact is described throughout this document as RBC's Representative. This person will be made known to you when you are appointed/allocated work, you may also be required to liaise with specific contacts within the site, property, area, etc. that you are to work in.

In any case of doubt regarding the application of the requirements outlined herein, or in any circumstances affecting safe working not covered in this document, advice should be sought

in the first instance from RBC's Representative, through whom additional copies may also be obtained.

7.6 Identification

All contractors and subcontractors must display identification which identifies their name and that of their company while working on RBC's premises

7.7 Starting Work

Before work commences, RBC's Representative must be informed so that the appropriate arrangements for health and safety can be made. RBC's Representative will require information in relation to start dates, time, duration of work, etc. in order that appropriate notification can be given to RBC areas, staff etc potentially affected by the works. If not already provided, copies of site-specific safe systems of work (safety method statement/risk assessments) will be required prior to work starting on site.

Special arrangements will be necessary if the work is in ducts, other confined spaces, or on roof areas. The contractor must ensure that he is familiar with all permit to work systems RBC has in place.

Where work is to be carried out within and outside occupied premises, the contractor shall ensure that the work is carried out with a minimum of inconvenience to the occupants of the premises. All installed equipment, furnishings, etc. are to be protected against damage by dust, dirt, shock or other cause.

The contractor shall not carry out work at any time without the full knowledge and approval of RBC's Representative. The contractor shall liaise with Assets and Regeneration and site representatives and obtain permission to proceed before any existing plant is shutdown.

Work to electrical, fire and mechanical services must be programmed and carried out so that normal operation of these services in the occupied premises is not affected or interrupted.

7.8 Hours of Work

RBC need to maintain an environment which is conducive to all. Excessive noise can impact on this and all people working at RBCs' properties including staff and contractors, must be mindful of sensitive periods whenever work is to be carried out. In particular, the planning of any work must be done in consultation with those that may be affected by noise due to their proximity to the work site. This would include not only staff directly within a building but also visitors and members of the public who may be adjacent to the workplace, e.g. work being done outside a building but which may impact on the occupants of adjacent buildings.

Normal hours of work for contractors on RBC sites are 8.00am to 5.00pm, Monday to Friday. Other times may be required and should be agreed in advance with RBC's Representative at which time reporting and other supervision requirements will be agreed.

7.9 Notification of Presence

Contractors are required to record their presence when entering or leaving site. Arrangements appropriate to the nature and duration of the works will be established prior to any work commencing on site and contractors will be informed accordingly. Where appointed the Principal Contractor is responsible for implementing appropriate arrangements.

7.10 Security

All contractors will have a named site contact

Contractors working on Civic Centre and Knowle Green building will be provided with ID and must ensure it is visible and worn at all times

Contractors working in other RBCs sites must at all times carry their company ID.

If challenged, a valid ID must be produced

Contractors must sign in and out of every site they attend

No property belonging to Runnymede may be removed from site.

Emergency out of hours contact Safer Runnymede (01932 838383).

7.11 Use of Lifts

Where the use of a lift or lifts is necessary the contractor will fully protect the lift. This can be by either:

- 6mm ply board, adequately fixed to the walls and floor (allow for cutting around the control panel)
- installation of a 'lift protection kit' which comprises: a padded curtain and hardboard sheets.

The type of protection is to be agreed with RBC's Representative who, if required, will arrange for the installation of the lift protection kit.

The contractor is to allow for periodic inspection of the lift and lift tracks and is to ensure these are kept free of debris at all times.

The contractor is liable for any repairs deemed necessary by RBC's Representative, as a result of damage caused by, or as a direct result of the work being carried on.

7.12 Protection of Landscaped Areas

Contractor vehicles, equipment and access routes should be used in such a manner as to limit any damage to landscaped areas, paving and other similar surface finishes. The contractor is responsible for any reinstatement work deemed necessary by RBC's Representative, as a result of damage caused by, or as a direct result of the work being carried on.

7.13 Conduct

During work on site RBC's Representative, contractors and their staff are to ensure the least amount of disruption as possible to staff and visitors to RBC's properties.

Offensive behaviour, by any party, will not be tolerated, for example:

- all behaviour and language that reinforces inappropriate, demeaning or discriminatory attitudes or assumptions about persons based on age, race, sex, disability, sexual orientation, transgender status, or marital status; and
- behaviour such as whistling, unsolicited remarks of a sexual nature and swearing.

Noise near buildings should be kept as low as possible and loud radios and other music are not permitted.

7.14 Dress Standards

Contractors should ensure that their employees and subcontractors are dressed appropriately in their company's uniform at all times; including appropriate footwear. Contractor's staff should be neat and tidy in appearance and the legs and torso should be covered at all times; tops should not be removed during hot weather, particularly where working outside.

7.15 Use of Mobile Phones

The use of mobile phones is allowed provided external communication is a requirement of the role they fulfil. Their use must be kept to a minimum and they must not be used whilst work activities are being performed or equipment is being used. There are some areas where the use of mobile phones is prohibited, these areas are well signed and these restrictions must be observed.

8. SAFE ENVIRONMENT

8.1 Training and Competence

Contractors are obliged to advise the Assets and Regeneration Team of any changes in their organisation so that safety induction training can be organised. Please contact RBC's Representative in this instance.

The contractor shall ensure that all of its personnel, agents and subcontractors are trained, competent and fit to perform the duties assigned to them. They must be informed by the contractor of all relevant hazards and given instruction in the corresponding safe methods of work, including but not limited to, the correct use of personal protective equipment. This requirement will be aided by ensuring appropriate documentation is available on site (i.e. safety method statements, etc.).

All contractors and their staff must have appropriate training for equipment in use. When performing tasks that require specific certification this must be available on site for presentation if requested, e.g. abrasive wheels.

8.2 Induction

Aside from the generic information about working at RBC's properties contained in this guide, all contractors are required to attend a local induction involving the areas of RBC which they will be working at. Local inductions are arranged and delivered by RBC's Representative and may involve staff from other areas of RBC as required. Special inductions may be required for high-risk areas.

Other contractor employees or sub-contractors who are employed after the initial local induction are to be inducted by the principal (or employing) contractor. Records of this training are to be recorded using the contractor's own induction form. Records are to be forwarded to RBC's Representative at the end of each month.

8.3 Site Isolation

All construction and maintenance work is to be isolated from other activities, staff and visitors to RBC's properties. Where this cannot be controlled by closing off areas of buildings or using a spotter to stop access to the area, then barriers or more substantial hoardings are required. If at any stage during the work the chosen method of isolation is found not to be successful, then a more appropriate control is to be implemented. This may also be required if RBC's Representative considers, from past experience, the control to be inadequate.

Under no circumstances is construction or maintenance work to be carried out above a member of staff, or in any way that exposes others to an increased risk of injury.

Where a contractor is carrying out work on RBC's premises such as the breaking or dressing of stone or concrete, grinding of metals, etc, they are responsible for the implementation and maintenance of appropriate control measures as may be required to protect all persons potentially at risk, e.g. screens, enclosures, dust suppression/extraction, etc.

8.4 Site Cleanliness

The work site and surrounding area should be kept clean, tidy and in good order; any safety or fire hazards should be removed promptly (e.g. oily rags, flammable materials and rubbish). Excavated or demolished and other waste materials removed from the site into safe storage (skips etc) on a minimum of a daily basis.

Be aware of other safety actions such as replacing lids on containers, wiping up spills, removing or bending over nails or bolts and removing other dangerous protruding objects progressively.

The contractor shall, prior to completion of work, clean-up, remove and dispose of safely and in an environmentally acceptable manner, all materials brought on site and waste generated while on site. The contractor shall leave the work area in a clean condition to the satisfaction of RBC's Representative. Particular care shall be taken to ensure that the work area is kept as clean and tidy as possible so as to minimise associated risks.

Provision of waste disposal facilities is the responsibility of contractors who must ensure that adequate arrangements are in place. Where skips, etc are already in situ there may be additional capacity available for use by contractors; however this must be agreed with RBC's Representative ***prior*** to use.

8.5 Smoking

RBC's premises are ALL 'no smoking' areas and as such no smoking is permitted in any work areas, including construction sites. RBC recognises the right of an individual to work in a smoke-free environment.

8.6 Alcohol and Drugs

The risk level associated with hazards in the workplace can be significantly increased by alcohol and other drugs. Contractors are required to ensure persons affected by alcohol or other drugs are not permitted to carry out work on RBC grounds. The consumption or abuse of drugs, including alcohol, is not permitted on construction, refurbishment or maintenance workplaces at RBC premises.

8.7 Pets

Pets are not to be brought on to RBC grounds. Registered assistance dogs accompanying their owners are the only exception.

9. FIRE SAFETY

Some properties of RBC are covered by automatic detection and alarm systems linked to the fire service. If works may involve the generation of dust, moisture, aerosol sprays, fumes or mechanical damage to detection equipment, contractors shall ensure that fire alarms are temporarily isolated, detectors in the area are covered, and that a robust means of ensuring reinstatement of such at the completion of work each day is in place.

It is vital during work in any occupied building that the integrity of fire alarm systems and escape routes are maintained or adequate temporary alternative arrangements be put in place. Before starting work, contractors must confirm with RBC's Representative that the necessary arrangements have been made.

The use of flame lights or the application of heat e.g. welding or burning should always be well managed. Contractors and their employees must seek permission for these activities from

RBC's Representative, but in the absence of any specific restrictions, must assume that smoking etc, is prohibited. Hot work may not be carried out without a permit to work.

