



London Borough of Hammersmith and Fulham

Business Case Document

Proposed Outsourcing of Commercial Property Management Function

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1 Executive Summary

In 2013 the Council replaced its former single provider contract for property services with a new Framework Agreement, with Tri-borough access. Requirements for specific property services were separated into a number of service Lots and following a EU procurement exercise a number of contractors were appointed to the Framework to deliver these services.

During the Council's approvals stage the Joint Management Team (JMT) approved the selection of the successful tenderer for Lot 1– Commercial Property Management – but it declined to recommend that a contract be called-off the Framework by the Council for Lot 1 services until clarification was presented on the cost benefit of outsourcing this service for the first time to the selected contractor. The Council's Cabinet subsequently endorsed JMT's recommendation when otherwise approving the award of contracts to the successful contractors for all other Lots on the Framework.

The purpose of this Business Case is to show why the contract for Lot 1 should be called-off the Framework, as per the original intention, in order to achieve a number of benefits to the Council from outsourcing this hitherto in-house service.

1.1 Purpose of Document

This Business Case has been prepared to show the cost benefit to the Council of calling off a contract for Lot 1 services from the Property Framework, rather than continuing with an in-house service. Approval is now sought from the Council's Business Board and then Cabinet Member to proceed with the contract award.

1.2 Related Documentation

The following documents form part of this Business Case

- * The report to Cabinet on 02 September 2013 entitled "Proposed Property Contract – Award of Contracts to Successful Bidders" – Exempt and Open versions.
- * Cabinet's decision
- * The Risk Assessment dated 21 June 2013 – embodied in this Document at 3.4
- * The Equality Impact Analysis dated 30 May 2013

1.3 Control

This document is controlled and as such should not be distributed to any parties other than the project team without the express permission of the author. Uncontrolled modification of content is prohibited; revision procedures should be followed at all times.

1.4 Revisions

Rel Date	Rev	Author	Notes
23 September 2014	1	MJCP	
07 October 2014	2	MJCP	
10 October 2014	3	MJCP	

2 Business Case – the Strategic Case for this Project

2.1 Project Overview

The Business Case recommends that the commercial property management function currently undertaken in-house by Valuation & Property Services (VPS) on behalf of all Council Departments be outsourced for the first time to the professional property practice of GVA Grimley, the named provider for the provision of this service as Lot 1 on the Council's Property Framework, and that the Council calls off a contract from the Framework with GVA Grimley for the remaining life of the Framework.

2.2 Project Background

2.2.1 In February 2013 the Council issued a notice in the European Journal (an OJEU Notice) to commence its procurement exercise under European Directive procedures to re-tender the Council's contract for property services which by now had expired.

2.2.2. Whereas the previous contract had been let to one provider, it was decided to separate the new contract into a number of service lots (the Lots) on a Framework, with the Council calling off contracts for the services it required from the providers named on the Framework on an as-need basis. To accommodate Tri-borough working and to facilitate the needs of West London Alliance boroughs, with whom the Council has a number of working relationships, the following boroughs elected to be named in the OJEU Notice as potential users of the Framework (the Participating Boroughs):

- * The London Borough of Hammersmith & Fulham (the Council)
- * The City of Westminster
- * the Royal Borough of Kensington & Chelsea
- * The London Borough of Ealing
- * The London Borough of Hounslow

2.2.3 To date the Commercial Property Portfolio (the Portfolio) has been managed in-house by VPS, as part of its corporate remit for property across the whole authority. In July 2011 Housing Services, the Department which owns the majority of the properties which make up the Portfolio, obtained Cabinet approval to outsource the management of the Portfolio. In order to maintain the integrity of the Portfolio as one portfolio and not split it into component owning-department parts, separately managed, it was decided to outsource the management of the whole Portfolio for the first time, and include this function in the services to be provided via the new Property Framework.

2.2.4 The management of the Commercial Property Portfolio is specified as Lot 1 on the new Property Framework. The benefits to the Council of outsourcing this service are outlined in detail later in this document.

2.2.5 Following the tender exercise, the report to JMT seeking approval for the report to go forward into the Council's Cabinet approval system did not convince its members and senior officers on JMT questioned whether the Council was achieving value-for-money from the cost of outsourcing the services within Lot 1. This Business Case now addresses and answers such concerns.

2.3 The Business Need

2.3.1 It is in the Council's interest for its Commercial Property Portfolio to be managed professionally, efficiently and expertly if the Portfolio is to deliver the very best financial returns from rental income received, whilst at the same time offering opportunities to the borough's entrepreneurs for start-up businesses. For some years VPS has had the professional expertise and dedicated, experienced staff in-house to manage the Portfolio – but it has lacked support and the numbers required to pro-actively manage the Portfolio to obtain the very best value out of it. In addition, the rent collection service (which it is recommended should be outsourced as part of Lot 1) has been conducted in another part of the authority, and would need major improvement with additional staff resources if it was to continue to deliver this service.

2.4 Links to corporate and business priorities & aims

2.4.1 The Council's new Administration, in its election Manifesto, commits to backing business and promoting a strong local economy. The efficient and effective management of the Portfolio will help the Council meet these commitments, as local businesses who are the Council's tenants will benefit from the improvements in the service they receive from the Council and its managing agents.

2.4.2 The Council owns or occupies property for the following reasons:

- The Housing Stock: to provide well maintained homes with modern facilities and amenities in safe, secure environments to qualifying residents in the borough at affordable rents
- The Operational Portfolio – Offices: to provide office or similar premises of appropriate quality with the right facilities in the right place from which front line and support services can be delivered to the borough's residents
- The Operational Portfolio – Schools, Care Homes, Nurseries, Libraries, Sports Facilities: to provide well maintained premises with the right facilities in the right place, in safe and secure environments to meet the requirements of the borough's residents
- The Commercial Property Portfolio – or Investment Portfolio: to produce income for the Council's funds, whether the Housing Revenue Account or the General Fund, through the efficient management of the Portfolio with the objective of achieving the best financial returns for the Council.

2.4.3 The linkages between Property and the new Administration's Manifesto pledges can be direct or indirect – but all play their part in striving to deliver the new Administration's pledges.

2.4.4 Links specific to the Management of the Commercial Property Portfolio are mostly indirect – income generated by maximising returns from the Portfolio is either re-invested in the Housing stock or pooled centrally for redistribution to fund Council projects which, in turn, are targeted to meet the Council's priorities.

