

Runnymede Borough Council

Service Area Plan 25/26

Assets and Regeneration

FINAL COMMITTEE APPROVED

Approvals

Approved by CLT: 11/12/2024

Approved by Corporate Management Cttee: 20/03/2025



Service Area Plan for Financial Year 2025/26

Service Area: Assets and Regeneration

Corporate Head of Service: Alex Williams

Version: FINAL

The priority and focus for service areas for 2025/26 must be demonstration of ongoing continuous improvement, delivery of savings or income generation opportunities and realisation of benefits to align with the MTFS and address the Council's budget gap. This is alongside delivery of core activity.

Initiatives that are agreed to come forward from the Savings and Efficiency programme and the rolling programme of Service Reviews will be prioritised in relevant service area plans and progress monitored during the year.

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 compliant and fit for purpose estate that delivers key services whether it be statutory function or non-statutory function. We have developed an investment property portfolio designed to create revenue-generating opportunities, currently achieving a rent roll of over £27 million. This revenue directly supports the delivery of essential services for our residents. The business unit functions as a comprehensive property company, requiring a team of skilled professional including qualified surveyors, lawyers, and accountants—to maximize the portfolio's value while adhering to best practices. Our team ensures that all assets comply with health and safety regulations, including the recently implemented Building Safety Act 2022. Additionally, it remains crucial for this business unit to continue generating a reasonable 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.

Following the NS-BVN the business unit has gone through a comprehensive review of capacity and capability for the future of the business unit to ensure that it can meet the needs of the

asset management strategy and continue to delivery of the Best Value to the Council. Where possible we will continue to reduce our borrowing costs which may involve selling certain commercial and operational assets. The current economic downturn has impacted the value of our investment portfolio, but we are carefully exploring strategic options on an asset-by-asset basis to make informed, prudent decisions. In addition, we will optimise our assets to achieve maximum income potential enhancing both revenue and asset value where appropriate.

While energy costs have decreased over the past year, rising standing charges have increased overall running costs for both our investment and operational assets. Additionally, compliance with the Building Safety Act 2022 continues to impact costs, particularly for some of our mixed-use developments. The business is actively addressing these legislative requirements, which has affected—and will continue to affect—service charge budgets for our tenants. Nevertheless, our top priority remains the safety of our residents.

We are continuing efforts across our asset base to meet our carbon net zero aspirations. A carbon baseline has been established for RBC, and we have formally declared a "climate emergency." In 2025/2026, capital improvements will begin at the Civic Centre, which will not only reduce our carbon emissions but also lower energy costs. Additionally, essential upgrades to the Depot will start this year, enhancing the asset to better meet the needs of the services based there. For our remaining operational assets, we remain committed to reaching carbon reduction targets across the board. Regarding our investment portfolio, we will work closely with tenants to encourage necessary improvements. However, as these upgrades are outside RBC's direct control, we will need to take a balanced approach, especially as leases come to an end, to determine our strategic path forward.

Service Information

Service Area: Assets and Regeneration

Service Area 1: Property Portfolio Management

Service Area 2: Project and Building Surveying

Service Area 3: Facilities Management

Description of Service (1) Property Portfolio Management

Main Purpose: The property portfolio team oversees both operational and investment assets. In early 2023, Full Council approved the Asset Strategy, which outlines our approach to managing and maintaining assets that are both operationally effective and financially beneficial for the Council. Following a comprehensive review of the team in 2024/2025 to ensure alignment with the strategy's objectives, we plan to make adjustments in 2025/2026 to further support the Council's evolving needs. 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. 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 regular meetings with tenants as part of good estate management and will further ensure that there is good landlord and tenant relationships in place. Our Performance Indicators in the Asset Strategy are reporting to committee quarterly.

Description of Service (2) Project and Building Surveying

Main Purpose: The main objective of this team is to deal with all projects emerging from our estate whether this is the operational estate or investment estate. The aim will be that the Building Project Surveyor will deliver "building projects" for the team. This role reports directly to the Corporate Head. Any project that requires building expertise 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 it from RIBA 5-7 (construction to completion). The Corporate Head in conjunction 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.

