

Public Document Pack



OVERVIEW & SCRUTINY COMMITTEE

Monday, 7 October 2024 at 7.00 pm
Conference Room, Civic Centre, Silver
Street, Enfield, EN1 3XA

Contact: Democracy

Direct: 020-8132 1558
Tel: 020-8379-1000

E-mail: democracy@enfield.gov.uk
Council website: www.enfield.gov.uk

Councillors : Nicki Adeleke (Chair), Mahmut Aksanoglu (Vice-Chair),
Maria Alexandrou, Kate Anolue, Lee Chamberlain, Hivran Dalkaya, James Hockney,
Michael Rye OBE and Eylem Yuruk

Education Statutory Co-optees: 1 vacancy (Church of England diocese representative), vacancy (other faiths/denominations representative), vacancy (Catholic diocese representative), Alicia Meniru & 1 vacancy (Parent Governor Representative).

Enfield Youth Parliament Co-optees (2)
Stacey Gilmour (Governance and Scrutiny Officer)

AGENDA – PART 1

1. **WELCOME & APOLOGIES**
2. **DECLARATIONS OF INTEREST**

Members of the Committee are invited to identify any disclosable pecuniary, other pecuniary or non-pecuniary interests relevant to the items on the agenda.

3. **DECISION CALLED-IN - KD5741 - DISPOSAL OF SURPLUS COUNCIL PROPERTY ASSETS & LAND** (Pages 1 - 12)

To consider a call-in received on the decision taken by Cabinet on the Disposal of Surplus Council Property Assets & Land (KD5741).

The decision that has been called in was included on the Publication of Decision List No: 20/24-25 issued on 13 September 2024.

It is proposed that consideration of the call-in be structured as follows:

- Brief outline of reasons for the call-in by representative (s) of the members who have called in the decision.
- The Cabinet Member/decision maker and officers respond to the reasons

provided for the Call-In.

- Debate by Overview & Scrutiny Committee and agreement on action to be taken.

4. ORIGINAL DECISION OF CALL-IN - KD5741 (Pages 13 - 48)

The original decision documents.

Item 7 also refers.

(This item contains exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person – including the authority holding that information) of Schedule 12A to the Local Government Act 1972, as amended).

5. DATES OF FUTURE MEETINGS

To note the dates of future meetings as follows:

OSC Provisional Call-In dates (if required)

Tuesday 22 October 2024

OSC Business Meeting

Wednesday 20 November 2024

6. EXCLUSION OF PRESS AND PUBLIC

To consider passing a resolution under Section 100(A) of the Local Government Act 1972 excluding the press and public from the meeting for the items of business listed on part 2 of the agenda on the grounds that they involve the likely disclosure of exempt information as defined in those paragraphs of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006). (Members are asked to refer to the part 2 agenda.)

AGENDA – PART 2

7. ORIGINAL DECISION OF CALL-IN - KD5741 (Pages 49 - 62)

Item 3 above refers

OVERVIEW & SCRUTINY COMMITTEE CALL-IN PROCEDURE

Recommendations

- i. Having considered the called-in decision the Overview and Scrutiny Committee have the following options:
 - (a) Take no further action, meaning the original decision can be implemented;
 - (b) Refer the decision back to the decision-making person or body for reconsideration, setting out in writing the nature of its concerns; or
 - (c) Refer the matter to full Council for consideration.

- ii. Once the Committee has considered the called-in decision and makes one of the recommendations listed at (a), (b) or (c) above, the call-in process is completed. A decision cannot be called in more than once.

- iii. If a decision is referred back to the decision-making person or body; the implementation of that decision shall be suspended until such time as the decision-making person or body reconsiders and either amends or confirms the decision, but the outcome on the decision should be reached within 14 working days of the reference back. The Committee will subsequently be informed of the outcome of any such decision

The following procedure is to be followed for consideration of the “Call-in”:

- i. The Chair explains the purpose of the meeting and the decisions which the Committee is able to take.
- ii. The Call-in lead presents their case, outlining the reasons for call in.
- iii. The Cabinet Member/ Decision maker and officers respond to the points made.
- iv. General debate during which Committee members may ask questions of both parties with a view to helping them make up their mind.
- v. The Call in Lead sums up their case.
- vi. The Chair identifies the key issues arising out of the debate and calls for a vote after which the call in is concluded. If there are equal numbers of votes for and against, the Chair will have a second or casting vote.
- vii. It is open to the Committee to either:
 - a. take no further action and therefore confirm the original decision
 - b. to refer the decision back to the decision-making person or body for reconsideration, setting out in writing the nature of its concerns; or
 - c. to refer the matter to full Council for a wider debate (NB: full Council may decide either to take no further action or to refer the matter back to Cabinet with specific recommendations for them to consider prior to decision taking).

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CALL-IN OF DECISION

TITLE OF DECISION: Disposal of Surplus Council Property Assets & Land

DECISION OF: Cabinet

DATE OF DECISION LIST PUBLICATION: 13 September 2024

LIST NO: 20/24-25

COUNCILLORS CALLING-IN

(The Council's constitution requires signatures of seven or more Councillors to call a decision in).