Highly flammable solvents, alcohols or materials containing them may only be used after prior discussion with RBC's Representative.

Contractors are responsible for the provision of suitable and sufficient fire-fighting equipment appropriate to the work involved.

Contractors and their employees should, on arrival at the work site, check for the following fire safety matters:-

1 The nearest means of escape in case of fire.

2 The location, type and method of operation of the nearest on-site firefighting equipment.

3 The location and method of operation of the nearest fire alarm.

Contractors must obey alarm signals whilst on RBC premises and the Contractors Representative must identify and report their presence to the appropriate member of RBC's staff. In the case of fire alarms or practice evacuation this is normally RBC's Representative or the Fire Marshal or site representative.

9.1 Evacuation

Procedures are in place in all buildings owned and managed by RBCs. There is clear description and display, describing emergency exits, and assembly points, etc; requirements for the areas within which work is to be carried out will be provided by RBC's Representative; in general the following applies.

If you hear a continual alarm bell or are requested by a Fire Warden or other member of staff, to evacuate the building you must:

- leave the building immediately by the nearest fire exit – make sure you leave your area safe;
- proceed to the assembly area indicated on the evacuation map (or as advised);
- contact RBC's Representative and inform them of the situation;
- remain in the assembly area until advised the emergency is over;
- do not re-enter the building until advised it is safe to do so by a Fire Marshal, or member of the fire service.

9.2 Should You Discover a Fire

Raise the alarm by activating the nearest call point, evacuate the building.

Contact Fire Brigade providing them with details of the location of the fire.

Contact RBC's Representative.

Safer Runnymede emergency contact number (01932 838383)

When calling Safer Runnymede, advise them of the following:

- nature of the emergency;
- location;
- casualties;
- which emergency services are required;

- if on a dedicated building site, the level of assistance required.

Once Safer Runnymede has been notified of the emergency RBC's Representative should be informed of the situation.

9.3 Fire Fighting Equipment

The contractor is required to provide fire extinguishers appropriate to the hazards present on site. These need to be regularly inspected and maintained in accordance with fire legislation. Fire extinguishers are located in RBC's buildings to aid evacuation in the event of an emergency; these should not be relied on by contractors and therefore omitted from consideration during risk assessment.

9.4 Hot Work

Hot work, including welding, thermal or oxygen cutting or heating and other related flame, heat or spark producing operations, are not to take place in any building area without a hot work permit.

The Contractor is required to notify RBC's Representative of the commencement and safe completion of such work in compliance with the issued permit; hot work must cease at least two hours before the end of the working day.

10. SPECIAL HAZARDS

Where Contractors operations are expected to create special hazards, e.g. in the application of heat, demolition work, or the use of dangerous articles or substances, the attention of those within the site/area concerned; via RBC's Representative; must be specifically drawn to the hazards, so that adequate precautions may be agreed and taken by both parties.

It is the contractor's responsibility to acquaint his employees with these hazards and with procedures and requirements set out herewith, as well as relevant legislation, regulations and mandatory requirements.

10.1 Asbestos

Like many buildings built before the late 1980s, a number of the corporate buildings at the boroughs used asbestos containing materials at the time of construction. These products include floor tiles, asbestos cement piping and sheeting, pipe and boiler insulation, ceiling tiles, insulation around heater banks in air conditioning duct work, laboratory equipment such as autoclaves, old electrical switchboards etc.

The Assets and Regeneration Team has separate arrangements dealing with the identification, management and removal of asbestos, and takes steps to ensure that contractors will not encounter asbestos unexpectedly. The possibility that this will occur however cannot be totally eliminated.

Relevant information will be provided to contractors by RBC's Representative prior to the start of work; however materials must be assumed as suspect unless otherwise confirmed through the relevant documentation.

Where contractors unexpectedly encounter material they suspect to be asbestos, they shall immediately stop work in that area and inform RBC's Representative pending further guidance.

Where contractors are engaged to carry out work with asbestos, they shall observe statutory requirements.

10.2 Work At Height

Work at height has to be undertaken in accordance with the Work at Height Regulations, this includes the use of ladders and harnesses. All ladders used within RBC premises must be of an industrial standard. Contractors must provide their own access and work equipment; use of RBC equipment is prohibited.

When work by the Contractor involves the erection of any scaffold, support, shoring or similar structure, he/she is responsible for the incorporation, in addition to the safety of the above, of features such as 'fans', walkways, covers, guardrails, warning lights, etc, as may be necessary for safety. Steps must be taken daily to ensure safety by the removal of ladders or other means of access when work ceases.

Arrangements are also required to ensure that the security of the premises is not compromised by scaffolding, ladders etc outside normal working hours.

Where RBC has entered into a separate contract for the provision of scaffolds, RBC will make the appropriate arrangements to ensure that the safety of the scaffold is checked initially and at weekly intervals.

Scaffolding is at all times to be erected in a manner, which complies with BS EN 12811-1:2003: Temporary Works Equipment. Scaffolds. Performance Requirements and General Design. Contractors are to familiarise themselves with and comply with the recommendations of the HSE, e.g. CIS49: General Access Scaffolds and Ladders, CIS10: Tower Scaffolds, and relevant guidance available from the National Access and Scaffolding Confederation (NASC).

Where drilled anchors are planned RBC's Representative should be consulted to ensure resultant damage to buildings is minimised. The Contractor is to ensure that pull tests are carried out on at least 10% of the ties on any scaffold prior to use.

10.3 Work below Ground Level

Under no circumstances shall any trenching, excavation or digging be undertaken without the approval of RBC's Representative. There are numerous underground services and there is a high risk associated with any type of digging or ground-breaking activity.

Underground services must be positively located, and their presence appropriately indicated and highlighted to those persons carrying out the excavations. The contractor will bear all costs of any damage caused by not gaining appropriate approval.

If there is any variation outside of the original proposal, the contractor is to reassess and seek approval from RBC's Representative.

The work site must be made and kept safe by means of barriers, warning notices, lights etc, at all times. When work is complete, the site must be made good, and any markers, protective covers and warning notices restored.

All trenches and excavations, particularly those adjacent to roads or existing buildings, must be adequately shored, and falls of material prevented by 'battering back', caissons, or other effective means. In particular, the safety of children should be constantly borne in mind and excavations boarded over when work is not actually proceeding.

HSE guidance should be applied as appropriate, when work in excavations is required, e.g. HSG185: Health and safety in excavations, CIS8: Safety in excavations.

10.4 Confined Spaces

A number of confined spaces exist at RBC's premises and it is recognised that activities undertaken in confined spaces are hazardous to the worker's health and safety. A confined space is any place, including any chamber, tank, vat, silo, pit, trench, pipe, sewer, flue, well, duct or other similar space in which, by virtue of its enclosed nature, there arises a risk of:

- serious injury arising from fire or explosion
- loss of consciousness from an increase in body temperature or asphyxiation arising from gas, fume, vapour or the lack of oxygen
- drowning arising from an increase in the level of liquid
- asphyxiation arising from a free flowing solid or the inability to reach a respirable environment due to entrapment by a free flowing solid.

When working in confined spaces the requirements of the Confined Spaces Regulations are to be complied with by the contractor and employees.

Where working in enclosed areas care should be taken to ventilate the area well if petrol, diesel or LPG motor driven equipment is being used. The contractor must ensure that fume extraction, airflow and exchanges of air are all maintained as necessary.

Contractor's employees may not enter any confined space without the express permission of RBC's Representative and then only following the issue of a permit to work. If permission has been given work in such places shall be carried out using the methods and taking the precautions outlined in HSE document L101: Safe Work in Confined Spaces.

Only people who are suitably certified to work in confined spaces might do so; proof of confined space training must be presented to RBC's Representative prior to commencing work.

In all cases, such work should be planned and a safe system of work produced, which addresses site specific issues and emergency procedures. RBC operates a permit to work system which must be followed.

10.5 Roof Areas

A permit to work system is in place to control all access to roof areas.

If roof work is required, or you need access to roof areas to carry out the work you have been appointed for, RBC's Representative should ensure that the relevant permit is issued.

DO NOT access any Roof Area without obtaining a 'Permit to Work'

10.6 Buried Services

Underground services are widespread. Assume they are present unless you have

been shown otherwise

Situations where underground services may be found and disturbed, include:

- street works;
- road works;
- excavation, drilling and piling;
- demolition and site remediation;
- site investigation surveys;
- any other work that involves penetrating the ground at or below surface level.

Contractors planning or undertaking work that may disturb underground services must contact the owners/operators of those services for information about the location and status of the services.

Those owners and operators should in turn provide any relevant information about the location of services in the work area.

Service owners and operators should be prepared to help locate and identify the services (for example, by sending a representative to the site).

Careful planning and risk assessments are essential before the work starts. Risk assessments should consider how the work is to be carried out, ensuring local circumstances are taken into account.

Long-term plans or formal arrangements for co-operation may be needed with other utilities, local authorities and contractors who carry out road and footway excavation.

Contractors must plan work to avoid underground services. Where this is not possible, develop plans to minimise the risk of damage to those services in the work area.

Detecting underground services will require information from those who own the services. Individuals with sufficient experience and technical knowledge should carry out a comprehensive survey of the work area using the appropriate survey tools and equipment.

When carrying out excavations, it is important that:

- those supervising and carrying out the work have sufficient skills, knowledge and experience to do so safely;
- safe working practices are put in place and used;
- appropriate traffic signing is used on highways; this is described in Safety at street works and road works. A Code of Practice1 and chapter 8 of the Traffic signs manual;2,3
- risks from other sources, such as collapse of excavations, are avoided;
- adequate welfare facilities are available to those doing the work.