2.5 Stakeholders

- 2.5.1 All property owned by the Council is owned in the name of the Mayor and Burgesses of the London Borough of Hammersmith & Fulham. In property management parlance, property is “owned” by the Housing Department in its Housing Revenue Account (the HRA) or “owned” by other Council Departments (including the Regeneration arm of the Housing Department) in the Council’s General Fund.
- 2.5.2 As noted on paragraph 2.6 below, properties in the Commercial Property Portfolio are “owned” by Housing and a number of other Council Departments, all of whom are stakeholders in the ownership and management of the Portfolio – and the proposals for the management of the Portfolio in the future.
- 2.5.3 This Business Case proposes that Valuation & Property Services (VPS) clients the outsourced contract on behalf of all Council Departments and represents all Non-Housing Departments in decision making. For the HRA properties, VPS will liaise closely with and involve the Housing Department in decision making and the monitoring of the contract.
- 2.5.4 In addition to the Council’s owning Departments, an important stakeholder in the management of the Portfolio is the tenant group, the tenants who lease the premises in the Portfolio and pay rent to the Council. Should this Business Case be approved, the three way business relationship between the Council, its Managing Agents (GVA Grimley) and the tenants will be nurtured and developed in order to achieve the right environment for the efficient management of the Portfolio.

2.6 The Commercial Property Portfolio – and Project scope

- 2.6.1 The Portfolio is made up of the properties listed in Appendix 1, with Owning Department and rental income shown:

2.6.2 Project Scope

The scope of this Business Case is limited to Lot 1 of the new Property Contract and Property Framework.

2.7 Constraints, linkages and interdependencies

- 2.7.1 Officers received Cabinet approval on 02 September 2013 to call-off contracts for the other 7 Lots on the Property Framework. The decision to proceed for Lot 1 was deferred pending this Business Case. In order for Lot 1 not to lag behind the other Lots in terms of service delivery and clarity of intention it is desirable that any decision to proceed – or not to proceed – with the outsourcing of Lot 1 is not delayed unnecessarily.

2.8 Business benefits

- 2.8.1 The raison d'être for outsourcing the management of the Commercial Property Portfolio is to reap the cashable and non-cashable benefits arising from the predicted – and required - improvements in performance of the Portfolio.
- 2.8.2 Using the example of the City of Westminster's experience when it let its property contract to Knight Frank in 2006, the Council can anticipate improved rental returns from the Portfolio through more efficient rent collection, proper management of bad debts and implementation of rent reviews when due to bring rental levels up to full market value. Lack of depth and capacity of resources within VPS and Financial Services has meant the Council has hitherto not fully benefitted from the ownership of its Portfolio.
- 2.8.3 Cashable benefits – in increased rental income – will not be achieved on day one of the outsourced contract as the new contractor, GVA Grimley, will need time to get to know the Portfolio and set-up and implement its rent collection and management systems with links to the Council's own systems. As noted in paragraph 2.5.4 above, the need for GVA Grimley to get to know the tenants and develop a good working relationship with them will also take time and it would be counterproductive to cut corners when developing these business relationships.
- 2.8.4 In the competitive tendering for Lot 1 in 2013, GVA Grimley priced the given menu of services within Lot 1 in year one at £ 160,700. This was restated this year at £ 139,475 following the disposal of some properties in the Portfolio (and its reduction in overall size). This is not the actual sum which will be paid to GVA Grimley in year 1 – it is the priced menu used in the tender process. The sums which will be paid in year 1 are the prices for the core services of property management and rent collection, which are priced at **£ 48,675**, with the balance consisting of year one set-up costs, the cost of initial one-off inspections and event-led services, eg rent reviews. Other payments which might be incurred will be controlled – see para 5.3 – Managing Costs.
- 2.8.5 The prediction from the Westminster experience is that by the end of year two the contract will have begun to show a modest profit, and from year three the contract will generate positive cash flows. Although the life of Framework Agreements is only four years, with three years now left on this Property Framework, it can reasonably be expected that the improvements in performance will be continued and built on when the Framework is renewed.
- 2.8.6 This Business Case is based on the following predictions:

Year one: Will be at cost:

Base fee:	£ 48,675
Set-up:	£ 5,000
Initial inspections:	<u>£ 16,200</u>
Total	£ 69,875

The Council is asked to fund the contract in the sum of £ 69,875 during year one.

Split: HRA - 102 units / 198 x £ 69,875 = £ 35,996
General Fund – 96 units /198 x £ 69,875 = £ 33,879
£ 69,875

Year two: Will generate a surplus:

Base fee cost: £ 48,675

Predicted improvement in rent collection:

On the rent role of £ 2.7 Million pa: break-even % increase is 1.8 %

Prediction is 2.5 %, or £ 67,500

Surplus: Year 2 is £ 18,825 (£ 67,500 *minus* £ 48,675)

Shared: HRA - £ 9,698 General Fund - £ 9,127

Year three: Income predicted to improve by a further 3 % over year two:

Base fee cost: £ 48,675

Income year one: £ 2,700,000

End of year two: £ 2,767,500

End of year three: £ 2,850,525

Surplus: £ 101,850 (£ 2,850,525 *minus* £ 2,700,000 *minus* £ 48,675)

Shared: HRA - £ 52,468 General Fund - £ 49,382

Year four prediction: Income will grow by a further 3 % over year three:

Base fee cost: £ 48,675

Income end of year four: £ 2,936,040

Surplus: £ 187,365 (£ 2,936,040 *minus* £ 2,700,000 *minus* £ 48,675)

Shared: HRA - £ 96,521 General Fund - £ 90,844

Accumulative Surplus over four Years

Year one *minus* £ 69,875 plus Year two + £ 18,825 plus Year three + £ 101,850
plus Year four + £ 187,365 = **£ 238,165**.

Shared: HRA - £ 122,691 General Fund - £ 115,474

2.8.7 Cashable benefits

(% increases accumulative, year-on-year)

Source of cashable benefit	Year 1	Year 2	Year 3	Year 4	Total
Improvement in rent collection	contract beds in £ 2,700,000	plus 2.5 % £ 2,767,500	plus 3 % £ 2,850,525	plus 3 % £ 2,936,040	plus 8.74 %
Better implementation of rent reviews	services at contractor's cost				
Better management of bad debts and voids	contract beds in				
Pro-active-as opposed to reactive- management of portfolio	services at contractor's cost				
Totals	(£ 69,875)	£ 18,825	£ 101,850	£ 187,365	£ 238,165

2.8.8 Non- Cost Savings

In addition to the projected Cashable benefits from improvements in the overall performance of the Portfolio, VPS will have the opportunity of redeploying staff who used to manage the Portfolio onto other VPS work and this should give rise to additional incremental income for VPS – but it is not a saving as such and hence is not shown as a Cashable Saving..

VPS: 1.5 f.t.e staff employed in managing the service. Clienting time in year 1 will require 0.5 f.t.e. Years 2 to 4 inclusive will require 0.25 f.t.e. Freed-up time to be used on other VPS work in Department.

Year 1: 1 x VPS staff freed up for other work

Years 2 to 4: 1.25 x VPS staff freed up for other work

Finance: saving already taken from deletion of the Rent Collection post. Assume cost neutral.

