

Skills Economy and Growth Scrutiny Commission 18th March 2024 Item 5 – Strategic Property Services – Corporate Assets	Item No 5
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Outline

Property assets are an important contributing factor to the quality of public services. If the assets are well designed, well maintained and the buildings used well, it can help to support services, promote confidence, and act as a stimulus for the wider growth and prosperity of the borough.

As councils face constrained public expenditure, the nature of public services is changing, the expectations of service quality are increasing, and environmental challenges are becoming more prevalent. Therefore, a council's portfolio of land and property assets must change too.

Hackney Strategic Properties Services covers corporate property and asset management, commercial estates, property strategy & projects, education property and business support (responsible for the effective management of resources and operations, including income generation).

As of October 2022, the IFRS compliant Asset Valuation valued the Borough's property assets at approximately £2.5 billion. The Council's commercial property portfolio is diverse, from multi-million-pound office investments to former public toilet blocks. With the portfolio consisting of more than 300 properties ranging from large office buildings, retail parades, telecoms and industrial units, community centres, nurseries, etc.

Strategic Property Services regularly undertakes a corporate asset review. The Commission wanted to review the current position of the Council's asset review and assess if the council's corporate assets can support the organisation to meet its manifesto commitments and achieve its strategic goals.

This discussion will include information about the areas below.

1. The progress of the current asset review and how the council is assessing the ability of these assets to meet the Council's strategic goals.
2. Information about Strategic Property Services, its governance structure, and decision-making in relation to corporate assets and how this process helps the Executive to achieve their manifesto commitments and net zero targets.
3. Information about how the Council is managing its corporate asset capital program considering reducing budgets, climate change, environmental challenges and net zero targets.

The purpose of this item is to consider Strategic Property Services governance structure and decision making criteria for its capital program, asset use, acquisition and disposal.

Report in the agenda:

To support this discussion the following presentation has been provided for background information.

- Presentation Strategic Property Services.

Invited Guests

London Borough of Hackney

- Cllr Chapman, Cabinet member for finance, insourcing and customer service
- Chris Pritchard, Director of Strategic Property
- David Clark, Interim Head of Education Property.

Action

The Commission is asked to note the presentations and ask questions.