Plans alone are not sufficient to identify and locate services before starting work. They provide basic information on which to base a thorough site survey before work begins.

Clients have a duty to make reasonable enquiries about underground services and pass relevant information to the designer(s) and contractor(s). The most up-to-date information should be included in the tender information.

Contractors must prepare safe systems of work by identifying the hazards they are likely to encounter during the work and making a suitable and sufficient assessment of the risks posed by those hazards.

Clear information on the type, location and status of underground services and the tools, equipment and working practices they will require to avoid damaging the services is essential.

Make sure that those doing the work have sufficient information, clear instruction and training to work safely, and that proper management and supervision of the work ensures that it is done safely.

Information about the risks from underground services should be provided before arriving on site. Where services have been disconnected, this should be recorded and information about where and when the disconnection was done should be given to the contractors working in that area.

Co-operate with any principal contractor to make sure any rules or agreed methods of working are adhered to.

Anyone who carries out work near underground gas pipes and associated equipment should observe any specific requirements made by the gas transporter, and make sure that access to the equipment is available at all times. Do not make any unauthorised repairs to gas pipes. If in doubt, seek advice from the appropriate gas transporter.

Where heavy plant may have to cross the line of any vulnerable service during construction work defined crossing points should be provided and used. Keep the number of crossing points to a minimum, indicate them clearly and do not allow crossings at other places along the line of the service.

Where an existing road does not adequately protect the pipe, crossing points should be suitably reinforced with sleepers, steel plates or a specially constructed reinforced concrete raft, as necessary. The owner/operator of the service will advise on the type of reinforcement necessary.

On completion of the work, provide information on underground services, found or newly installed, to the client and the owners of other services encountered. This will allow them to update their own records on the position of their services and should be made available to others who will need to use this information for subsequent maintenance, repair and construction work.

Safe digging practices

Excavation work should be carried out carefully and follow recognised safe digging practices.

Once a locating device has been used to determine cable positions and routes, excavation may take place, with trial holes dug using suitable hand tools as necessary to confirm this.

Excavate alongside the service rather than directly above it. Final exposure of the service by horizontal digging is recommended, as the force applied to hand tools can be controlled more effectively.

Insulated tools should be used when hand digging near electric cables.

HSE Guidance(HSG47) Avoiding danger from underground services should be applied.

11. SERVICES

Contractors must not connect to, or interfere with, the water supply, drainage system, compressed air, electrical, gas or other services of RBC without the express permission of RBC's Representative. Connection of portable electrical equipment such as drills, etc are normally exempt from this; however the requirements outlined in 'electrical equipment must be complied with.

Isolation or reinstatements to RBC services may only be carried out with prior agreement of the appropriate site representative and the Assets and Regeneration Team.

11.1 Existing Services

When a contractor's scope of work requires any form of interference (e.g. temporary disconnection, cut-in, modification, etc.) of any existing building services (including, but not limited to, fire, electrical, lifts, etc.), these works are not to be commenced until coordinated and approved by RBC's Representative supervising the work.

Existing services (such as drains, watercourses, public utility and other services) if encountered, obstructed, or damaged in the course of performing the work, shall be dealt with as follows:

- if the service is to be continued: repair, divert, relocate as required;
- if the service is to be abandoned: cut and seal or disconnect, and make safe.
- In either case the rectification work must satisfy the authorities concerned.

11.2 Isolation and Lock Off

Contractors must ensure that isolation of all equipment, switches and controls required to ensure the safety of those carrying out the work has been carried out under a permit to work system with a formal handover from RBC's Representative to the Contractor stating the system is safe. Ensure appropriate switches, valves, isolators, etc are tagged and locked off accordingly. Where there may be others working on the same system then safety hasps allowing for multiple padlocks must be used, with each user being responsible for ensuring that they insert their own padlock. For the protection of all leave other peoples' tags alone, do not remove labels that you did not put up. Do not operate switches, etc in contravention of their instructions. On completion of the work there must be a formal hand-back of the system from the contractor to the DSB Representative stating the system is safe.

11.3 Interruption to Services

Where any work requires the isolation and or de-isolation of services, to all or part of a building, notice of 14 days must be given to RBC's Representative who will organise the relevant notifications. Shutdown procedures must be used and users of the service must be notified.

Should services be interrupted accidentally the contractor should immediately advise the Assets and Regeneration and site Representative or if unavailable, Safer Runnymede on 01932 838383.

11.4 Damage to Gas Main

In the event that damage occurs to a gas main the following actions should be followed:

- evacuate the immediate area
- do not use mobile telephones in the vicinity of the leak
- contact the 24hr gas emergency service on **(0800 111 999)**
- notify RBC's Representative
- restrict access to the immediate area (20 m exclusion zone).

11.5 Damage to Electricity Main

In the event that damage occurs to the electricity main or cables the following actions should be followed:

- do not touch the offending item
- contact RBC's Representative or Safer Runnymede **(01932 838383)**
- restrict access to the area (20 m exclusion zone).

11.6 Plant Rooms

Plant rooms across RBC's properties are generally deemed to be normal places of work, however due to the nature of equipment therein access is restricted and available by key entry only. Only persons authorised by the Assets and Regeneration Team (or visitors in the company of an authorised person) may enter a plant room. The contractor will be

accompanied by RBC's Representative or, where appropriate, a key will be issued following completion of appropriate Plantroom Access documentation.

12. HAZARDOUS SUBSTANCES

No substance is to be brought onto site without full details, including those detailed below, being supplied to RBC's Representative by the user of the substance as required by the Control of Substances Hazardous to Heath (COSHH) Regulations:

- a full description including product name, use, quantity, etc;
- a full COSHH risk assessment relating to its specific use on site;
- a copy of the safety data sheet;
- where not included on the COSHH assessment, work procedures required for safe storage, use and disposal
- training details of those required to use the substance.
- Part used or opened containers must be removed from site upon completion of work.

12.1 Use of Chemicals

Chemicals and other hazardous substances must be stored and used in accordance with the requirements of the COSHH assessment.

12.2 Chemical Spills

If a spill occurs, limit the area contaminated by preventing further spillage and containing what has been spilt. Block drains and gutters to prevent spread and inform RBC's Representative. Clean up as quickly as possible to reduce the risk of pollution.

If the spill is large or involves dangerous substances **contact Safer Runnymede on 01932 838383** and ask them to contact the fire service; provide the following:

- location of spill;
- casualties (and or number contaminated);
- details of substance (ensure COSHH data is available on site).

Absorbent material used to contain minor spills can be wrapped and disposed of in normal rubbish skips. Don't wash spills into drains, grids, waterways, etc or pour chemicals on the ground; dispose of / deal with as directed by the relevant datasheet.

12.3 Solvents

Use of substances containing solvents is discouraged; a less hazardous suitable alternative should be used where available as required by the COSHH Regulations.

12.4 Chemical Stores

There are various chemical stores within RBC's properties. No repairs or construction work should be undertaken in a chemical store unless the risks have been assessed and where required, all hazardous substances and dangerous goods have been removed and cleaned from the store. Consult RBC's Representative before working in or around a chemical store.

12.5 Dust

Adjoining property owners, residents, the public and air handling unit intakes are to be protected against dust, dirt and water nuisance. Dust screens and watering shall be used to reduce dust nuisance.

12.6 PCBs

Due to the hazardous nature of PCBs (polychlorinated biphenyls) to both human health and the environment, precautions are required to be taken with any items at RBC that contain PCBs. PCBs were commonly used up to the mid-1980s as dielectric fluids in electrical equipment such as transformers and capacitors and can be found in metal case capacitors in fluorescent lights. Some equipment is labelled as containing PCBs but if you come across old equipment with no identifying label you should check with RBC's Representative.

Generally, short-term exposure to PCBs such as accidental spills or release of vapours due to overheating of a leaking capacitor does not lead to any long-term health effects. However, excessive amounts of PCBs can cause irritation to the eyes and long-term health problems with skin, hair and liver. PCBs are listed as a probable human carcinogen, i.e. repeated exposure over a period of years may lead to cancer.

Personal protective equipment and clothing required for the handling of PCBs and PCB contaminated equipment in light fixings include nitrile/neoprene rubber gloves and safety goggles.

13. WORK EQUIPMENT

All plant, tools, tackle and equipment used by contractors on RBC premises must be suitable for the work to be undertaken, must comply with all relevant legal requirements, eg the Provision and Use of Work Equipment Regulations (PUWER) and must be maintained in accordance with appropriate legislation and other safety standards. This includes all hand tools and equipment.

Contractors may not use RBC plant, tools or equipment without the express permission of RBC's Representative, which is likely to be given in exceptional circumstances only.

13.1 Handtools

Screwdrivers, hammers, wrenches, files, shovels, etc. must be checked regularly. Where damage or defects are present, the tool must not be used. Proper repair or replacement is the only alternative.

Use an approved method to secure the tool if there is a risk of it falling and injuring people below.

13.2 Electrical Equipment

All electrical equipment must carry a label to show compliance with the inspection and maintenance requirements (HSE guidance HSG107: Maintaining Portable and Transportable Electrical Equipment refers).

Electrical leads must be positioned to prevent trip hazards, where this is not possible they should be contained within an appropriate protective cover. The nearest available power outlet should be used to limit the amount of trailing cable. Electrical leads must be removed from power outlets when not in use.

Leads passing through doorways must be protected from damage. Piggyback leads, splitters and multiple adapters are not to be used; extension leads should not be plugged into extension leads – find a closer outlet.