2.8.9 Non-cashable benefits

- The tenants should be better supported when the Portfolio is being managed proactively
- The Housing Department will be at arm's length from its tenants if potentially difficult decisions have to be taken concerning the Portfolio. The contractor will field complaints and issues – not Housing's officers
- When the Portfolio is being managed professionally and efficiently, premises voids should be kept to a minimum. Having parades of shops fully let and occupied provides a "feel good" factor, and tends to maintain if not enhance rental values. By contrast, voids and empty premises tend to depress business for adjoining tenants and rental values eventually fall

2.9 Risks to achieving these benefits

The biggest risks to the achievement of the Cashable and Non-cashable savings are as follows:

- Failure to achieve the projected increases in rental income: the projected year-on-year percentage improvements *assume* the size of the Commercial Property Portfolio remains much the same at year 4 as it is at year 1 at the start of the contract. Should properties be selected for the Disposal Programme and the overall size of the Portfolio be diminished, the ability to achieve the required savings from a smaller Portfolio will be made more difficult.
- The selection of GVA Grimley followed a rigorous procurement exercise and assumed they were up to the task and they were the right contractor for Lot 1. If for whatever reasons the right client-contractor relationship, and the contractor-tenant relationships, are not achieved and developed, then there is less likelihood the Council will achieve its objectives from the outsourcing of Lot 1. To mitigate this potential concern it is noted that the City of Westminster have made use of the Property Framework and appointed GVA Grimley to manage Westminster's valuable Commercial Property Portfolio (rent role £ 26 Million per annum) with effect from 01 May 2014. The initial results are very promising.

2.10 Success Factors

2.10.1 Success factors for the project itself

	Objective	Success criteria (i.e. how will we know the objective has been met)
a	Handover to GVA Grimley achieved and project up and running	Handover achieved, files passed over.
b	GVA Grimley's systems set up and interfaces made with Council's systems	Systems in place and working
c	Client -Contractor relationships successfully established	Relationships established
d	Contractor-Tenant relationships successfully established	Relationships established
e	GVA Grimley starts to make improvements in the overall management of the Portfolio	Increases in rental income start to work through

2.10.2 Success factors for the business

	Objective	Success criteria (i.e. how will we know the objective has been met)
a	Year 1 objective of bedding-in management achieved	Costs contained within budget
b	Year 2 modest profit achieved.	Modest profit achieved
c	Year 3 projection of 3 % improvement over year 2 performance achieved	Projected additional income achieved
d	Year 4 projection of 3 % improvement over year 3 performance achieved	Projected additional income achieved
e	Portfolio fully let or voids at an absolute minimum	Portfolio is fully let and income producing for the Council

3 Options appraisal

This section sets out how the project team arrived at the preferred option and project approach that is presented in this business case. It sets out:

- The options that were considered for meeting the business needs.
- The opportunities considered for innovation or collaboration with others.
- The options for delivering the project itself.
- How best to implement the project.
- A more detailed appraisal of the preferred options.
- Sensitivity analysis and risk considerations – how robust are the options?
- The preferred option selected.

3.1 Options considered – and those shortlisted

The following options were considered:

Option 1: Retain service in-house, with VPS

Option 2: Retain service in-house, with VPS, but enhance size of team and employ a dedicated financial and credit control officer within the Team

Option 3: Outsource service and include as Lot 1 in the new Property Framework

3.2 Appraisal of Options

Option 1: Retain in-house

Pros

- the status quo – VPS staff know the Portfolio and the tenants
- the costs are known

Cons

- opportunities to achieve the required improvements in management and performance of the Portfolio are limited, due to lack of resources required to achieve the improvements
- Limited financial support and back-up in-house will prevent required improvements in debt management and rent collection. In addition, the size of the stand-alone Portfolio does not warrant investment in the best financial and property management systems to optimise the efficient management of the Portfolio.

Option 2: Retain in-house with additional staff (Property and Rents Officer)

Pros

- a continuation of the status quo – with existing staff.
- Additional staff resource will assist/attempt to implement and achieve the required improvements

Cons

- Cost – the additional staff will add some £ 80,000 to the in-house staff overheads
- Support – although the VPS Team will be larger, it will still lack the additional support which a major consultant / contractor can call upon for specific tasks
- Delivery – questionable if this solution will deliver the required improvements, and the size of the stand-alone Portfolio still does not warrant the necessary investment in the best IT support systems.

Option 3: Outsource service: call-off a contract from the new Property Framework with GVA Grimley

Pros

- Resources at disposal – the Contractor has access to a broad range of in-house expertise to allocate to the contract when required
- The contractor has the facilities, systems and expertise to proactively manage the contract to achieve the results required by the Council.
- The contractor can apply a fresh approach and look at the Portfolio and deploy “new eyes” to the task of implementing the required improvements
- The contractor has the management accountants and cost control staff in-house to establish an efficient rent collection and debt management service for the Council
- A robust and fully compliant EU procurement exercise has been undertaken and GVA Grimley are ready to provide the property management service for the Council if the proposal to outsource this function is approved.

Cons

- It will take the contractor time to set up its management and financial systems at the start of the contract
- It will take the contractor time to get to know the Portfolio, the tenants and the Council’s client-side officers.
- Cost – it is anticipated that during year 1, the contractor will not have had time to bed in its systems and achieve any significant savings or improved income streams for the Council. It is assumed the projected fees to the Contractor during year 1 will not be recovered and will have to be funded by the Council.
- No guarantees – outsourcing may not achieve the anticipated / required improvements in service and additional rental income

3.3 Opportunities for innovation or collaboration

The new Property Framework with opportunities for calling off contracts has been procured on a Tri-borough basis, with access also for two of the West London Alliance boroughs (Ealing and Hounslow). The contract specification for Lot 1 and the performance indicators require the contractor selected to provide the property management service in Lot 1 to be innovative in its ways of delivering the service and coming up with new ideas for initiating improvements in the service.

3.4 Risk analysis

The following schedules are taken from the Risk Assessment which accompanied the report to Cabinet on 02 September 2013 recommending the establishment of the new Property Contract and the award of contracts to named contractors on the Framework.

THREAT or HAZARD RISK REGISTER PROFORMA

Guidance to table (Risk may be described as something that may affect the Council in a **NEGATIVE** way.)

A. Risk Number	Sequential number allocated to the risk.
B. Class of risk	Strategic and Operational classes are listed on page 1
C. Risk	A text description of the risk.
D. Consequence	What may happen as a result of the risk occurring.
E. Likelihood	On a score of 1, very low likelihood of the threat or hazard actually occurring, to 5 very high likelihood of the threat or hazard actually occurring
F. Impact	On a score of 1, very low detrimental impact, to 5 very high detrimental impact.
G. Exposure	Calculate the exposure by multiplying the Likelihood and Impact.
H. Controls	What processes or systems will be in place to ensure this risk is adequately managed.
I. Proposed Action	What will need to be done to minimise the impact or likelihood of the risk being triggered.
J. Date of Proposed Action	When will the Processes or systems be put into place or reviewed to measure the rate of risk improvement/control.
K. Risk Champion	Who is the primary officer designated to manage or oversee this risk.

