



**Hinckley & Bosworth  
Borough Council**

Forward timetable of consultation and decision making

Finance & Performance Scrutiny                      16 December 2024

Wards affected:    All Wards

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**Corporate Property Performance Report**

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Report of Director Corporate and Street Scene Services

**1. Purpose of report**

1.1 To provide members with an update on the performance of the property portfolio managed by the Asset Management Service.

**2. Recommendation**

2.1 The performance of the Councils property portfolio within the Corporate Property Report should be welcomed and noted.

**3. Background to the report**

3.1 The Corporate Property Report provides an overview of the performance of our commercial and operational estate and identifies high and low performing sites ranked which will enable to challenge the asset and ask

- What is the strategic purpose of the asset?
- What are the opportunities and risks?
- How is the asset performing?
- What are the options available for the property?

3.2 Each property within the report has been given a property rating based upon Demand, Lettability, EPC Compliance and Yield and scores range from The highest performing asset achieving a score of 6.0 to the lowest achieving 4.0

3.3 It should be recognised that the Councils Estate delivers more than a method of income and was not compiled solely for investment purposes. Whilst the

property is now managed far more commercially premises such as the industrial start up units operate in a high-risk environment providing unique opportunities for small startup companies to take their first steps into leasing accommodation. Councils usually provide these units to support the economic vitality of the business environment within their boundaries. Similarly, the Atkins Building and Block C in the Crescent formed a wider regeneration role and were key in delivering Hinckley Town Centre redevelopment. The table below gives the net yield based on actual rentals, the items with red font indicate lose making assets.

<b>SITE</b>	<b>Actual Net gain/Loss 2023/24</b>	<b>Estimated net Yield**</b>	<b>EMV used in report</b>
<b>Industrial</b>			
<b>Greenfields</b>	237,513	4.88%	4,864,340
<b>Hinckley Business Park</b>	112,507	5.27%	2,133,025
<b>Merrilee's industrial Estate</b>	102,324	5.87%	1,744,245
<b>Sketchley Meadows</b>	163,163	5.92%	2,755,435
<b>Sunnyside Park</b>	69,285	6.68%	1,036,510
<b>Retail</b>			
<b>Crescent*</b>	-5,816	-0.13%	4,400,000
<b>Retail/Misc (Castle Street/Church Walk, Station Road, Atkins Way)</b>	27,951	2.27%	1,230,000
<b>Jaspers</b>	-11,617	-1.16%	1,000,000
<b>Offices</b>			
<b>The Atkins Building</b>	-194,045	-7.76%	2,500,000
<b>TOTAL</b>	538,212		21,663,555

\*Based on rental for 2025/26 income level

\*\*After taking into account avoidable costs of running the asset, using estimated market value of the asset

3.4 Three land holdings within Estates Management have also been highlighted for potential disposal. Due to the proactive approach of the Council these are the only sites remaining of reasonable size which are currently suitable for development.

**4. Exemptions in accordance with the Access to Information procedure rules**

4.1 The report is exempt under paragraph 3 of Schedule 12A of the Local Government Act 1972 as it contains information relating to financial or business affairs of the authority holding that information and is therefore commercially sensitive. The public interest in maintaining the exemption outweighs the public interest in releasing the information in accordance with paragraph 10 of the Act.

**5. Financial implications [AA]**

5.1 Financial implications are identified in the Corporate Property Report

**6. Legal implications [SK]**

6.1 No legal implications arising directly from this report.

**7. Corporate Plan implications**

7.1 The council's corporate property portfolio link to Prosperity: Encouraging sustainable commercial economic and housing growth, as well as attracting businesses, improving skills and supporting regeneration

**8. Consultation**

8.1 None.

**9. Risk implications**

9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks

Risk description	Mitigating actions	Owner
The Council's property portfolio must be maintained in a compliant and fit for purpose state at all times	Appropriate budgets and resources are in place to ensure this requirement	Malcolm Evans

**10. Knowing your community – equality and rural implications**

10.1 The Council's property portfolio pays due regard across the borough to equality and rural issues. All sites comply to the Disability Discrimination Act 1995 and the Equality Act 1010

## **11. Climate implications**

11.1 No Climate Implications are raised directly by this report. The Councils property portfolio is under review to ensure all improvements can be undertaken to deliver a carbon neutral portfolio by 2030.

## **12. Corporate implications**

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

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Background papers: Corporate Property Report 041124v4

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