When electrically powered tools or equipment are to be used, their use must be in accordance with the requirements of BS 7671:2008 - Requirements for electrical installations. IEE Wiring Regulations: 17th Edition.

In general, handheld electrical tools should be rated at 110 V and fed from a double wound transformer centre tapped to earth.

Temporary lighting for sites must be fed from a similar centre tapped transformer rated at 50V.

For powering cradles/lifts etc RBCs require protection of both the supply cable and device by the use of an appropriate safety device to ensure disconnection according to the regulations, eg RCD.

If the location is damp then the requirement under BS 7671 calls for separated extra-low voltage (SELV).

The Contractor or his employees shall not enter any substation, switch room or similar area without the express permission of an authorised RBC's Representative.

See also 'PCBs' page 23

13.3 Generators

The location of temporary generators must be agreed with RBC's Representative prior to their deployment on RBC premises. All generators must be of the fully contained type, have the exhaust vented to the top of the generator, include adequate precautions to minimise fuel and oil spillage and be adequately earthed. The maximum noise rating should be 65dBA at 7 m.

13.4 Mobile Plant

All mobile equipment such as front-end loaders, dozers, backhoes, forklifts, tele-handlers, etc. must have the keys removed; blades and buckets lowered onto the ground and must be chocked/blocked when not in use. Relevant certificates and associated documents should be available upon request, including evidence of driver/operator competency.

13.5 Cartridge Operated Tools

Direct action (high velocity) cartridge tools cannot be used at RBC premises. Indirect acting (low velocity) cartridge tools may not be used at RBC premises without prior permission from RBC's Representative who will require the following:

- evidence of operators certification
- details of the tool (which should be of the type that requires two-handed operation), fixing devices and cartridges (all should be from the same manufacturer)
- copy of the risk assessment which should include, for example, consideration of:
  - guarding
  - ricochet
  - splintering
  - noise
  - recoil
  - operation
  - misfire
  - PPE
  - Copy of associated safe systems of work/safety method statements, etc
  - Copy of thorough examination certificate and general maintenance records
  - Details of storage and issue arrangements.

Whenever cartridge tools are being used the area around and behind the work should be cleared of personnel. Cartridge operated tools must not be taken into or used in situations where there is a risk of fire or explosion.

13.6 Portable Pneumatic Equipment

The requirements of the Pressure Systems and Transportable Gas Containers Regulations and PUWER must be complied with; reference to HSE guidance (eg HSG39 Compressed Air Safety) should also assist.

There are many ways in which compressed air can be dangerous, eg:

- it can enter body orifices such as the mouth, ears and anus, causing severe and often fatal injuries;
- at high pressure it can penetrate the skin;
- particles or oil carried in an air jet can damage the eyes;
- oil-coke deposits in a system can spontaneously ignite and cause an explosion;
- vessels containing compressed air, even at comparatively low pressure, can explode violently once their integrity is lost and
- dirty or 'wet' air can lead to corrosion and blocked valves which may make the system unsafe.

Use of this type of equipment should be covered by a site-specific risk assessment and appropriate safe system of work, e.g. safety method statement. Equipment shall be subject to thorough examination and records of such available upon requires.

13.7 Cranes and Lifting Equipment

All lifting equipment and all lifting operations must comply with the requirements of the Lifting Operations and Lifting Equipment Regulations (LOLER).

Note: Consideration must be given to the nature of the surface upon which the lifting equipment is to be used. There are a number of ducts and various underground services/overhead cables which could affect the safety of lifting operations; these need to be identified and considered in the risk assessment and lift plan.

There are three key parts to LOLER which require that every lifting operation must be:

- properly planned by a competent person
- appropriately supervised
- carried out in a safe manner.

RBC's Representative must be provided with a copy of the risk assessment and lift plan and must be informed of how those involved with or affected by the lifting operation will be made aware of the parts of the plan relevant to them.

Where the use of cranes or other lifting equipment will require use of areas outside the site boundary or necessitate road closures, etc this must be highlighted in the risk assessment and lift plan and brought to the attention of RBC's Representative to ensure adequate arrangements are in place and others at RBC are informed/involved as required, e.g. Security, etc.

All lifting equipment must be operated by trained personnel and evidence of this must be provided on request. Copies of thorough examination records must be available on site for all equipment present. Equipment for lifting people must be inspected every 6 months.

13.8 Guards

Where guards are required they should be fitted, operable and used at all times during machine operation; equipment must not be used with damaged or missing guarding and guarding must not be interfered with in anyway.

All contractors machinery and plant brought onto RBC's premises must comply with the regulations relating to that type of equipment and must, where appropriate, be securely guarded or fenced.

14. WASTE

In disposing of waste contractors must observe their duty of care under relevant legislation. In particular, contractors may not deposit any waste, chemical, or any other substances whatever into drains on RBC premises, unless express permission has been given by RBC's Representative and the relevant statutory authority. See 'hazardous substances' and 'water pollution'.

Waste must be removed progressively to an appropriate bin or skip. Under no circumstances should waste be dumped (a criminal offence) or disposed of by unlicensed waste contractors. All waste is to be traceable through the use of controlled waste transfer notes.

Skips should be located as directed by RBC's Representative following approval, skips must be covered and lockable or isolated behind 'Heras' or similar type fencing to prevent access.

Waste to be deposited directly into a skip should be transferred via a properly constructed chute; where this is not possible waste should be deposited directly into the skip, no throwing or 'bombing' is allowed.

14.1 Recycling and Salvage

Recycling is actively encouraged by RBC. The opportunities for recycling will be increasing over the coming years and contractors on site will be expected to encourage materials recycling in both the products they use and the chosen method of disposal for the waste they produce. This includes actively encouraging their employees to recycle the waste they produce whilst working on site.

14.2 Hazardous Waste

Any waste categorised as hazardous under the Hazardous Waste Regulations should be disposed of in accordance with the Regulations. Only licensed contractors are to be used and the relevant consignments notes should be available on request by RBC's Representative.

14.3 Contaminated Waste

If waste is contaminated by chemicals or other hazardous materials/substances it will be required to be disposed of in accordance with the requirements for disposal of the contaminant.

The Assets and Regeneration Team, via RBC's Representative, must be informed about any incidence of soil contamination that may occur or be discovered during the course of work. Do not remove any soil from RBC grounds without prior approval from RBC's Representative.

14.4 Chemical Waste

Double-check that leftover chemicals are really of no further use. Chemicals should be safely stored in the original packaging and removed by the suppliers of that chemical where possible. If this is not feasible, the chemicals is to be stored in sealed container and clearly labelled with it's contents and associated hazard (including label) together with where it came from. A licensed waste disposal company must be used for safe disposal. Spill kits should be close to the area of storage and appropriate bunding equipment used.

Never tip chemicals down the sink, onto the ground or into drains.

14.5 Metal Waste

Material such as iron, steel, copper and lead should be recycled using a company holding an appropriate Metal Recycling Site Waste Management License or who are registered as exempt from holding such a license.

14.6 Electrical Waste

Electrical wastes, e.g. lamps, tubes and electrical equipment should be segregated from general waste and disposed of in accordance with the Waste Electronic and Electrical Equipment Regulations (WEEE).

15. VEHICLE & ROAD SAFETY

15.1 Road Safety

RBC premises are subject to a speed limit of 10 mph; in pedestrians and other shared areas this is reduced and pedestrians and cyclists always have rights of way.

Some of RBC's premises presents unusual dangers in respect of road safety, and drivers of vehicles are expected to exercise a high degree of responsibility and restraint. The presence of large numbers of young people must be constantly borne in mind, and contractors and their employees are asked to remember that the Parks and Leisure Centres are essentially a pedestrian precinct, to which vehicles are allowed access only for loading, unloading and parking, subject to the car parking regulations of RBC.

All large vehicles entering RBC premises must be under the control of a qualified banksman when they are reversing.

15.2 Parking

Contractors must park in designated areas and display a valid parking permit when they are parked on RBC grounds. Permits must be clearly visible and displayed on the vehicle dashboard/ windscreen. Failure to park in a valid parking bay, designated parking areas and display a valid permit may result in a Parking Fine.

If you are not sure about where to park your vehicle consult with RBC's Representative and or check with Site Representative.

Parking or driving across footpaths and grassed or landscaped areas is prohibited; if these areas need to be accessed then arrangement should be made through RBC's Representative. All repairs to damage landscape will be charged to the contractor.

15.3 Vehicles

All trucks and flatbed vehicles leaving the site with material or loose debris shall be loaded in a manner that will prevent dropping of materials on the streets and shall have suitable tarpaulin fastened over the load before leaving the site. Vehicles bringing materials to the site shall be similarly loaded and covered.

The contractor shall ensure that the wheels, track and body surfaces of all vehicles and plant leaving the site are free of mud and that mud is not carried onto adjacent paved sheets or other areas

16. WELFARE ARRANGEMENTS

Contractors are not to use RBC telephones, computers or other facilities without permission from RBC's Representative.

Contractors are required to provide adequate sanitary and welfare facilities for their workforce, including subcontractors, and shall not use RBC facilities without the prior consent of RBC's Representative. Where RBC facilities are made available for use by the contractor, misuse will result in immediate withdrawal.

16.1 First Aid

Contractors are responsible for the first aid needs of their staff. Notices are posted around RBC premises to inform of local first aiders; however the availability of these should not be relied on by contractors.

If an ambulance is called please inform RBC's Representative so that he can make adequate arrangement to ensure the vehicle is directed upon arrival.

