



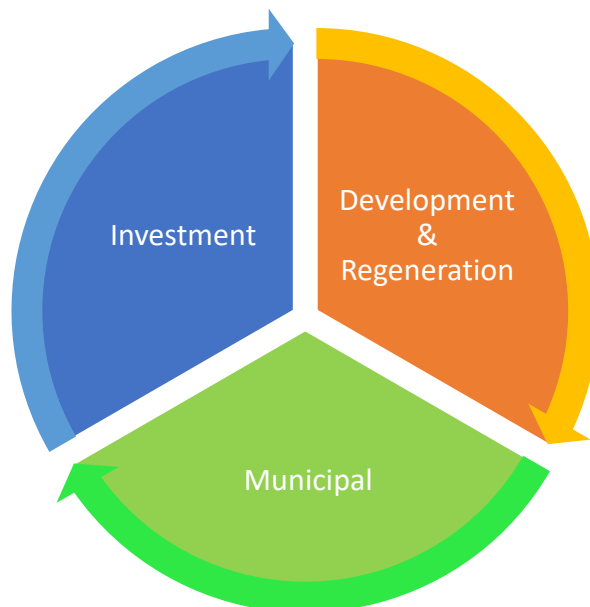
Asset Management Strategy 2024/25 – 2027/28

Overriding Objective

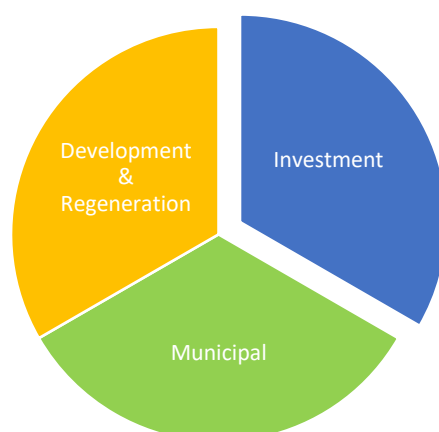
The Council will own an optimum estate which enables the effective delivery of its services and objectives. This will be managed efficiently, effectively, and sustainably on a basis that represents value for money, minimises risk and has the interests of the local community at heart.

Strategy Overview

This Asset Management Strategy covers all of the Council's property holdings. These are held in three distinct portfolios as shown below, but it is intended that individual assets may be transferred from one portfolio to another if required (for example if alternative use is more beneficial to the Council's need than as an income producing asset).



3. Investment Portfolio – Strategic Purpose

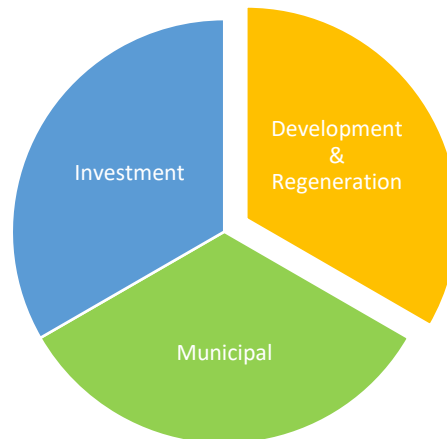


To deliver positive net returns to support the Council's Revenue Budget and support the Council's ability to provide services, particularly discretionary, for its residents.

The Investment Portfolio will seek to: -

- a. Deliver a secure and sustainable income net of all attributable costs
- b. Maintain capital value in real terms over the ownership period
- c. Generate a net profit over medium and long term after deduction of attributable costs and with appropriate sinking fund contributions
- d. Ensure that income returns meet or exceed budget targets and wider industry-standard benchmarks on a medium- and long-term basis, with an expectation of long-term income growth
- e. Diversify risk through leasing assets to a broad range of tenants operating across different business sectors and with a mixture of income lengths (i.e. between 5 and 15 years)
- f. Make a positive contribution to the Council's commitment to reach Net Zero for Scope 1 & 2 emissions by 2030
- g. The Council to retain these assets if they perform to required criteria but will continually assess alternative options in the event of under-performance or reasonable expectation of adverse future circumstances.

4. Development & Regeneration Portfolio – Strategic Purpose

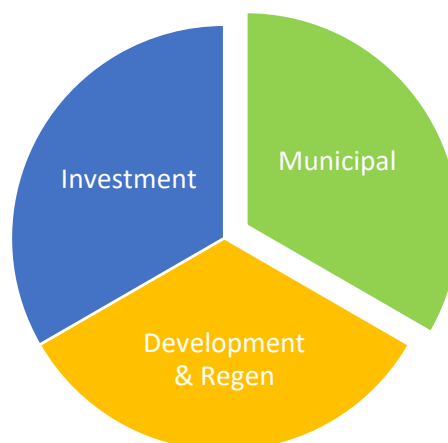


To ensure the borough remains an attractive place to live, work and undertake leisure activities through the delivery of high-quality affordable housing, social infrastructure and commercial property that meets the needs and requirements of residents and local businesses.

