

Report to: Asset Management Forum



Date of Meeting 13 March 2023

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Estates Team Update

Report summary:

The report provides an update on the areas of work the Estates Team are involved in.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Asset Management Forum note the report.

Reason for recommendation:

To ensure that members of the Asset Management Forum are informed about the work of the Team.

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Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information none

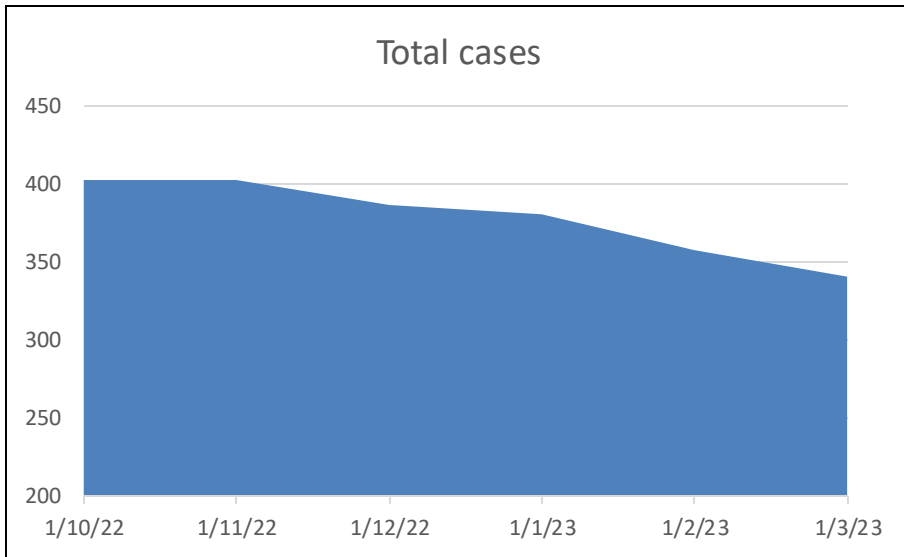
Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

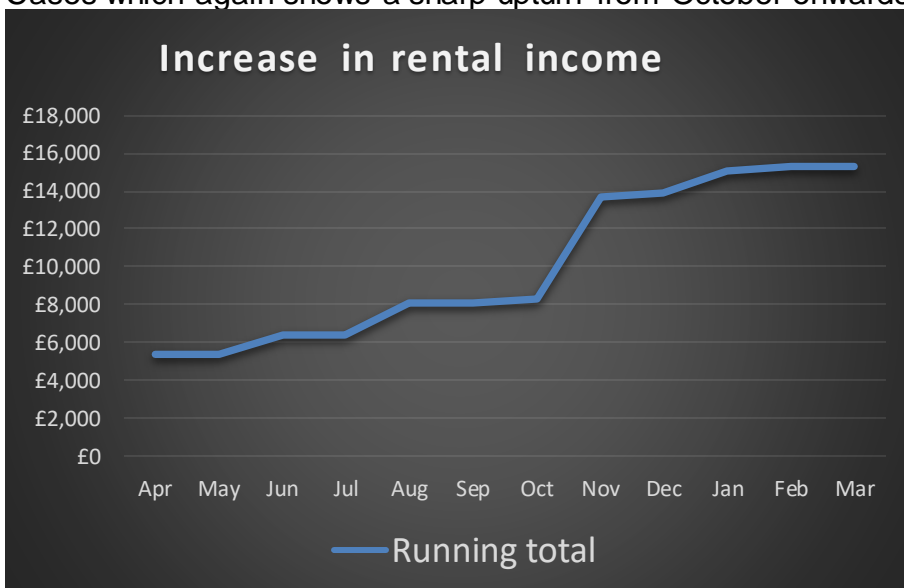
Report in full

1. Following the recruitment exercise in the second half of last year the two vacant posts in the Estates Team have been filled and as a result the team have had additional capacity to deal with the ongoing case work.



The chart above shows the significant reduction following recruitment in overall live cases since October 2022 from a high of 403 down to 341 now. This is a positive trend but it will likely take another 6 -12 months to fully address the backlog. The Team seeks to prioritise cases based on importance, but experience the usual challenge of what’s not important to one person, is to another.

The table below shows the ongoing increase in rental income from Landlord & Tenant Cases which again shows a sharp upturn from October onwards as capacity increased.