STRATEGIC RISK LISTING

A	B	C	D	E	F	G	H	I	J	K
Risk Number	CLASS OF RISK	Risk (What can happen)	Consequence	Likelihood (L)	Impact (I)	Exposure (L x I)	Controls	Proposed Action	Date of Proposed Action or review of risk	Risk Champions
1	Political	No Tri-borough buy-in.	Negative – the contract fails to meet partner boroughs' expectations and Tri-borough working agenda.	2	3	6	Regular meetings with Tri-borough colleagues and contact with users. Westminster already using Lot 1.	Meetings with Tri-borough partners.	Reviews will commence once Lot 1 outsourced.	Maureen McDonald-Khan & Marcus Perry
2	Economic	No savings achieved and externalised services cost more.	Negative – budgets put under strain as contractors' fees exceed budgeted costs. Dissatisfaction felt all round with the new contract – and in-house Departmental clients left feeling badly let down by VPS.	3	5	15	Close monitoring of all contracts to take place from onset. Monthly reports and Quarterly meetings, with ad-hoc meetings when needed.	Meetings will be set up once Lot 1 outsourced.	Reviews to take place at Quarterly meetings, when PIs will also be reviewed and measured.	Marcus Perry & Giles Batchelor
3	Technological	Contractors' systems do not interface with Council's.	Negative - contractor unable to update CAMSYS and Council's property records are no longer up-to-date and reliable. Useful data source no longer so useful.	2	4	8	Contractors commit to having compatible systems when tendering. During set-up meetings ICT compatibility to be confirmed.	ICT compatibility to be confirmed and implemented during set-up.	From contract award to contract start, then regular monitoring	Marcus Perry & Nigel Williams

A	B	C	D	E	F	G	H	I	J	K
Risk Number	CLASS OF RISK	Risk (What can happen)	Consequence	Likelihood (L)	Impact (I)	Exposure (L x I)	Controls	Proposed Action	Date of Proposed Action or review of risk	Risk Champions
4	Customer Expectations	Customers (Council's tenants) receive a worse service than when service in-house.	Negative – tenants are unhappy with the Council, are more likely to complain and are less likely to renew their leases at lease-end. Council's reputation as a good landlord is tarnished.	2	4	8	Hold regular meetings – monitor PIs.	Work hard at building up the best of client-contractor relationships. Involve client Departments (particularly Housing).	First quarterly meeting after Lot 1 outsourced.	Marcus Perry, Gavin Ross, Ade Sule + Housing rep.
5	Customer Expectations	In-house Customers (Council Departments) dissatisfied with new contract performance.	Negative – Departments lose trust and faith in VPS. Might consider procuring services elsewhere, thus by-passing VPS and losing the "Corporate" overview, jeopardising the overall strategic management of the Council's property estate.	1	5	5	Onus on VPS in the first instance to develop the best of client-contractor relationships to assist the contractors' to deliver the required quality, vfm services – and more.	Department Head and his senior staff to work closely with contractor in set-up and establishment of contract and performance ground rules. Programme in the quarterly monitoring meetings and hold meetings.	During contract set-up, in first month of contract. Quarterly meetings thereafter.	Marcus Perry

OPERATIONAL RISK LISTING										
A	B	C	D	E	F	G	H	I	J	K
Risk Number	CLASS OF RISK	Risk (What can happen)	Consequence	Likelihood (L)	Impact (I)	Exposure (L x I)	Controls	Proposed Action	Date of Proposed Action or review of risk	Risk Champions
1	Contractual	Performance deteriorates and or does not meet pre-award expectations.	Negative - the required quality of service is not delivered. Targets are not met, VPS and client Departments are dissatisfied with service – and the Contract.	2	5	10	Regular contract monitoring.	Implement quarterly reviews. Monitor and measure the PIs. Develop the best of client-contractor relationships.	First quarterly review after Lot 1 outsourced	Maureen McDonald –Khan & Marcus Perry
2	Contractual	A Contractor proves to be a poor choice and is not up to the required performance	Negative - the required level of service – quality, quantity, timeliness or general delivery–will not be received by the Council, leading to a number of different consequences, none beneficial.	1	5	5	Careful selection in the first instance should mitigate this likelihood. If it does occur, the Head of VPS to take all steps to remedy under the terms of the contract.	Call in contractor, explore avenues to remedy shortcomings. If obvious contract is not redeemable, cancel.	When failings become evident, immediately instigate procedures to remedy.	Marcus Perry
3	Financial	No improvement in rent collection or total income	Negative – expected income not received and budget targets are not met. Shortfalls incurred in overall budgets. Housing client Department dissatisfied with VPS.	3	5	15	Regular contract monitoring. Develop the best of client-contractor relationships. Involve client Departments, such as Housing.	Implement quarterly reviews. Monitor and measure the PIs.	First quarterly review after Lot 1 outsourced.	Marcus Perry & Giles Batchelor

A	B	C	D	E	F	G	H	I	J	K
Risk Number	CLASS OF RISK	Risk (What can happen)	Consequence	Likelihood (L)	Impact (I)	Exposure (L x I)	Controls	Proposed Action	Date of Proposed Action or review of risk	Risk Champions
4	Human Resources	VPS staff fail to adapt to new clienting role.	Negative – the contractor is not properly managed and is not given clear instructions. The Contract fails to deliver the required level and quality of service.	3	5	15	Regular contract monitoring. Training in professional clienting – management skills likely to be required for some VPS staff. Department Head to monitor closely.	Establish which members of staff need new training and book courses.	Closely monitor situation from onset of contract.	Marcus Perry
5	Professional	Work previously undertaken in-house by qualified, professional staff not replicated by a contractor driven to make money out of the contract.	Negative - the Council and its tenants unlikely to receive the required standard of service. Dissatisfaction sets in.	1	4	4	Careful initial selection of contractor should avoid this eventuality. Develop the best of client-contractor relationships.	From contract onset, monitor the situation. Develop the client-contractor relationship.	Closely monitor situation from onset of contract. First quarterly review after Lot 1 outsourced.	Marcus Perry

3.5 Recommended Option

- 3.5.1 Option 3 – Proposed outsourcing to GVA Grimley – is the preferred option as it offers the Council the most advantageous terms for the effective management of its Commercial Property Portfolio

4 Commercial considerations

This section sets out the potential commercial arrangements for the external procurement aspects of the project. It sets out:

- The proposed sourcing option.
- The commercial arrangements – contract terms, payment mechanisms etc.
- Contract length – scenarios considered.
- Personnel issues – including TUPE.
- Implementation timescales.

4.1 Sourcing options

As noted earlier, VPS has undertaken a EU compliant procurement exercise which has resulted in the award of a place on the new Tri-borough Property Framework for Lot 1 – management of the Commercial Property Portfolio - to GVA Grimley. It is proposed to call off a contract with GVA Grimley for this service.

4.2 Commercial arrangements

In competition with other tenderers, GVA Grimley have priced the bid menu of services. The tender Evaluators' scoring of their prices, in tandem with the scoring of their replies to the quality criteria, represents the most advantageous bid to the Council for Lot 1

4.3 Contract length

The life of the Property Framework is 4 years and it is proposed to call off a contract with GVA Grimley for the remaining life of the Framework (30 September 2017).