16.2 Working Alone

Lone workers are those who work by themselves without close or direct supervision. Contractors should ensure lone working is considered during risk assessment and that appropriate systems are established to ensure the health and safety of employees in these circumstances.

RBC's Representative should be informed when the individual concerned arrives and leaves site. Reporting lines will be agreed before work starts, to ensure compliance with emergency arrangements.

16.3 Personal Protective Equipment (PPE)

Contractors shall supply their employees with all appropriate PPE and ensure that their employees use it correctly as required by applicable legislation and as identified in associated risk assessments.

17. ENVIRONMENTAL

RBC's environmental policy is aimed at ensuring that relevant environmental legislation is complied with and that the protection of the environment is enhanced by keeping impacts to a minimum in a sustainable, financially rewarding and technically feasible manner.

17.1 Refrigerant Gases - Chlorofluorocarbons (CFCs)

CFCs must be collected in specially sealed cylinders by a licensed disposal company. Do not allow CFCs to be released into the atmosphere, as they are strong ozone depleting agents. Contractors could be fined for deliberately releasing CFCs.

17.2 Air Quality

Dust can cause nuisance and health problems for workers and others on the site. If the activities to be carried out are likely to generate dust ensure materials and stockpiles that are likely to generate dust are covered. Place any sweepings in a bag or box before putting them into a bin/skip to prevent dust becoming airborne.

Many solvent chemicals release polluting vapours when containers are opened; this also presents a fire hazard. Always seal solvent containers with a tight lid; use water based or biodegradable products, strippers and cleaners wherever possible. See 'solvents'.

17.3 Water Pollution

It is against the law to place any material (other than clean water) in a position where it is likely to leak, fall or be blown into any drain or gutter that is used to receive rainwater. Allowing this

to occur can result in fines or legal proceedings against a business or individual, regardless of whether the pollution was intentional or not.

Keep footpaths, drains, gutters, etc around the work site free of litter, soil and sand, particularly at the close of each working day. Do not sweep litter, leaves or anything else into drains or gutters. Never hose rubbish, soil, sand or leaves (or anything else) into drains or gutters. Keep rubbish bins covered and emptied regularly and keep a spill kit close by.

17.4 Noise Nuisance

The contractor shall take all practicable precautions to minimise noise resulting from his activities. All equipment used in the performance of the work shall be fitted with effective silencers of a type as recommended by the equipment manufacturer. All tools and silencers shall be kept in first-class condition at all times. Operators of such equipment shall be closely supervised to ensure that the silencers are always in place while the tools are being used. Loud hailers shall not be used.

For all information contained within this document contact:

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Addlestone
Surrey KT15 2AH

Tel 01932 838383

email: assets@runnymede.gov.uk

www.runnymede.gov.uk

Further copies of this publication, or copies in large print other formats or languages can be obtained via the above contact details.

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Runnymede BOROUGH COUNCIL

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Appendix 7 – Investment Property Update

Runnymede Borough RBC

Investment Report

January 2023



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1. Introduction

1.1. CIPFA defines a commercial investment as one that is “taken or held primarily for financial ‘return [and] not linked to treasury management activity”.

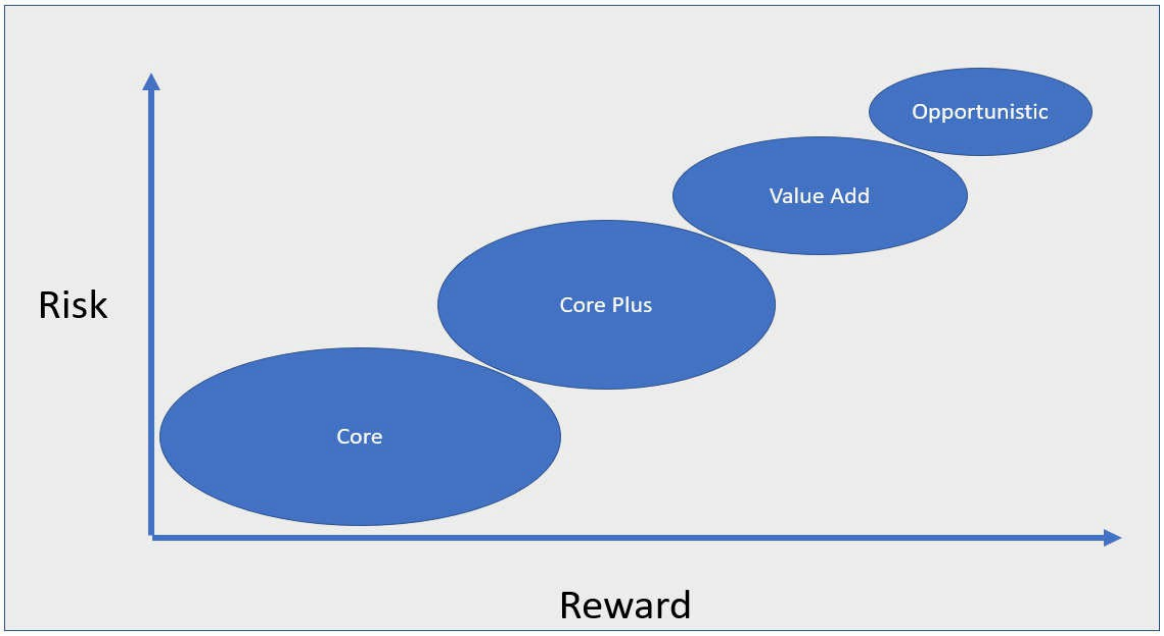
1.2. RBC currently holds 33 investment properties in its portfolio. See Appendix A for a full schedule of the current assets and their values.

1.3. Out of the 33 assets in the portfolio, 27 are within the Borough and the remaining 6 are in the wider South-East England area.

2. Asset Classification

2.1. RBC have not previously classified their investments by the industry standard terms. The categories used are shown in the image below with the principle being *greater risk leads to an increased reward*.

2.2. A balanced portfolio will include a spread of differing risk profiles, usually with a larger foundation of Core properties underpinning fewer, more risky assets as you move up the risk curve.

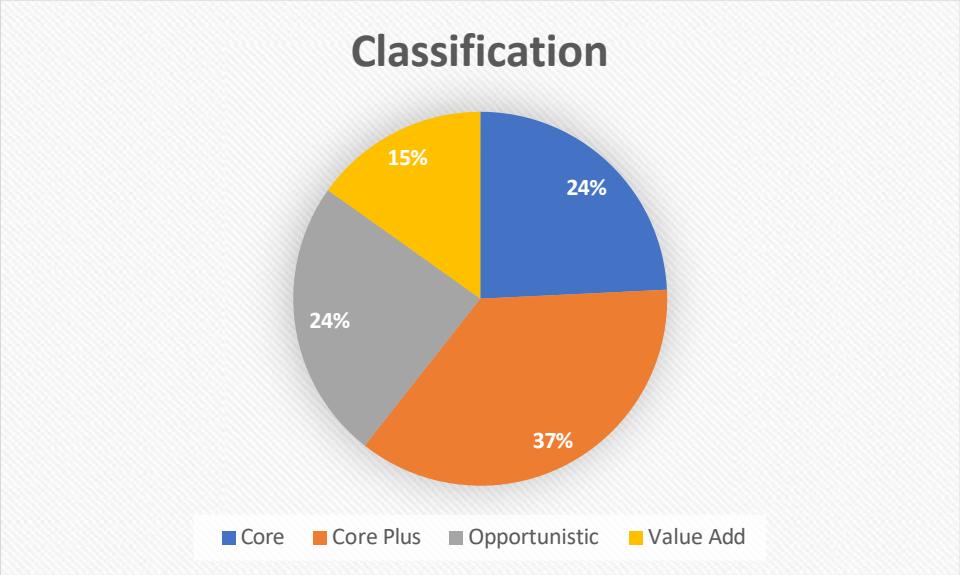


2.3. The definitions for each of the four categories is described below but it should be noted that there is an element of subjectivity: -

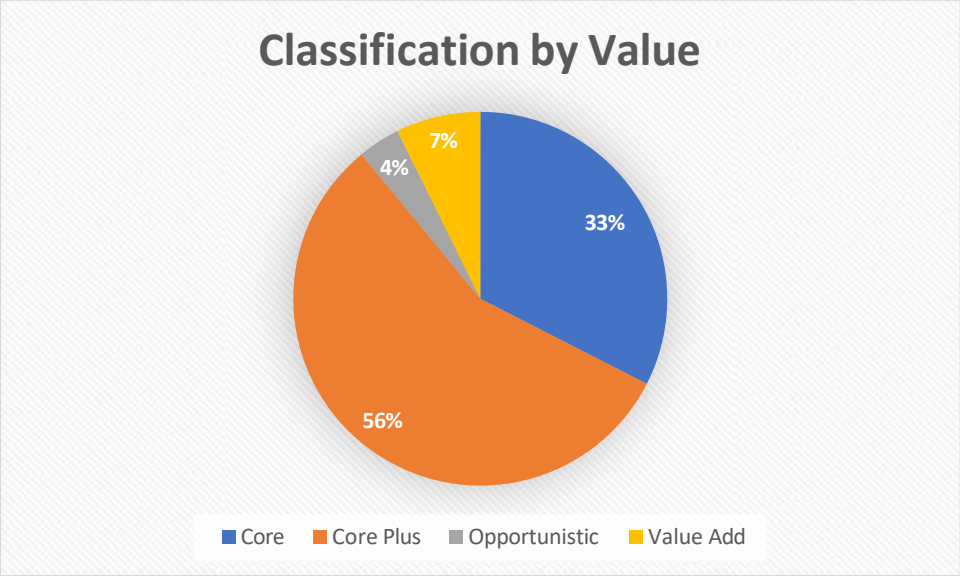
Core	Prime locations, let on long terms, to secure covenants. Buildings tend to be impressive historic fit for purpose or modern purpose-built buildings. This asset class is the most liquid.
Core Plus	Similar in nature to Core but weaker in some of the key areas of the characteristics. It therefore may be in a good rather than prime location, or there could be a mix of covenant strengths, or a mix of lease lengths. There may be significant potential to improve value through good asset management. This asset class will be liquid in stable market conditions.