The Development & Regeneration Portfolio's strategic priorities will be: -

- a) To ensure all development / schemes / partnerships meet the Council's corporate objectives ("CARES") and aim to deliver high quality housing and other economic and community places in a timely and financially efficient manner.
- b) To prioritise delivery of affordable housing and mixed-use projects to meet the needs of Spelthorne residents.
- c) All significant proposed developments will be subject to meaningful public consultation
- d) All delivery mechanisms and longer term buy/hold/sell decisions will be decided by Councillors on a basis that meets the needs of our residents, businesses, and wider communities
- e) All developments will contribute to the Council's commitment to reach Net Zero for Scope 1 & 2 emissions by 2030.

5. Municipal Portfolio – Strategic Purpose



To manage all property assets within the borough professionally and effectively to support service delivery, the voluntary, charitable and community sectors and provide amenity and community benefit to residents and support our CARES corporate priorities.

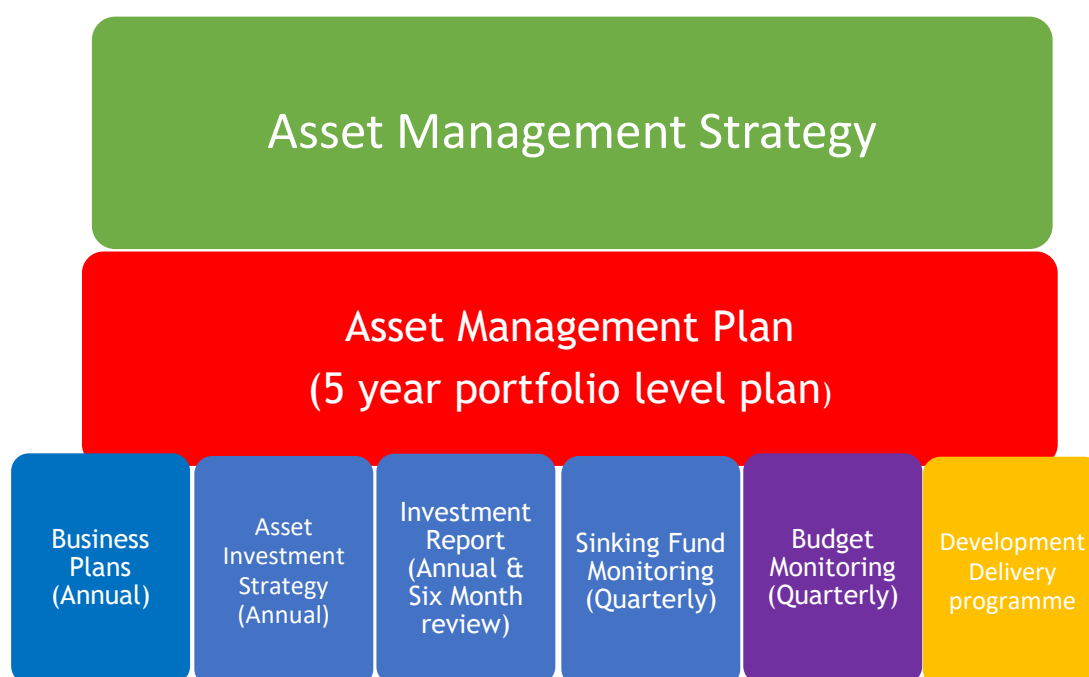
The strategic priorities of the Municipal Portfolio are: -

- a) To provide well maintained and accessible assets that benefit all who live in the borough and support local community groups and vulnerable residents.
- b) To promote the use by residents of our attractive parks, open spaces, and public places, with a focus on biodiversity.
- c) To consult with our residents, where appropriate, on the best use for municipal assets in the borough.
- d) The granting of occupational agreements to third parties by the Council will be dealt with in a fair and open manner, and where required in accordance with the Community Letting Policy.
- e) Good relationships will be maintained with our tenants to ensure compliance with lease obligations.
- f) The portfolio will contribute to the Council's commitment to reach Net Zero for Scope 1 & 2 emissions by 2030.

6. How will performance against the strategic objectives of the Corporate Plan be measured?



The Asset Management Strategy is the overarching report that informs a number of tools by which performance will be measured and reported to Councillors. These are summarised below: -



- Bottom row of documents is colour coded to show which asset portfolio it relates (blue - investment; amber - Development & Regen; green – Municipal)
- Budget Monitoring (Purple) Relates to all 3 portfolios