4.4 Personnel issues – including TUPE

- 4.4.1 Following consultation with the Council's Legal and HR Departments on the application of TUPE, and following the receipt of written confirmation from the outgoing contractor, Lambert Smith Hampton, that it would not be seeking to apply the TUPE Regulations if it was not successful in its bids for new contracts, the Council does not consider that the TUPE Regulations apply to any of the Lots in the new Property Contract, although the Council's external lawyers have included appropriate caveats in the tender documentation to cover the Council's position.

4.4.2 TUPE may apply to any contract called off the Framework by any of the other Participating boroughs. It is understood that when the City of Westminster signed up to use Lot 1, two of the staff from Westminster's previous contractor (Knight Frank) transferred to GVA Grimley.

4.5 Implementation timescales

It is proposed that the Council calls off a contract with GVA Grimley just as soon as the Council has formally approved this Business Case.

5 Affordability: the financial case

This section examines the whole life costs associated with the project, i.e. the costs of the project itself and the year on year running costs that will need to be met, including any additional costs within the department itself. It sets out:

- The whole life costs and when these will be incurred.
- How these will be met.
- How the costs can be managed

5.1 Whole life costs	Amount (one off or per annum)	Distribution of costs				
		£ K pa				
		Year 1	Year 2	Year 3	Year 4	Totals
GVA Grimley's Fees		69,875	48,675	48,675	48,675	215,900
Funded by HRA		35,996	25,075	25,075	25,075	111,221
Funded by General Fund		33,879	23,600	23,600	23,600	104,679
	Totals	69,875	48,675	48,675	48,675	215,900

5.2 Sources of funding	Amount (one off or per annum)	Distribution of costs				
		Year 1	Year 2	Year 3	Year 4	Totals
		From Finance – Invest to Save		69,875	0	0
VPS Management of Budget		0	48,675	48,675	48,675	146,025
Less Projected Savings (see 2.8.6 & 2.8.7)			67,500	150,525	236,040	454,065
	Totals	(69,875)	18,825	101,850	187,365	238,165

5.3 Managing costs

5.3.1 Fees payable to GVA Grimley will be dependent on the amount of commissions given to them. However, if the projected improvements in rent collection and general performance are achieved, the account will be in profit, with improved revenue more than covering fees paid.

5.3.2 Fees paid for rent reviews, lease renewals and lettings will be in addition to the base management costs - for general management and rent collection – used in this report. However, it is projected that such costs will be more than covered by the improvement in the general management of the Portfolio, by conducting rent reviews and lease renewals on time, and reletting empty units promptly, to minimise voids. It is regretted that the limited resources currently allocated to the in-house property and financial management of the Portfolio has resulted in a backlog of actions, empty units and arrears of rent.

5.3.3 Examples

Shop unit with rental value of £ 30,000 per annum.

Empty 6 months, due to repairs, and dispute with tenant vacating.

Loss of income (void) = £ 15,000

Shop relet immediately on conclusion of previous tenancy

Income recovered = £ 15,000 less letting fee £ 1,700 = £ 13,300 “profit”.

Lease renewal – due to delay in instigating renewal, tenant holds over paying existing rent on business unit, for an additional 6 months. Passing rent £ 12,000 pa. New rent £ 14,000 pa. Loss due to delay = £ 1,000. Fee for instigating renewal on time = £ 500.

“Profit” = £ 500

By taking prompt action and by managing the Portfolio professionally and efficiently, GVA Grimley should achieve a much improved financial return for the Portfolio, and as per the examples above, their fees will be offset by the additional income received.

6 Achievability: the Project Management Case

This section addresses the ‘achievability’ aspects of the project. Its purpose is to set out the project organisation and the actions which will be undertaken to ensure project success and the delivery of the intended business benefits. It sets out:

- Evidence from similar projects and the lessons that were learned
- The key roles and the people who will fulfil them.
- The plan for taking forward the project.
- External contracts and how these will be managed.

- Risk management
- The plan for realising the business benefits
- Review and evaluation
- Contingency plan

6.1 Evidence and lessons from similar projects

The City of Westminster's experience in improved performance from its external contractor – Knight Frank - following the re-tender of Westminster's property contract in 2006 has been used as a guide to what could be achieved here at H & F if its Commercial Property Portfolio was managed pro-actively.

After an initial slow start and a call on Council officers' clienting time to get the contractor fully up-and-running, Westminster's contractor started to achieve the required improvements in rent collection and gross income received. Over the course of the contract (7 years) the gross rent role increased from £ 8 Million per annum to £ 20 Million per annum (a 15 % per annum return).

By comparison with such stellar performance, a modest increase in H & F's existing rent role of 3 % per annum year on year should be achievable from the efficient and professional management of the Portfolio.

6.2 Key roles

The key roles within the project and its major stakeholders are set out in the table below:

Project organisation		
Role	Name	Organisation
Project Sponsor 1	Maureen McDonald-Khan	Director-Building & Property Management, T & TS
Project Sponsor 2	Stephen Kirrage	Director of Property Service and Asset Management, Housing & Regeneration Department
Authorised Officer – for Contract	Marcus Perry	Interim Head of Valuation & Property Services
Clienting Officer 1	Valuer in VPS	Valuer, VPS
Clienting Officer 2	Ade Sule	Valuer, VPS
Finance Officer (for account reconciliation)	Giles Batchelor	Finance Manager, Environment

6.3 The Project Plan

The Project Plan was the Procurement Timetable for the re-tendering of the expired property contract. This exercise has been concluded. The new Property Framework went live on 01 October 2013 with contractors for the 8 Lots placed on the Framework. H & F is in the process of calling off contracts for all Lots on the Frameworks apart from Lot 1 – Commercial Property Management – which is delayed pending this Business Case and approval to proceed.

6.4 Contract Management

As noted in the Key roles – 6.2 above – this contract is jointly sponsored by Building and Property Management and Housing & Regeneration. The Authorised Officer and Clienting team will liaise closely with officers from Housing & Regeneration and other Council Departments who have an "owning interest" (part of the commercial portfolio held in the HRA and benefit from the income) in a property or properties in the Commercial Property Portfolio.

6.5 Risk Management

Refer to Section 3.4 which explains how the respective risks will be managed and mitigated.

6.6 Benefits realisation plan

Cashable Benefits achieved – see Section 2.8.7 – will be shared by the Owing Departments proportionate to their financial interest in the Portfolio under management.

6.7 Review and evaluation

The mechanisms in the Specification and Performance Monitoring Sections of the Contract Documents will be used to monitor the performance of the contractor.

6.8 Contingency plans

Again, the Contract has provisions for dealing with underperformance and these will be used in the event the contractor fails to perform in accordance with the Contract's stated requirements.