Value Add	These opportunities offer the chance to increase the capital value of the property by adding to or enhancing the property. These properties may show a higher level of vacancy rates, be more advanced in terms of building life cycle, requiring a degree of refurbishment or other attributes which can be improved or enhanced. These assets can become illiquid in poor market conditions.
Opportunistic	Assets that can be re-positioned through thorough refurbishment, change of use or partial redevelopment or extension. These assets are generally illiquid until the potential is released.

2.4. Following analysis of RBC's investment portfolio, this is the current classification mix:



2.5. And by value:



2.6. The number of Core properties would ideally be higher, but there are a few notable instances where leases have less than 5 years remaining, which brings those particular assets into the Core Plus category in terms of risk.

2.7. The Opportunistic and Value Add assets reflect RBC's proactive regeneration policy. Recent developments such as Addlestone One and Magna Square are speculative, ground up developments at the higher end of the risk curve.

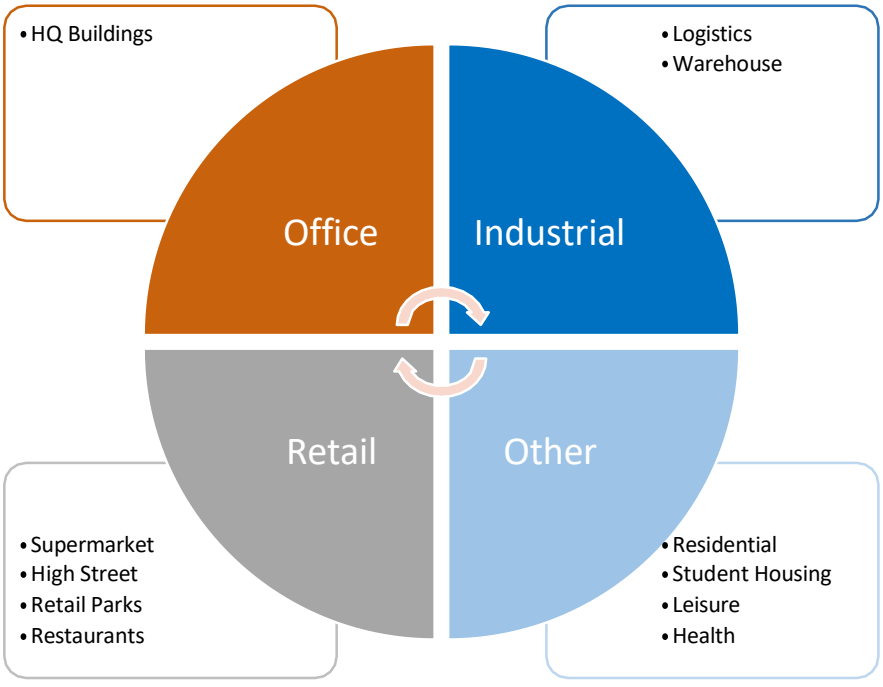
2.8. You can see that in value terms, there is not a significant amount of value at risk. Several of these Opportunistic and Value Add properties are either awaiting re-development under regeneration projects or they have recently been developed and are 'to let'. Numbers of both are likely to reduce over time.



3. Investment Sectors

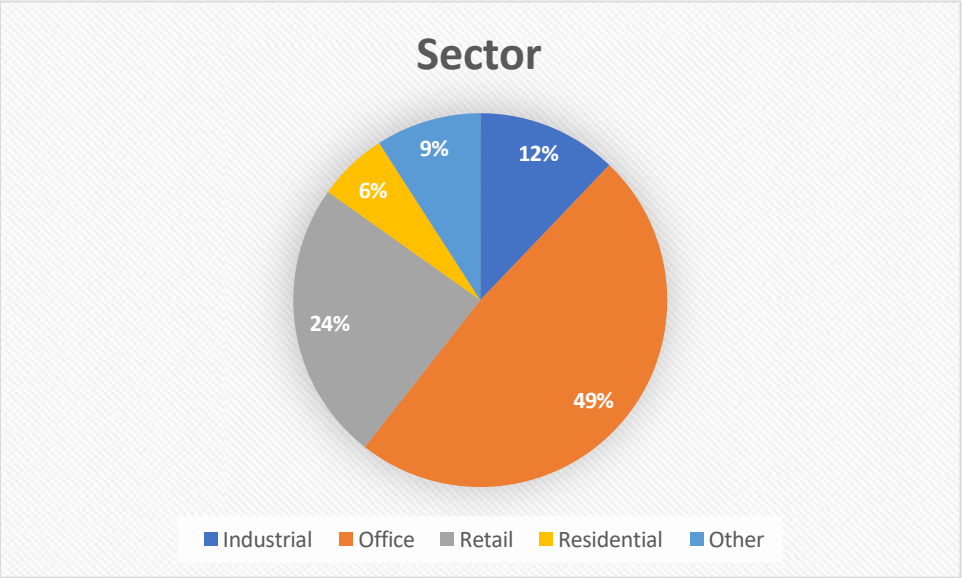
3.1. A balanced investment portfolio will usually have a diversity of investment sectors to enable the portfolio to weather a downturn in any one sector.

3.2. The established sectors are Office, Retail, Industrial, and Other which typically include:



3.3. The current spread of RBC assets is shown in the chart below. In some instances, where the asset contains a mixture of sectors, it is the predominant sector that is used.

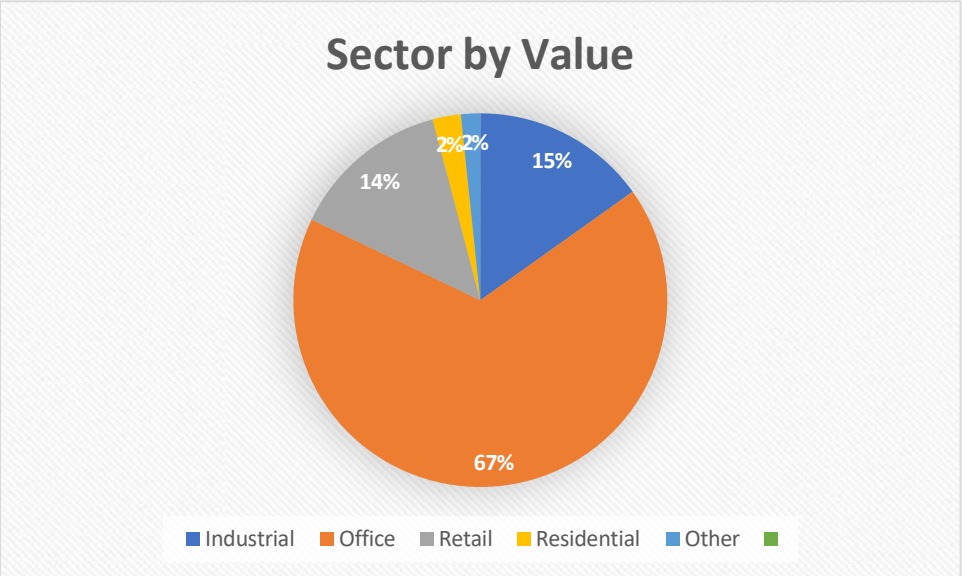
3.4. Due to the significant value of residential holdings, this is shown separately and not as 'Other'. Note this chart **does not** include the residential buildings let to RBCI.



3.5. The above shows that Office and Retail sectors make up nearly three quarters of the portfolio. Industrial, Other and Residential make up the remainder.

3.6. Assets within "Other" include a farm, telecoms infrastructure and garages.

3.7. Sector spread can also be shown as a percentage of overall capital value:



3.8. There is a close correlation when looking at the Sector by income, as this is a factor of the capital values.

3.9. The above clearly shows that despite Offices making up just under half of the portfolio in number, they represent significantly higher proportion of the value. This is reflected

in the scrutiny of these assets and working with the Tenants of these buildings to understand their future plans.

3.10. Prudent financial measures are already in place to ensure our preparedness for any voids in terms of empty property costs (business rates, insurance, utilities) and the cost of refurbishment in order to re-let. The scale of this reserve is reported to CMC through Finance.

ACTION

- Work with Office Tenants to minimise void periods
- Provide financial forecasts
- Let ADD1 and Magna Retail units

TARGET

- Reduce forecasted funding requirements

4. Market Commentary

Office

4.1. The office sector has been greatly affected by Covid 19 with average office utilisation at 59%[1], the highest level since the pandemic, although there is significant regional variation.

4.2. Office forecasters[2] are generally optimistic for a return to pre-pandemic levels of activity in 2022/23 – although new accommodation strategies as a result of hybrid working are still being tested. It is generally accepted that hybrid working is here to stay, but there is uncertainty about how this will play out.

4.3. There is a 'flight to quality', with the majority of lettings being for prime offices, with an increased importance of the 'work experience' and sustainable buildings for staff and visitors. According to Savills, 91% of year-to-date take-up is Grade A quality[3]

4.4. The implication for RBC's portfolio is the risk of higher refurbishment costs upon lease expiries or the risk of becoming second-tier, with longer void periods and poorer covenant strength tenants.

