

Financial Implications Outline

- How have the savings above been determined? Please provide a brief breakdown of the factors considered.
- Is any additional investment required in order to deliver the proposal?
- If relevant, how will additional income be generated and how has the amounts been determined?

This proposal comprises an opportunity to achieve new income potential by continuing the process of tackling the uncrystallised debt and ongoing rent review and lease renewal events in the commercial portfolio:

Proposal: It is anticipated that by 31st March 2020 the backlog of rent review and lease renewal settlements will have been achieved together with any windfall gains from catch up rent. The need for an additional agency valuer to handle this work will not be required and the ongoing work can be addressed through the existing staff establishment in the Strategic Property Team. Given the ongoing rent review and lease renewal events due in 2020/21 we estimate an increase in net rental income of £100k per annum during that financial year.

Delivery Confidence

At this stage, how confident are you that this option could be delivered and benefits realised as set out?
(1 = not at all confident;
5 = very confident)

4

Indicative timescale for implementation

Est. start date for consultation DD/MM/YY	N/A	Est. completion date for implementation DD/MM/YY	01/04/2020
Is there an opportunity for implementation before April 2020? Y/N ; any constraints?	Yes		

Implementation Details

- How will the proposal be implemented? Are any additional resources required?
- Please provide a brief timeline of the implementation phase.
- How will a successful implementation be measured? Which performance indicators are most relevant?

The cost of implementing this will be absorbed within the current resources, as agency staff have already been retained and no additional resources would be required.

Impact / non-financial benefits and disbenefits

What is the likely impact on customers and how will negative impacts be mitigated or managed?
List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant Borough Plan 2019-23 objectives and outcomes)

Positive Impacts

Agreement of rent reviews and lease renewals can give rise to issues of tenant affordability, which can be resolved through good communication and dialogue with tenants and in some cases agreement of stepped rents or payment plans

Negative Impacts

N/A

What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?
List both positive and negative impacts.

Positive Impacts

As above, and in the case of community centre tenants any sensitivity with regard to rent settlements will be discussed and managed at appropriate level .

Negative Impacts

N/A

How does this option ensure the Council is able to meet **statutory requirements**?

The Council is under an obligation to ensure it achieves best value from the commercial portfolio

Risks and Mitigation

What are the main risks associated with this option and how could they be mitigated?(Add rows if required)

Risk	Impact (H/M/L)	Probability (H/M/L)	Mitigation
Tenant affordability	M	M	Good communication and dialogue with tenants, with agreement of stepped rents and payment plans if appropriate

Has the EqIA Screening Tool been completed for this proposal?	Yes
Is a full EqIA required?	No