Call in Lead

- | | |
|-------------------------------|---|
| (1) Signature:..... | Print Name: Cllr Lee Chamberlain |
| (2) Signature:..... | Print Name: Cllr Peter Fallart |
| (3) Signature:..... | Print Name: Cllr Julian Sampson |
| (4) Signature:..... | Print Name: Cllr Andrew Thorp |
| (5) Signature:..... | Print Name: Cllr Edward Smith |
| (6) Signature:..... | Print Name: Cllr Andy Milne |
| (7) Signature:..... | Print Name: Cllr Chris Dey |
| (8) Signature: | Print Name: Cllr Stephanos Ioannou |
| (9) Signature: | Print Name: Cllr Emma Supple |
| (10) Signature : | Print Name: Cllr Adrian Grumi |

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DRAFT RESPONSE

Overview and Scrutiny Committee Call-In Meeting – 07/10/24

**Call-In of Decision – KD5741 List No. 20/24-25 (published on 13/09/2024)
Disposal of Surplus Council Property Assets & Land**

Call-In Lead: Councillor Lee Chamberlain

Officer Response:

Reasons for the “Call in” are detailed below:

Reason for call-in
<p>Ford’s Grove Car Park</p> <p>A medium sized site, with limited redevelopment potential. This is a popular car park which serves an area of Green Lanes and residents from nearby wards. Its existence formed part of the administration’s case for the loss of parking from the new cycle lanes, a case which would be invalidated if the car park was sold and redeveloped. Its removal will clearly impact a local economy in Green Lanes already impacted by the loss of parking caused by cycle lanes. The impact would obviously also see increase parking congestion caused by the residual visitors and further encourage car drivers to make longer journeys to out-of-town centre sites with parking. It should be noted that the draft ELP proposed redevelopment of the Sainsbury site would also impact the area.</p> <p>In particular, the report fails to set out:</p> <ul style="list-style-type: none"> • Evidence to substantiate car park underutilisation. The car park is clearly well used and popular with visitors to the shopping locations. • How local residents who have gated overnight access to the car park for parking could be re-provided with parking provision? • An impact assessment in regard of local parking capacity is provided. A visual inspection of the nearby location indicates a high level of parking congestion. • An economic impact assessment of reduced footfall to businesses in Green Lanes with resultant reductions in business rates from businesses leaving the area.
Officer response
<p>The Cabinet report clearly sets out in section 1 that : “The list of assets identified in the appendix are a <u>draft list of “candidates”</u> for sale at this stage and have either been declared surplus to operational requirements by former occupying service departments, are otherwise not considered “fit for purpose” by other service departments, requiring accommodation, underperforming when judged against the</p>

principles set out in the core principles of the Council's Strategic Asset Management Plan (SAMP 2019-2024) s.1.3 or exceptional circumstances exist. Further due diligence if formal approval in principle for sale is granted will be undertaken on each asset."

Furthermore, Recommendation 1 is clear that the Council will only proceed with a disposal subject to appropriate due diligence investigations and Recommendation 2 states that the Cabinet Member for Finance and Procurement will only be called upon to authorise the sale if full due diligence and stakeholder engagement has taken place. Further reinforcement of this principle is also provided in sections 8, 9, 16, 19 and 25.

The rationale behind the approach to identify "candidates" of land and property assets for sale which are potentially underperforming with limited initial due diligence (as opposed to full due diligence from the outset) is based on the need to make efficient use of scarce staff resources. Expending considerable sums of money and staff time on full due diligence prior to provisional member approval runs the risk that significant and costly abortive work takes place on those "candidates for sale" which fail to obtain provisional approval.

Recommendation 2 also makes it clear that whilst authority is delegated to the Cabinet Member for Finance and procurement, as Portfolio holder, any decision to sell, following further extensive due diligence and stakeholder engagement is also subject to Call – In by the Overview and Scrutiny Committee who will have the opportunity to review any given sale on a case by case basis provided that the consideration exceeds the key decision threshold of £500,000 which applies to the full list of "candidates" under review in this report.

The process outlined above applies to every asset listed in the Cabinet report.

The remainder of the officer responses below therefore address the specific areas of further due diligence investigations raised by the Call – In Lead the results of which will be included in the subsequent Portfolio report.

- Evidence to substantiate car park underutilisation. The car park is clearly popular with visitors to the shopping locations.

Agreed – further consultation will take place with our in-house parking team.

- An assessment in regard of alternate local parking capacity is provided. Multistorey parking is also a deterrent for some vehicle drivers.

Agreed – further consultation will take place with our in-house parking team.

- An economic impact assessment of reduced footfall to businesses in Enfield Town with resultant reductions in business rates from businesses leaving the area.

Agreed – further consultation will take place with in-house parking team for on and off-street parking capacity. Subject to outcome, an economic impact assessment could be considered.



Reason for call-in

Church Lane

A small site, with very limited redevelopment potential, it provides a useful overspill for those parking to visit Silver Street and northeast side of Enfield Town.