4.5. Capital requirements for refurbishments could be £4.5m over the next 5 years.

4.6. However, inflation and supply chain disruption are bringing additional uncertainty both for tenants fit out and Landlord refurbishments.

[1] Savills UK | Spotlight: Savills Prime Office Costs – Q2 2022
[2] UK Real Estate Market Outlook 2022 | CBRE; ill-uk-property-perspectives-2022.pdf; 2022 Forecast - 2022 Forecast UK (avisonyoung.com)
[3] Savills UK | City Office Market Watch – June 2022

Retail

4.7. Most commentators agree that the pandemic accelerated the move to online retail, boosting the performance of warehouse and 'last mile' real estate, whilst decimating some significant parts of the retail sector, most notably clothing and footwear.

4.8. Although footfall has begun to slowly recover, there is still an oversupply of shopping centre and high street retail space. Rents in these areas are likely to reduce further during 2023 and Turnover Rents are likely to remain commonplace[4].

4.9. There is strong demand for hospitality and leisure experiences, and we have seen this with our marketing of both Addlestone One and Magna Square in recent months. The strategy of food and beverage, hospitality and leisure at these sites is appropriate and should continue.

Industrial

4.10. Demand remains strong in some parts of this sector, such as logistics, with even speculative developments being insufficient to meet the demand. This continued shortage of supply is keeping vacancy rates low and driving up rents nationally by as much as 9% in the first six months of 2022. However, compare this with previous half yearly figures of 20.8% to December 2021 and its clear growth is slowing dramatically. London and the South-East saw the lowest growth of 5-6% in the first 6 months of 2022, well below the UK average[5].

4.11. This region has 3.94m sq ft available across 25 units, but of that, 35% is low-quality space. 22 units, totalling 3.57m sq ft, are under construction[6].

4.12. There are some big issues ahead for industrial businesses which are expected to slow growth even further:

- The cost-of-living crisis bringing the prospect of less disposal income for households and businesses.
- Continuing global supply chain disruption
- Utility prices and the potentially only short-term government support
- Business rates revaluation from 1 April 2023. The revaluation is based on rental values between April 2015 and April 2021 – which MSCI Quarterly Index reports put at 25.7% between those dates. (Compare with 12.5% for offices and -14.1% for retail).

4.13. The market is unlikely to go into reverse, and any opportunities which fit with RBC's wider Corporate Business Plan and regeneration ambitions should be considered.

Conclusion

4.14. RBC is not intending to buy more investment properties, so the sector mix is not likely to change significantly over the course of the Asset Management Strategy.

[4] UK Real Estate Market Outlook 2022 | CBRE; jll-uk-property-perspectives-2022.pdf; 2022 Forecast - 2022 Forecast UK (avisonyoung.com)
[5] UK Real Estate Market Outlook 2022 | CBRE UK
[6] Savills UK | The logistics market in London and the South East

There may be opportunities as part of regeneration projects to add leisure, health and residential assets.

4.15. The risks stemming from the adversely affected sectors will be reviewed and prudent measures put in place to mitigate any likely consequences.

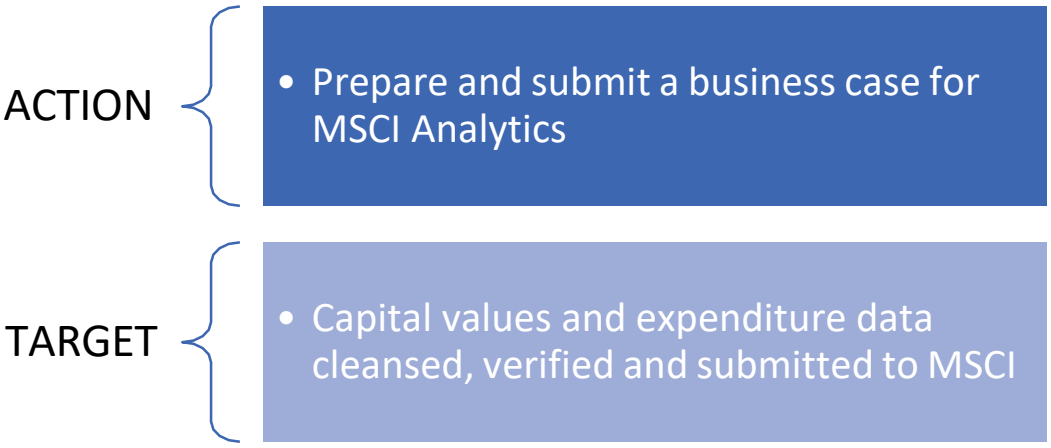


5. Asset Management

5.1. As the most widely recognised 'bottom line' figure in the Commercial Real Estate industry, Total Return is the most important measure of overall investment performance used to compare different assets across time periods. It incorporates both Capital and Income elements and is calculated as the percentage value change plus net income accrual, relative to the capital employed. It is globally recognised as the standard composite measure of investment performance.

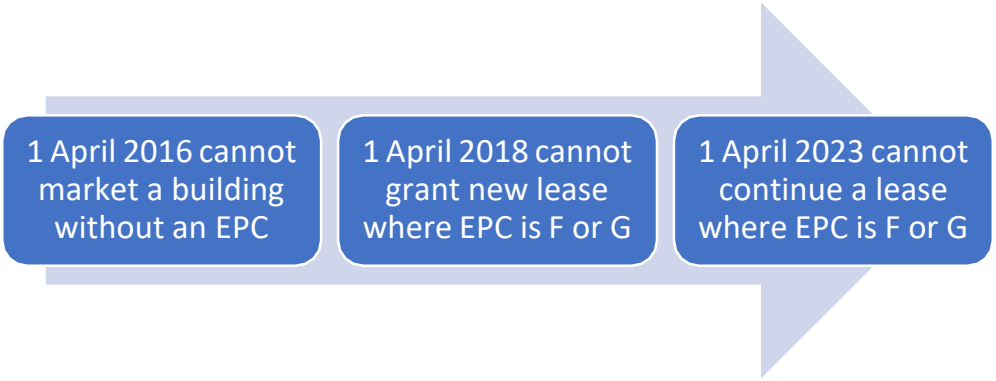
5.2. Although some reporting on investment performance is currently prepared by RBC, this needs a comprehensive review in light of the new CIPFA Prudential Code 2021. RBC should take the opportunity to develop its data collection and reporting to include standardised Total Return information, which can be benchmarked against other similar portfolios.

5.3. Capital Values over the last 4 years is provided at Appendix A.



6. Sustainability

6.1. The journey of Energy Performance Certificates in commercial property:



6.2. Current EPC Ratings are set out in Appendix B. Two investment assets require energy efficiency improvements – one is a residential flat let on a 99-year lease (exemption only applies to leases over 99 years). The other is a former hair salon that is now vacant. Here we are arranging for LED lights to be installed to improve the rating prior to marketing and re-letting.

6.3. When an asset is occupied by a tenant, it is sometimes not possible to implement changes. It is often only when a property becomes vacant that we can carry out these improvements. The legislation provides an exemption for these circumstances, i.e. where there is a lack of third party consent.

6.4. Our commercial tenants are also working towards carbon reduction and better environmental credentials. They approach us if they need consent for the works under the terms of their lease, such as installation of Electric Vehicle Charging Points.



7. Non-Treasury Management - Investment Management Practices

7.1. Risk Management

7.1.1. Our property investment activity requires us to manage a range of risks:

- Financial risks related to the investment of our assets, cash flow and market volatility

- Macroeconomic risks related to the growth or decline of the local economy, interest rates, inflation, and the wider national and global economy
- Credit and counterparty risks related to investments, loans to public and private institutions

- Operational risks related to operational exposures within the organisation, its counterparties, partners and commercial interests

- Strategic risks related to key initiatives undertaken by us such as areas of organisational change necessary to enable RBC to meet its goals and objectives, significant capital schemes and major purchases and new ventures

- Reputational risks related to our dealings and interests, and the impact of adverse outcomes on our reputation and public perception

- Environmental and social risks related to the environmental and social impact of our Strategy and interests

- Governance risks related to ensuring that prudence and careful consideration are prominent in RBC decision-making, augmented by quality independent advice and appropriate checks to ensure that we have the correct level of oversight, scrutiny and efficiency

7.1.2. An initial risk assessment has been carried out and an extract is attached at Appendix 4. Investment property risks, control measures, and mitigations will be reported to the Assets and Regeneration Group on a quarterly basis.

7.2. Performance Measurement

7.2.1. The Assets and Regeneration Team need to be able to describe to a wide audience the role the investment property portfolio plays in RBC's capital strategy. To do this requires benchmarking analysis relative to the broader market, based on frequent data.

7.2.2. A growth bid was submitted in November 2022 for a subscription to MSCI Analytics. If successful, this will give the Team a coherent benchmarking framework which can be used to demonstrate the performance of our Investment Portfolio against other, similar funds.

7.2.3. The following table sets out the key performance indicators that can be produced with the current resources:

Reference	Description	Metric
KPI 001	Investment Property Income	Variance from s26 target income
KPI 002	Investment Property Rent Arrears	As a percentage of the total portfolio income – to be taken in the 2-4 weeks prior to Quarterly Payment Dates
KPI 003	Vacancy Rates	As a percentage of the total portfolio area in SQ FT
KPI 004	Tenant Retention	Number of renewals completed and tenant breaks not exercised
KPI 005	Income Return (Proportionality)	Investment income as a percentage of all general fund income
KPI 006	Capital Return	Difference in Capital Values, determined annually.