7 Appendices

Appendix 1

The Commercial Property Portfolio

<u>No</u>	<u>Address</u>	<u>Type</u>	<u>Tenant</u>	<u>Annual Rent £</u>	<u>Lease end</u>	<u>Cttee</u>
1	338-340 Uxbridge Road	Community	H&F	22,315	04/08/14	ASC
2	117 Goldhawk Road	Hostel	Hestia Housing and Sup.	29,250	31/03/16	ASC
3	River Court Methodist Church	Hostel	BHS	26,250	18/01/14	ASC
4	89 Askew Road	Community	Asian Health Agency	13,000	31/03/10	ASC
5	61 Munster Road	Community	Crime Reduction Initiatives	30,000	07/03/15	ASC
6	50 Ellerslie Road	Community	Nubian Life Resource	6,970	29/07/17	ASC
7	105 Greyhound Road	Community	Age Concern H&F	51,500	26/06/17	ASC
8	52C Lakeside Road	Community	Women & Girls Network	13,500	24/12/15	ASC
9	12/13 Ollgar Close	Surgery	Ravi Kant Kukar	40,000	16/08/15	ASC
				232,785		
10	Sands End Adventure Project	Community	SE Assoc. Project in Action	24,000	31/08/15	CS
11	181-187 King Street	Office	EC Harris LLP	22,000	31/03/17	CS
12	New Kings Primary School	Community	Parayhouse School	8,588	31/08/16	CS
13	Melcombe Primary School	Community	Louis Kugele	4,800	10/07/07	CS
14	New King`s Primary School	Community	Parayhouse School	34,000	31/08/16	CS
15	Sands End Playhouse	Community	Rays Playhouse	21,610	16/06/18	CS
				14,998		
16	Ravenscourt Park	Food	Fait Maison	20,000	00/01/00	ELRS
17	Bishop`s Park Café	Food	Carmen Milagros Pelle	10,800	31/07/10	ELRS
18	Ravenscourt Park Glass	Community	Gardens Association	550	24/12/18	ELRS
19	Part Askew Road Library	Community	Royal Mail Group	10,000	21/03/20	ELRS
20	Lilla Huset Cen.	Community	H&F Urban Studies	32,000	14/06/01	ELRS
				73,350		
21	29 St Ann`s Road	Food	Rakesh Shah_29	10,000	31/03/11	H&R
22	445 Sullivan Court	Food	M Darvishani-Fikouhi	11,400	23/09/28	H&R
23	496 Fulham Road	Food	Southwest Ventures	32,600	23/05/29	H&R
24	65 Bloemfontein Road	Food	Elaine Norman Lewis	14,500	28/09/24	H&R
25	683 Fulham Road	Food	Café Mambo Enterprises	19,000	10/05/11	H&R

No	Address	Type	Tenant	Annual Rent £	Lease end	Cttee
26	Units 1 & 2 @ 5 Uxbridge Rd	Food	Cengiz Erpolat	64,000	27/02/21	H&R
27	11 Sullivan Enterprise Cen.	Industrial	Anthos M Kambitis	9,351	31/07/12	H&R
28	1 Sullivan Enterprise Cen.	Industrial	Style & Comfort	6,530	11/07/07	H&R
29	10 Sullivan Enterprise Cen.	Industrial	Various	9,351	05/10/11	H&R
30	12 Sullivan Enterprise Cen.	Industrial	A Aleman-Castellano	9,073	24/12/11	H&R
31	15 Townmead Business Cen.	Industrial	C Hallmark & J Hallmark	5,882	24/07/11	H&R
32	16 Sullivan Enterprise Cen.	Industrial	Cogent Electrical Services	6,543	03/03/10	H&R
33	16 Townmead Business Cen.	Industrial	A Home to Rent	6,903	09/06/14	H&R
34	17 Townmead Business Cen.	Industrial	Khalid Latif	3,894	10/03/16	H&R
35	18 Townmead Business Cen.	Industrial	Julie Lane	4,396	14/02/16	H&R
36	19 Sullivan Enterprise Cen.	Industrial	David Wagstaff Garcia	5,801	13/05/10	H&R
37	2 Sullivan Enterprise Cen.	Industrial	G Giuseppe Conte	6,976	24/08/11	H&R
38	22 Sullivan Enterprise Cen.	Industrial	Fabio Mazzocchini	8,295	17/05/13	H&R
39	22 Townmead Business Cen.	Industrial	Peter Beckmann	4,240	16/02/12	H&R
40	25 Townmead Business Cen.	Industrial	Sikiru Abdullahi	4,673	12/05/13	H&R
41	26 Townmead Business Cen.	Industrial	Michael John Walton	5,278	16/06/11	H&R
42	28 Townmead Business Cen.	Industrial	M Awais Qureshi	8,650	15/08/10	H&R
43	29 Townmead Business Cen.	Industrial	Concourse Cars	4,621	02/05/11	H&R
44	3 Sullivan Enterprise Cen.	Industrial	Francis Guzman	7,622	31/03/11	H&R
45	3 Townmead Business Cen.	Industrial	David Grigg	4,636	09/07/10	H&R
46	33 Townmead Business Cen.	Industrial	CMM2	4,529	28/04/10	H&R
47	35 Townmead Business Cen.	Industrial	CJ & LJ Strudwick	7,451	15/04/17	H&R
48	36 Townmead Business Cen.	Industrial	CJ & LJ Strudwick	8,880	15/04/17	H&R
49	39 Townmead Business Cen.	Industrial	Bespoke Curtains & Blinds	7,790	27/09/14	H&R
50	4 Sullivan Enterprise Cen.	Industrial	Powerflush	7,533	31/03/11	H&R
51	5 Sullivan Enterprise Cen.	Industrial	Good Glassart	12,462	13/02/09	H&R
52	8 Sullivan Enterprise Cen.	Industrial	World`s End Couriers	10,495	20/05/15	H&R
53	9 Townmead Business Cen.	Industrial	TD News	7,737	14/12/13	H&R
54	1 Townmead Business Cen.	Industrial	Bramtons	5,138	12/05/14	H&R
55	11 Townmead Business Cen.	Industrial	Christopher & Laura Frost	12,824	24/03/14	H&R
56	13 Sullivan Enterprise Cen.	Industrial	Caroline Fooks Design	5,934	14/03/15	H&R
57	14 Sullivan Enterprise Cen.	Industrial	Alan Bradford	6,112	29/07/15	H&R
58	15 Sullivan Enterprise Cen.	Industrial	Saviano Belle	6,112	22/07/15	H&R
59	2 Townmead Business Cen.	Industrial	London and Southern	5,676	02/05/14	H&R