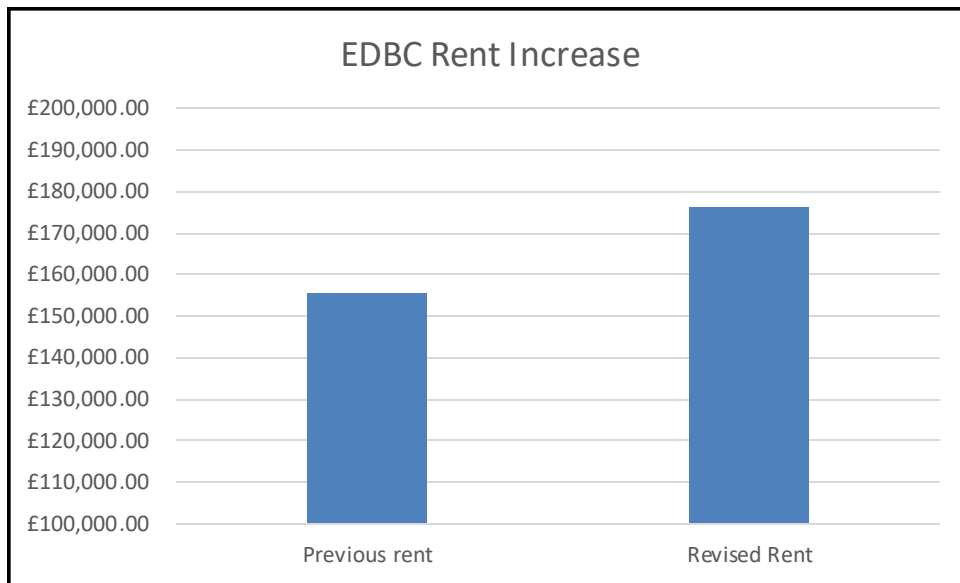


2. The team have recently undertaken an exercise to review the existing rents at the East Devon Business Centre in line with the lease agreements. As the Centre comprises

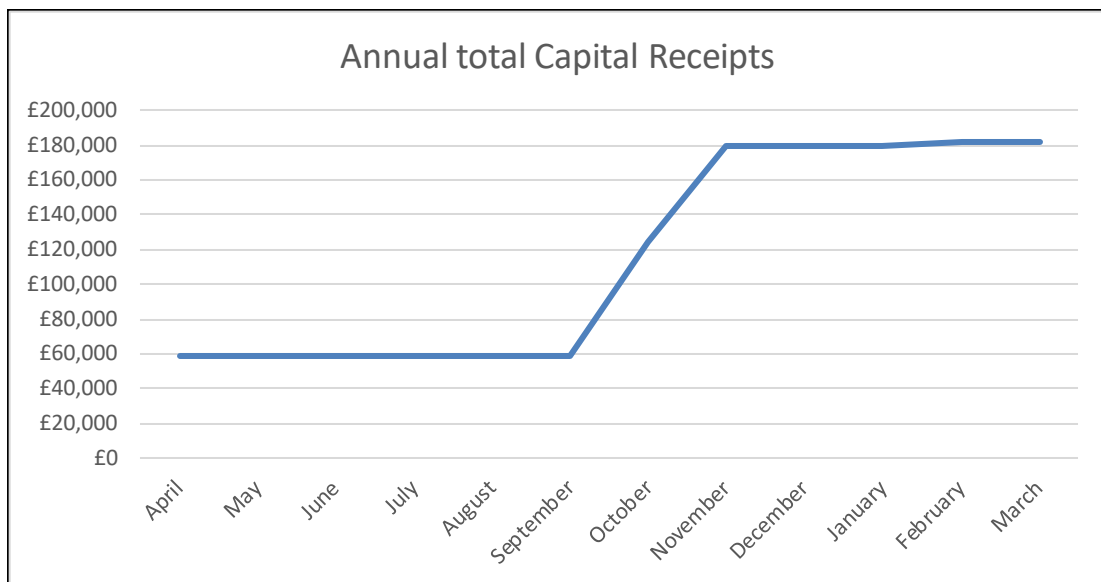
serviced office accommodation, this will ensure that the ongoing charges reflect the increased cost of providing the services to tenants.

The increases are based upon the increase in the Retail Prices Index and in accordance with their lease terms, tenants have been notified of the changes which will take effect from 1 April 2023.

The chart below shows a comparison of the previous rental income against the revised rental income for the coming year.



3. We continue to see high occupancy rates across the let portfolio with only a very small number of vacant properties. Demand for workshops has remained high and we continue to see rental growth in this part of the portfolio which mirrors the wider market in this sector. There are also increasing numbers of enquiries for other types of properties such as cafés and kiosks indicating an increased confidence in this area of the market. The longer term impact of the Economic situation remains to be seen but given supply levels in the market we do not envisage a significant drop in demand or occupancy moving forward.
4. The team are in the process of undertaking the revaluation of a portion of the Council's land and building assets. The assets being revalued have a combined value of £65m - £70m and the work is being undertaken for inclusion in the Council's financial reporting. This is a significant piece of work, however as the team now have three RICS Registered valuers, the work can be undertaken more manageably alongside the day to day work.
5. Over the course of the year, the Team have generated a number of capital receipts from the sale of Land and Building assets. To date this totals £181,500 and progress towards this can be seen on the chart below.



In order to meet the outcomes proposed in the Service Plan for next year, the team are currently assessing condition, use and income data to identify any opportunities to dispose of poorly performing assets in the coming year.

Financial implications:

There are no direct finance implications.

Legal implications:

There is no direct comment to be made in relation to this update report, each and any individual issue will need to be considered as it arises.