

Integrated Impact Assessment (IIA)

Informing our approach to fairness

Name of proposal	Commercial Property Portfolio
Date of original assessment	September 2016
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Version control

Version	1
Date	4 October 2016
Replaces version	0

This is our assessment of the potential equality and other impacts of this 2017-18 budget proposal, based on the available evidence. It is a 'living document' and we will review it throughout the consultation period. A formal review will take place on all proposals when consultation closes to consider comments and information from all stakeholders, research or new and emerging policy.

Section A: Current service

1. What does the service do?

We hold a portfolio of commercial property (retail, industrial, offices) to generate revenue income, to provide accommodation for businesses and managed workspace for small and medium-sized enterprise's (SME's), and to fulfil socio economic criteria (eg. retail units that provide a service to local communities).

The portfolio also includes the Grainger Market, a Grade 1 listed market and unique heritage asset in the city centre accommodating 114 stalls, the majority run by small business owners. It has a growing reputation for street food and is rated excellent on Trip Advisor. The Property Portfolio & Markets team manage all day to day operations, letting units and collecting rental income.

As the Grainger Market is in close proximity to Grainger Street, a number of street and event markets are run from the Grainger Market, including the popular monthly Farmers' Market.

The market has 14 entrances which are currently being refurbished to improve lighting, entrance shutters and improve external visibility; this capital project is programmed to complete in October 2016. In addition two reports are to be considered by the Council in October/November covering requests for capital investment from prudential borrowing to be repaid from rental income to replace the glazed Arcade roof, and refurbish a small number of units to facilitate re-letting and consequently generate rental income.

2. Who do you deliver this service for?

Businesses occupying commercial premises (industrial, offices, retail) across the city, internal clients, businesses occupying the units in the market, shoppers and visitors to the market and City Centre.

3. Do you have any statutory requirements?

The City Council has no statutory obligation to own property but as a landlord and landowner we have obligations including health & safety testing (e.g. asbestos, legionella) and under landlord and tenant legislation.

4. How much do you spend on this service?

Gross expenditure	Gross income	Net budget	Capital projects
£10,286,580	£18,837,680	£(8,551,100)	£9,843,541 (includes proposed works)

5. What workforce delivers this service?

Posts	FTEs	Comments
Markets Inspector	4	
Markets Operatives	14	
Weigh House Attendant	1	

These staff are only the operational market for the Grainger Market, management of the Property Portfolio and Newcastle Enterprise Centres is delivered by the Property Portfolio team and is funded from a separate budget.

Section B: Change proposal

1. What is the proposal to change the service?

The proposal is to generate increased rental income from commercial property assets by ensuring rental income is commercially competitive and identifying new opportunities to generate rental income from underused property assets.

We will increase activity in the Grainger Market and street and event markets. A proposal has been developed to encourage trading in the evening after traditional market closing times. Market operators/event organisers will be invited to run events in the evening which is likely to be focussed on street food with associated entertainment.

We anticipate increasing income/making savings from the Christmas Markets programme whilst at the same time increasing the impact of the event.

The programme of capital improvements to the Grainger Market (entrances, Arcade roof, units to be refurbished) will no doubt have a short term effect on the income we can generate because of the disruption caused by the works, but we anticipate a positive effect over the medium/long term.

Property Services will be subject to a future commercial review.

2. What evidence has informed this proposal?

Information source	What has this told you?
Commercial property portfolio turnover	Potential to improve returns by increasing performance through rent reviews, new lettings and identifying underused assets.
Grainger Market trading position, quality & number of applications for vacant units, trader/shopper survey data.	Potential to improve returns by increasing performance through rent and new lettings and new event activities.

3. How much will you spend on this service?

	Gross expenditure	Gross income	Net budget	Capital projects
2017/18	£10,286,580	£19,037,680	£(8,751,100)	£205,000 (in addition to 16/17 budget)

4. What will the net savings be of this proposal?

	Gross Saving	Implementation Cost	Net Saving
2017/18	£200,000		£200,000

5. What impact will this have on the workforce?

	No. FTEs	% workforce
2017/18	0	0%

6. Who have you engaged with about this proposal?				
Date	Who	No. of people	Main issues raised	
26 September 2016	All Grainger Market tenants	100	We regularly circulate newsletters to Grainger Market tenants to keep them informed about changes in the market. We sent them a newsletter recently about a number of issues including the intention to develop activities in the evening. We will continue to engage with current and potential leaseholders.	
7. What are the potential impacts of the proposal?				
Staff / service users	Specific group / subject	Impact (actual / potential disadvantage, beneficial outcome or none)	Detail of impact	How will you address or mitigate disadvantage?
People with protected characteristics				
	Younger people and / or older people (age)	None	No direct impact anticipated	
	Disabled people	None	No direct impact anticipated	
	Carers	None	No direct impact anticipated	
	People who are married or in civil partnerships	None	No direct impact anticipated	
	Sex or gender (including transgender, pregnancy and maternity)	None	No direct impact anticipated	
	People's sexual orientation	None	No direct impact anticipated	
	People of different races	None	No direct impact anticipated	
	People who have different religions or beliefs	None	No direct impact anticipated	

People vulnerable to socio-economic disadvantage				
	People living in deprived areas	None	No direct impact anticipated	
	People in low paid employment or in households with low incomes	None	No direct impact anticipated	
	People facing barriers to gaining employment, such as low levels of educational attainment	None	No direct impact anticipated	
	Looked after children	None	No direct impact anticipated	
	People facing multiple deprivation, through a combination of factors such as poor health or poor housing / homelessness	None	No direct impact anticipated	
Businesses				
	Businesses providing current or future jobs in the city	None	Increased income from the existing tenants will allow us to potentially expand the portfolio and so offer additional properties for commercial rent. Increased opportunities for small businesses to trade in the Grainger Market and on the street markets.	

Geography				
	Area, wards, neighbourhoods	None	No direct impact anticipated	
Community cohesion				
	Community cohesion	None	No direct impact anticipated	
Community safety				
	Community safety	None	No direct impact anticipated	
Environment				
	Environment	None	No direct impact anticipated	