



PUBLIC SECTOR STRATEGIC ASSET REVIEW

Many local authorities have valuable property portfolios that can be used for significant economic and environmental benefit. Often they have been assembled over many years for a variety of purposes. But the question now is: are you making the most of your property portfolio?

If your investments have been successfully producing valuable income that goes directly to front line service delivery, should you ever consider selling “the family silver”?

Financial and legal constraints, along with a reluctance to take risks may, in the past, have prevented you from managing your assets more creatively. Or you may have become too focused on the income your assets generate to consider strategies more commonly used by the private sector that focus on total returns: not just income but capital growth too. In today’s climate, however, you need to demonstrate that you are getting the best value from your assets, which can mean challenging your existing practices. This is where we can help.

HOW WE CAN HELP

At CB Richard Ellis, we have vast experience in the specific needs of local government when it comes to unlocking the value of property assets. We can help you make the most of the new opportunities offered by prudential accounting. And we can guide you through innovative property structures such as limited partnerships, joint venture companies, strategic development and asset management partnerships, asset backed vehicles and even real estate investment trusts (REITs).

Strategic reviews

We can carry out a strategic review of your portfolio to pinpoint how to get additional value from your properties by transferring risks, releasing resources and therefore achieving greater certainty of meeting your targets. Our review will also identify the potential gains you can achieve by retaining ownership as well as the likely impact of any loss of direct control and influence.

Our approach

We always aim to understand all your objectives and put forward options that have been tailored to meet your specific needs. You can then make fully informed decisions based on a true picture of the opportunities offered by your property portfolio.

Our Public Sector team works closely with our financial specialists to provide advice that is commercial and market-driven, yet reflects the specific needs of local government.

KEY CONTACTS

**Sarah Whitney | Managing Director
Development & Regeneration**
t: 020 7182 2957
e: sarah.whitney@cbre.com

Stephen Clark | Senior Director
t: 020 7182 2122
e: stephen.clark@cbre.com

Jeremy Freeman | Senior Director
t: 020 7182 2126
e: jeremy.freeman@cbre.com

Neil Parlett | Senior Director
t: 020 7182 2124
e: neil.parlett@cbre.com



Our services

We can offer you:

- portfolio reviews
- option appraisals
- partnership and procurement strategies
- marketing and disposal advice.

RECENT SUCCESSES

Watford Borough Council

Our review of the non-operational properties within Watford Borough Council's £100 million commercial property holdings identified ways of releasing substantial additional capital, while minimising the impact on revenue. Among the range of assets considered in our review were town centre retail schemes, industrial estates, retail warehouse parks, car parks and community buildings.

Bath and North East Somerset Council

Bath and North East Somerset Council has built up a significant property portfolio within the city centre over several hundred years, including many buildings of world architectural and historic importance. The Council wanted to release substantial capital to reinvest in a range of regeneration initiatives known as the Bath Vision. We helped it review its options – in particular, looking at how alternative management structures could be used to achieve this aim. The Council had a broad range of financial and legal concerns, including how management and control would be vested in any partnership, and whether it should sell any properties. We took all of these into account and were able to provide the Council with two options that met its requirements; one involving a limited partnership that would take the estate off the Council's balance sheet and the other an alternative governance of the commercial estate.