7.3. Decision making and analysis

7.3.1. The performance shall be reported quarterly and will be included in the Quarterly Treasury and Capital Performance Monitoring report, which will be taken to Corporate Management Committee and Overview & Scrutiny Committee.

7.4. Training and Qualifications

7.4.1. RBC recognises the importance of ensuring that all staff involved in the property management team are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

7.4.2. The Assets and Regeneration Team is led by a Corporate Head who is a member of the Royal Institution of Chartered Surveyors. Professional membership status is subject to ongoing Continuing Professional Development. The Corporate Head is supported by 3 team functions: Property Portfolio Management, Building Surveying and Facilities Management.

7.4.3. The Property Portfolio Management team manage both the operational and investment assets. The team comprises of four chartered surveyors with the following titles, Property Portfolio Manager, Portfolio Surveyor (of which there are three) and one Graduate Surveyor along with two property administrators who worked across the team functions.

7.4.4. As part of our Asset Management Strategy and policies, we will be adapting the teams to ensure that it can deliver the ongoing needs of RBC but in principle the role of this team is to ensure that the rental income of the investment properties is collected in a timely manner and that each property is managed to its optimum level through service charge management along with ensuring that rent review and lease renewals are carried out in a timely fashion. It is also the role of the surveyors to deal with the day to day running of the properties particularly those that are multi-tenanted and require specialist service charge expertise in maintaining these assets.

7.5. Use of external service providers

7.5.1. In October 2022, Corporate Management Committee approved a business case for the procurement of external service providers. This is in progress as of January 2023 and will provide a panel of experts from which advice can be taken on a wide range of specialisms.

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Appendix A: List of Assets and Capital Values

Investment Properties "Properties held solely for their rental stream and/or capital appreciation"	Value at 31/3/19 (£)	Value at 31/3/20 (£)	Value at 31/3/21 (£)	Value at 31/3/22 (£)
Lyne Farm (Land & Buildings)	262,500	262,500	262,500	512,500
131-137 Station Rd, Addlestone	782,340	747,300	728,900	728,900
55 Guildford Street, Chertsey	266,667	140,000	136,600	136,600
153-155 Station Rd, Addlestone (& 1-5 Manton Terrace)	655,712	581,800	556,200	555,900
7 High Street, Egham (Charta Place)	413,572	433,300	433,300	433,300
9-12 High Street, Egham (Charta Place)	1,773,965	1,791,300	1,791,300	1,791,300
Sainsbury Centre, Chertsey	6,516,804	6,457,800	7,057,000	7,045,000
13-15 Ashwood Road	155,555	143,700	130,200	130,200
Surrey Towers Telecom Licences	491,161	474,200	474,200	474,200
Housing Garages (Various)	6,438,321	7,694,500	7,917,900	8,204,600
92 Station Road, Addlestone	750,260	725,900	725,900	706,700
Laser House, Chertsey	1,072,460	1,044,600	1,037,800	1,098,100
Osprey House, Addlestone	2,198,743	2,121,900	2,152,500	2,191,000
1-39 Egham Precinct (Arndale Shopping Centre)	8,511,753	8,420,300	8,241,600	8,311,300
1-22 Tudor Court, High Street, Egham	2,525,095	2,579,000	2,435,800	1,992,300
Abbey Groves, 31 Windsor St, Chertsey	11,020,228	10,908,800	10,907,600	9,223,900
Compass House, Chertsey	27,148,052	27,169,800	27,176,100	27,176,100
Egham Precinct Car Park/Travelodge/Waitrose	21,615,908	21,615,900	23,403,500	23,625,700
Hitachi House, Staines	10,885,595	10,763,000	10,797,500	10,797,500
610 Chiswick High Road	70,038,312	71,113,800	71,179,300	71,251,000
Unither House, Chertsey	10,074,740	10,060,700	10,080,700	10,080,700
Addlestone One Retail	30,313,038	35,345,400	35,135,400	35,799,700
Addlestone One Residential				
Egham Business Park	35,990,721	36,712,200	37,134,300	37,678,400
World of Duty Free Warehouse, Windsor Road, Egham	21,758,239	22,316,300	22,083,200	22,173,600
VW Financial Services HQ, Milton Keynes	57,716,364	58,880,900	58,625,500	58,659,100
Pine Trees Business Park Egham	88,342,487	94,722,000	95,509,100	96,126,400
Axis One, Langley	22,389,584	22,406,600	22,506,300	20,586,100
Scandinavia House (Volvo HQ), Maidenhead	13,761,168	12,228,500	12,243,500	12,243,500
New Globe House, Vanwall Business Park, Maidenhead	16,992,938	16,979,600	17,001,100	17,001,100
Royal Mail Distribution Centre, Thorpe Industrial Estate	5,422,217	5,546,800	5,546,800	5,057,900
Chertsey Metrode Business Park	-	-	17,738,000	18,944,600
Honeywell House	-	31,959,674	30,586,400	30,530,100
Magna Square Retail				
Parish Hall Student Accommodation/Corn Merchant House	-	-	-	11,499,700
Other costs recovered including service charges				
	476,284,499	522,348,074	541,736,000	552,767,000
	Agrees to 18/19 Accounts	**Agrees to 19/20 Accounts**	**Agrees to 20/21 Accounts**	**Agrees to 21/22 Accounts**

Appendix B: Energy Performance Ratings

Asset Name	Rating	
Egham Business Park	A	
Chertsey Metrode Business Park	A	
Magna Square Retail	A	
Parish Hall Student Accommodation/Corn Merchant House	A	
Addlestone One Retail	A-C	
Abbey Groves, 31 Windsor St, Chertsey	B	
Egham Precinct Car Park/Travelodge/Waitrose	B	
Hitachi House, Staines	B	
610 Chiswick High Road	B	
Addlestone One Residential	B	
VW Financial Services HQ, Milton Keynes	B	
New Globe House, Vanwall Business Park, Maidenhead	B	
Pine Trees Business Park Egham	B-D	
7 High Street, Egham (Charta Place)	C	
13-15 Ashwood Road	C	
1-22 Tudor Court, High Street, Egham	C	
Scandinavia House (Volvo HQ), Maidenhead	C	
Royal Mail Distribution Centre, Thorpe Industrial Estate	C	
131-137 Station Rd, Addlestone	C-E	
1-39 Egham Precinct (Arndale Shopping Centre)	C-E	
153-155 Station Rd, Addlestone (& 1-5 Manton Terrace)	C-F	Under review
9-12 High Street, Egham (Charta Place)	C-F	Works ordered
55 Guildford Street, Chertsey	D	
92 Station Road, Addlestone	D	
Osprey House, Addlestone	D	
Compass House, Chertsey	D	
Unither House, Chertsey	D	
World of Duty Free Warehouse, Windsor Road, Egham	D	
Honeywell House	D	
Axis One, Langley	E	
Laser House, Chertsey	Expired	
Sainsbury Centre, Chertsey	Exempt	Lease over 99 years
Lyne Farm (Land & Buildings)	Exempt	Agricultural
Surrey Towers Telecom Licences	Exempt	Low energy demand
Housing Garages (Various)	Exempt	Low energy demand

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Appendix 8 – Delegation Requirements

1	Scheme of Delegation Page 55 - Functions not listed for Council or Committee may be exercised by the Officer identified from Annex 1. Annex 1 Page 65 - CE and CHAR, subject to considering the advice of a qualified Valuer on significant transactions, and subject to consultation with the Chief Officer or Corporate Head responsible for any service involved	A new delegation under Annex 2 Page 79: In relation to properties/leases/licences to or by RBC: To agree to variations to any of the lease covenants, subject to professional valuation advice (which must be taken into consideration by Officers) where appropriate. To initiate proceedings or issues notices that may or will terminate leases or interests in land including issue of break notices or forfeiture proceedings where it is necessary to protect the interest of RBC, recover money or prevent further loss of income and the financial loss to RBC does not exceed £100k (financial impact to be based on contractual rental values.)	Chief Executive & Corporate Head of Assets and Regeneration
2	Scheme of Delegation Page 55 - Functions not listed for Council or Committee may be exercised by the Officer identified from Annex 1. Annex 1 Page 65 - CE and CHAR, subject to considering the advice of a qualified Valuer on significant transactions, and subject to consultation with the Chief Officer or Corporate Head responsible for any service involved	A new delegation under Annex 2 Page 79: To accept or agree to a surrender of lease where the land or property is no longer required by RBC or the Tenant (as appropriate) and the financial loss to RBC does not exceed £350k (financial impact to be based on contractual rental values.)	Chief Executive & Corporate Head of Assets and Regeneration

3	Scheme of Delegation Page 55 - Functions not listed for Council or Committee may be exercised by the Officer identified from Annex 1. Annex 1 Page 65 - CE and CHAR, subject to considering the advice of a qualified Valuer on significant transactions, and subject to consultation with the Chief Officer or Corporate Head responsible for any service involved	A new delegation under Annex 2 Page 79: In relation to freehold land owned by RBC as a corporate asset (i.e. not land held on charitable trusts) to obtain or grant approve release of restrictive title covenants subject to obtaining appropriate legal and valuation advice and payment to RBC of appropriate consideration where legally permitted. In relation to freehold land owned by RBC in any capacity: To grant miscellaneous licences, wayleaves and easements to domestic utilities providers (including but not limited to statutory wayleaves and easements) as required.	Chief Executive & Corporate Head of Assets and Regeneration