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. A new Super FM contract commenced in from April 2024 which provides a strategic property function to the authority and deliver efficiencies and savings across both the operational and commercial estate. Condition Surveys have been done on our operational estate along with 5 car parks this piece of work has enabled us budget for the planned and preventive works and where appropriate capital works. As part of the comprehensive review of the business unit, the Facilities Team moving forward will be undergoing a restructure, but the main objective is to have within the team expertise who can deliver all aspects of facilities including building works, soft and hard FM and compliance. Our special purchase vehicle companies and in particular RBCS Ltd are acting managing agents on behalf of the Council 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, Magna Square, Egham Business Park, Chertsey Business Park, Pine Trees, Chiswick Park.

Key Functions and relevant Statistics moving forward:

Ensure a compliant, fit-for-purpose asset base that addresses both building integrity and associated facilities, as well as the condition of mechanical and electrical systems. This includes adherence to Health and Safety legislation and the new Building Safety Act 2022.

Planned Activities



Assets & Regen

Total number of planned activities

23

Types of Activities

Project	Review	One-off	New Core Activity
9	6	7	1

Project						
Type of Activity	Title	Corporate Theme(s)	Plan start date	Actual start date	Plan due Date	Progress
Not Reported	Barrsbrook Farm Redevelopment	Health and Wellbeing	01 April 2023	01 April 2023	01 April 2026	Paused
Not Reported	Office Review 1		01 September 2024	01 September 2024	31 March 2026	In progress
Not Reported	Office Review 2	Economic Development	01 April 2024	01 April 2024	31 March 2026	In progress
Not Reported	Office Review 3	Economic Development	01 April 2025		31 March 2026	Not started
Not Reported	Office Review 4	Economic Development	01 October 2024	30 September 2024	31 March 2026	In progress
Not Reported	Office Review 5	Economic Development	01 April 2024	01 April 2024	31 March 2026	In progress
Not Reported	Office Review 6	Economic Development	01 April 2025		31 March 2026	Not started
Project	Chertsey Depot Refurbishment - Implementation	Health and Wellbeing	01 April 2025		31 March 2027	Not started
Project	Civic Centre Refurbishment	Environmental Sustainability	01 October 2023	14 September 2023	30 September 2025	In progress

Review						
Type of Activity	Title	Corporate Theme(s)	Plan start date	Actual start date	Plan due Date	Progress
Review	Complete EPC Rating Survey of all Operational Assets	Climate Change	01 July 2023	01 July 2023	31 October 2025	In progress
Review	Egham Precinct future strategy	Economic Development	01 January 2023	01 January 2023	31 March 2026	In progress
Review	Garage Strategy	Economic Development	01 April 2025		31 March 2026	Not started
Review	Public Car Park Condition of asset	Economic Development	01 April 2024	01 April 2024	31 March 2026	In progress
Review	Review Asset Strategy and Disposal	Economic Development	01 June 2024	01 April 2024	31 December 2026	In progress
Review	Review capital works required for Operational estate	Economic Development	01 April 2025		31 March 2026	Not started

One-off						
Type of Activity	Title	Corporate Theme(s)	Plan start date	Actual start date	Plan due Date	Progress
One Off	Barbara Clark House asset disposal	Economic Development	01 November 2021	01 November 2021	31 March 2026	In progress
One Off	Change Management	Organisational Development	01 April 2025		31 March 2026	Not started
One Off	Community Building Review 1	Empowering Communities	21 September 2023	21 September 2023	31 March 2026	In progress
One Off	Hythe Centre asset disposal	Economic Development	01 April 2025		31 March 2026	Not started
One Off	Letting at market rates of properties held in the General Fund - Chertsey Lodge / Orchard	Economic Development	01 April 2025		31 March 2026	Not started
One Off	New Haw Community Centre	Economic Development	01 September 2023	01 September 2023	31 March 2026	In progress
One Off	Virginia Water FC lease	Empowering Communities	21 September 2023	21 September 2023	31 March 2026	In progress

New Core Activity						
Type of Activity	Title	Corporate Theme(s)	Plan start date	Actual start date	Plan due Date	Progress
New Core Activity	Operational portfolio climate change initiatives	Environmental Sustainability	01 April 2023	01 April 2023	31 March 2026	In progress

For all information contained within this document contact:

Runnymede Borough Council
The Civic Centre
Station Road
Addlestone
Surrey KT15 2AH

Tel 01932 838383

email: assets@runnymede.gov.uk

www.runnymede.gov.uk

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