<u>No</u>	<u>Address</u>	<u>Type</u>	<u>Tenant</u>	<u>Annual Rent £</u>	<u>Lease end</u>	<u>Cttee</u>
60	20 Sullivan Enterprise Cen.	Industrial	Anthony Richard Gregg	5,804	10/06/15	H&R
61	21 Townmead Business Cen.	Industrial	Nikolovski Atanasko	3,687	01/11/15	H&R
62	23 Sullivan Enterprise Cen.	Industrial	Fabio Mazzocchi	9,761	28/06/15	H&R
63	32 Townmead Business Cen.	Industrial	Amalg. Euro Products	9,138	17/02/16	H&R
64	6 Sullivan Enterprise Cen.	Industrial	P Bernardi & A Porter	12,911	11/01/15	H&R
65	7 Sullivan Enterprise Cen.	Industrial	Creative Merchand.	8,824	27/10/14	H&R
66	7 Townmead Business Cen.	Industrial	Darren Nicholas Baxter	4,655	11/04/14	H&R
67	17 Sullivan Enterprise Cen.	Industrial	The Handy Squad	6,669	11/06/15	H&R
68	31 Townmead Business Cen.	Industrial	MITIE Shared Services	8,013	02/05/16	H&R
69	40 Townmead Business Cen.	Industrial	MITIE Shared Services	8,844	02/05/16	H&R
70	20 Townmead Business Cen.	Industrial	Graeme Paul Kilby	4,076	19/02/09	H&R
71	13 Townmead Business Cen.	Industrial	Christopher Cory-Wright	3,774	26/11/08	H&R
72	14 Townmead Business Cen.	Industrial	Gallagher's Travel's	4,778	12/03/09	H&R
73	96 Old Oak Common Lane	Shop	Avni	9,000	01/02/24	H&R
74	1 Broxholme House	Shop	Millenium Sports	14,250	23/05/23	H&R
75	1 Chuter Ede House	Shop	A & A Kebede	16,500	27/03/10	H&R
76	10 Swanscombe Road	Shop	Idris Ibrahim Adem	6,200	24/03/14	H&R
77	100 Old Oak Common Lane	Shop	TA & PT Alexa	14,000	24/06/23	H&R
78	12 Swanscombe Road	Shop	R Shah & KH Shah	6,200	24/03/14	H&R
79	127 Walham Green Court	Shop	Carl Hutchinson	13,250	25/01/09	H&R
80	128 Walham Green Court	Shop	Platane	17,250	11/04/23	H&R
81	131 Walham Green Court	Shop	Thin Vu Nguyen	22,000	20/10/23	H&R
82	132 Walham Green Court	Shop	Doctor Lui Clinic	17,000	20/10/28	H&R
83	14 Swanscombe Road	Shop	Savas Aziz	6,200	24/03/14	H&R
84	141 Lillie Road	Shop	Hartish & Roopi Takhar	22,000	24/01/22	H&R
85	16 Swanscombe Road	Shop	T/A FARO	6,200	24/03/14	H&R
86	2 Broxholme House	Shop	I Selin Designs	13,000	16/10/19	H&R
87	2 Chuter Ede House	Shop	Raj Awasthi	10,500	26/05/05	H&R
88	2 Swanscombe Road	Shop	Mohammed Amini	10,850	18/12/12	H&R
89	2 Walham Green Court	Shop	Orlando Herry	13,500	10/10/21	H&R
90	25 St Ann's Road	Shop	Rakesh Shah_25	36,000	04/10/17	H&R
91	3, Walham Green Court	Shop	Paul Brown	9,100	02/08/22	H&R
92	31 St Ann's Road	Shop	Taghrud Ibrahim	5,150	31/03/11	H&R
93	33 St Ann's Road	Shop	Aziz Siddiqui	5,150	31/03/11	H&R

No	Address	Type	Tenant	Annual Rent £	Lease end	Cttee
94	35 St Ann`s Road	Shop	Quadeer Siddiqui	5,150	31/03/11	H&R
95	37 St Ann`s Road	Shop	M Siddiqui & I Siddiqui	10,300	31/03/11	H&R
96	4 Chuter Ede House	Shop	Ann Aconda	11,500	19/11/09	H&R
97	4 Swanscombe Road	Shop	DKM & ABDK Patel	6,200	24/03/14	H&R
98	4, 126 Walham Green Court	Shop	Orlando Herry	8,000	26/11/28	H&R
99	447 Sullivan Court	Shop	VJK Traders	11,500	18/12/23	H&R
100	448 Sullivan Court	Shop	AKM Patel & PA Patel	11,000	01/10/21	H&R
101	5 Broxholme House	Shop	Ara Jamal Salah_5	14,000	07/04/20	H&R
102	5 Chuter Ede House	Shop	Ann Aconda	11,500	19/11/09	H&R
103	53 South Africa Road	Food	Demetris Dracos	11,750	25/03/24	H&R
104	55 South Africa Road	Community	Queens Park Rangers	12,500	26/05/18	H&R
105	57 South Africa Road	Shop	William Hill (Southern)	12,500	11/07/15	H&R
106	59 South Africa Road	Shop	Carboebourne	12,500	24/03/24	H&R
107	6 Broxholme House	Shop	Ara Jamal Salah_6	14,000	09/10/15	H&R
108	6 Chuter Ede House	Shop	Ann Aconda	9,500	19/11/09	H&R
109	61 South Africa Road	Shop	Sarup Singh Daneva	12,500	22/04/25	H&R
110	62 Blythe Road	Shop	H&F MIND	14,000	18/10/16	H&R
111	64-68 Blythe Road	Shop	Ashvin Patel	42,000	05/09/23	H&R
112	665- 671 Fulham Road	Shop	Leyland SDM	100,000	07/09/24	H&R
113	67 Bloemfontein Road	Shop	William Hill (Southern)	11,500	15/12/20	H&R
114	671a Fulham Road	Shop	Nalga S M Ahmed	0	08/03/94	H&R
115	673 Fulham Road	Shop	Terry MacLaren	12,000	27/07/13	H&R
116	673a Fulham Road	Shop	Hawbash Jamal	13,625	12/12/21	H&R
117	675 Fulham Road	Shop	U Moriton and Z Orgil	13,100	16/06/28	H&R
118	677-679 Fulham Road	Shop	Frank Saffari	32,000	10/04/18	H&R
119	681 Fulham Road	Shop	ANA Flooring UK	13,200	09/11/23	H&R
120	7 Broxholme House	Shop	Batehish	12,000	07/05/28	H&R
121	70 Blythe Road	Shop	Abraham Teferi	14,625	27/01/14	H&R
122	71 Bloemfontein Road	Shop	Vacant	10,000		H&R
123	72 Blythe Road	Shop	Kensington Glass Project	13,500	19/08/27	H&R
124	73 Bloemfontein Road	Shop	Drakewinter	11,600	25/12/26	H&R
125	74 Blythe Road	Shop	Sami Haider	15,250	11/08/19	H&R
126	77 Bloemfontein Road	Shop	SR Ellango	13,000	24/09/27	H&R
127	8 Swanscombe Road	Shop	Kazem Zibara	6,200	24/03/14	H&R

No	Address	Type	Tenant	Annual Rent £	Lease end	Cttee
128	83 Bloemfontein Road	Shop	M Sivakumar	11,500	10/02/23	H&R
129	85 Bloemfontein Road	Shop	M Sivakumar	11,500	10/02/23	H&R
130	89 Bloemfontein Road	Shop	M El-Sayed & A Sharaf	9,000	12/09/27	H&R
131	91 Bloemfontein Road	Shop	Farideh Kazem Zadeh	11,000	19/05/19	H&R
132	98 Old Oak Common Lane	Shop	Azfar Mehdi Naqvi	15,000	05/09/16	H&R
133	99 Moore Park Road	Shop	Kinder London	9,000	22/01/24	H&R
134	3 & 4 Broxholme House	Shop	Elite Images	26,500	03/12/28	H&R
135	3 & 4 @ 5 Uxbridge Road	Shop	Orchards of London	55,000	08/01/29	H&R
136	2A Erconwald Street	Shop	Al Dong Ngo	5,800	30/03/20	H&R
137	30 North End Crescent	Shop	Ahmad Nessar	12,750	02/01/17	H&R
138	69 Bloemfontein Road	Shop	William Hill (Southern)	7,550	24/12/13	H&R
139	69 Bloemfontein Rd - Sat. dish	Shop	William Hill (Southern)	2,070	24/12/13	H&R
140	7 Chuter Ede House	Shop	Kifayaytullah Rahmani	21,500	31/08/14	H&R
141	81 Bloemfontein Road	Shop	M Sivakumar	11,800	23/12/25	H&R
142	87 Bloemfontein Road	Shop	Manmeet Singh Ahuja	7,600	22/12/24	H&R
143	93 Bloemfontein Road	Shop	Emac Bakshi	11,750	11/12/14	H&R
144	618-620 King's Road	Shop	Villa Verde	40,000	29/04/25	H&R
145	274 North End Road	Shop	H & F Credit Union	4,000	00/01/00	H&R
146	57 South Africa Road	Shop	William Hill (Southern)	1,750	11/07/15	H&R
147	62 Blythe Road	Shop	H&F MIND	14,000	18/10/16	H&R
148	72 Blythe Road	Shop	Kensington Glassl Project	13,500	19/08/27	H&R
149	77 Bloemfontein Road	Shop	SR Ellango	13,000	24/09/27	H&R
150	Edward Woods	Community	Renaissance Skills Cen.	20,000	31/03/14	H&R
151	White City Community Cen.	Shop	Africare	6,000	12/05/11	H&R
152	Charecroft Estate	Shop	LCP Car Parking Services	45,125	20/03/19	H&R
153	Cell Site at Horton House	Mast	O2 (UK)	9,500	24/07/06	H&R
154	Lancaster Court PCN	Mast	Orange	3,250	24/06/98	H&R
155	Standish House Garage	Shop	Kirkwood Rentals	15,000	29/01/09	H&R
156	Cell Site 61-106 Barclay Close	Mast	Telecom Sec. Cellular	8,000	24/02/08	H&R
157	Ravenscourt House	Shop	Ravenscourt House	20,200	20/09/14	H&R
158	91 Moore Park Road	Nursery	JMR Williams	10,550	01/08/23	H&R
159	Stebbing House Garages	Parking	Car Storage London	17,000	06/05/09	H&R
160	370 - 376 Uxbridge Road	Community	BRIDGES Bleheim CDP	39,000	30/09/15	H&R
161	52C Lakeside Road	Community	Women & Girls Network	13,500	24/12/15	H&R

<u>No</u>	<u>Address</u>	<u>Type</u>	<u>Tenant</u>	<u>Annual Rent £</u>	<u>Lease end</u>	<u>Cttee</u>
162	69 Talgarth Road	Community	Barons Court Project	14,600	31/12/17	H&R
163	Batman Close Surgery	Surgery	Amish Jessa	7,500	21/01/20	H&R
164	Falkland House Clinic	Clinic	H&F PCTrust	23,500	25/03/15	H&R
165	8 Broxholme House	Shop	Sheila Nimoh	13,400	06/03/29	H&R
166	28 Fulham Palace Rd	Shop	Antipodespresso	24,000	18/02/24	H&R
167	361 New King's Road	Shop	Vacant	12,000		H&R
168	27 Townmead Business Cen.	Industrial	Vacant	7,598		H&R
169	1a Sullivan Enterprise Cen.	Industrial	Vacant	5,935		H&R
170	18 Sullivan Enterprise Cen.	Industrial	Vacant	5,804		H&R
171	1 Sullivan Enterprise Cen.	Industrial	Vacant	5,804		H&R
172	5 Townmead Business Cen.	Industrial	Vacant	7,820		H&R
173	6 Townmead Business Cen.	Industrial	Vacant	8,932		H&R
174	8 Townmead Business Cen.	Industrial	Vacant	5,176		H&R
175	12 Townmead Business Cen.	Industrial	Vacant	14,013		H&R
176	19 Townmead Business Cen.	Industrial	Vacant	3,721		H&R
177	23 Townmead Business Cen.	Industrial	Vacant	3,635		H&R
178	24 Townmead Business Cen.	Industrial	Vacant	4,135		H&R
179	30 Townmead Business Cen.	Industrial	Vacant	5,192		H&R
180	37 Townmead Business Cen.	Industrial	Vacant	4,621		H&R
181	38 Townmead Business Cen.	Industrial	Vacant	5,261		H&R
182	3 Chuter Ede House	Shop	Vacant	12,000		H&R
183	446 Sullivan Court	Shop	Vacant	14,300		H&R
184	4 Townmead Business Cen.	Industrial	Vacant	5,192		H&R
185	10 Townmead Business Cen.	Industrial	Vacant	8,875		H&R
186	34 Townmead Business Cen.	Industrial	Vacant	4,931		H&R
				2,019,762		
187	7 Putney Bridge Approach	Shop	Shahid Hussain	13,000	09/06/24	TTS
188	Eel Brook Common Café	Food	Over the Bridge	16,000	03/07/16	TTS
189	The Green Club	Community	Le Seilleur Enterprises	15,500	24/02/06	TTS
190	600 Fulham Road	Shop	Roman Art Works	21,200	18/11/13	TTS
191	602 Fulham Road	Shop	Ashir Mohamed	15,750	08/11/09	TTS
192	97 Hammersmith Road	Shop	Mohammed Rafiq	22,500	04/08/18	TTS

<u>No</u>	<u>Address</u>	<u>Type</u>	<u>Tenant</u>	<u>Annual Rent £</u>	<u>Lease end</u>	<u>Cttee</u>
193	West Six Garden Cen.	Shop	Northone Garden Cen.	53,000	11/01/17	TTS
194	Pryor's Bank Pavilion	Community	London Diocesan Fund	27,500	11/06/12	TTS
195	277 Goldhawk Road	Nursery	Julie Booth-Penman	28,000	03/08/16	TTS
196	Godolphin Road Gardens	Community	Custodian for Charities	3,710	13/01/24	TTS
197	Hartswood Lawn Tennis Club	Community	Hartswood Lawn Tennis	12,500	14/07/18	TTS
198	Loris Rd Community Garden	Community	Custodian for Charities	2,400	13/01/24	TTS

231,060

TOTAL (all Committees) £ 2,671,955

Other income

Substations (over 100 with 40 holding over – agreement in principle for renewal on the basis of £500 p/a)

20,000

TOTAL £2,691,955

KEY

Properties shown with light background are held in the Housing Revenue Account (HRA): 102 units.