In particular the report fails to set out:

- Evidence to substantiate car park underutilisation. The car park is clearly popular with visitors to the shopping locations.
- An assessment in regard of alternate local parking capacity is provided. Multistorey parking is also a deterrent for some vehicle drivers.
- An economic impact assessment of reduced footfall to businesses in Enfield Town with resultant reductions in business rates from businesses leaving the area.
- An impact assessment on the conservation area by development at Church Lane.

Officer response

- Evidence to substantiate car park underutilisation. The car park is clearly popular with visitors to the shopping locations.

Agreed – further consultation will take place with our in-house parking team.

- An assessment in regard of alternate local parking capacity is provided. Multistorey parking is also a deterrent for some vehicle drivers.

Agreed – further consultation will take place with our in-house parking team.

- An economic impact assessment of reduced footfall to businesses in Enfield Town with resultant reductions in business rates from businesses leaving the area.

Agreed – further consultation will take place with in-house parking team for on and off-street parking capacity. Subject to outcome, an economic impact assessment could be considered.

- An impact assessment on the conservation area by development at Church Lane.

Agreed – We will seek assurances/views from the Local Planning Authority whether or not on balance any development of the car park materially impacts adversely upon the Conservation Area.



Reason for call-in

Little Park Gardens

A small to medium sized site, with limited redevelopment potential, providing a useful parking spot for those visiting Church Street and northwest side of Enfield Town.
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In particular the report fails to set out:
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| <ul style="list-style-type: none"> • Evidence to substantiate the car parks underutilisation. The car park is clearly popular with visitors to the shopping locations when accessible. • An assessment in regard of local parking capacity is provided. Multistorey parking is also a deterrent for some vehicle drivers. • An economic impact assessment of reduced footfall to businesses in Enfield Town with resultant reductions in business rates from businesses leaving the area. |
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Officer response

- | |
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| <ul style="list-style-type: none"> • Evidence to substantiate car park underutilisation. The car park is clearly popular with visitors to the shopping locations. |
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Agreed – further consultation will take place with our in-house parking team.

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| <ul style="list-style-type: none"> • An assessment in regard of alternate local parking capacity is provided. Multistorey parking is also a deterrent for some vehicle drivers. |
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Agreed – further consultation will take place with our in-house parking team.

- | |
|---|
| <ul style="list-style-type: none"> • An economic impact assessment of reduced footfall to businesses in Enfield Town with resultant reductions in business rates from businesses leaving the area. |
|---|

Agreed – further consultation will take place with in-house parking team for on and off-street parking capacity. Subject to outcome, an economic impact assessment could be considered.

Reason for call-in

Southbury Corner

A large area of land which could be kept as a strategic asset in LBE control subject to the outcome of the ELP review. It is a key plot of land in a prominent position in the borough providing a number of popular social and leisure services.

In particular the report fails to set out:

- Potential economic impact to the area of this site's redevelopment.
- Loss of the community facilities on this site, such as the cinema, church services and leisure centre. In addition to the popular restaurant facilities.

Officer response

- Potential economic impact to the area of this site's redevelopment.
Agreed – Further due diligence and cost/benefit analysis will be carried out in consultation with the Local Planning Authority on the impact of this development as compared with the benefit of up to c.900+ new homes.
- Loss of the community facilities on this site, such as the cinema, church services and leisure centre. In addition to the popular restaurant facilities.
Agreed – Further due diligence will be carried out concerning the future of the cinema/church services as the operator is, I understand, looking closely at the viability of their operations nationwide including this location. If the operator were to close the cinema, a change of use would inevitably be sought by the long leaseholder in any event. Further due diligence and cost/benefit analysis will also be carried out in relation to the potential loss of restaurant facilities.
The leisure centre remains unaffected as it is not contained within the long lease to Royal London. It is not therefore being sold. Access to and from the centre also remains unaffected by any potential sale.

Reason for call-in

Parker Centre

This centre is run for the borough by Age Concern and provides a vital service for people suffering with dementia.

In particular the report fails to set out:

- Evidence to explain how the building is no longer fit for purpose.
- An equality impact assessment on the vulnerable people this service cut will impact.

- What discussions, if any, LBE has had prior to the report with Age Concern in respect of the building's suitability and their view.

Officer response

Parker Centre

- Evidence to explain how the building is no longer fit for purpose.

Agreed – This will be fully explained in the subsequent Portfolio report, if promoted for sale, following satisfactory further due diligence. In addition, a separate report on relocating the service is being presented to the Portfolio holder at the earliest opportunity. It is anticipated that this will be a service improvement, not a service cut.

- An equality impact assessment on the people this service will impact will be undertaken.

An equality impact assessment will not be necessary given that the service is relocating and is not a service cut.

- What discussions, if any, LBE has had prior to the report with Age Concern in respect of the building's suitability and their view.

Age UK have been consulted on the relocation plan and are fully supportive. It is anticipated that this will lead to service improvements.

Reason for call-in

The remaining assets listed (i.e. Land adjacent 28 Camlet Way, Ridgeway Barn, Holly Hill Farm Barn, Land south of Barnet road) have a similar lack of supporting information or explanation (costs v benefits for example) as to why they cannot be kept or redeveloped for their existing planned uses. It also fails to show if the locations were considered for alternate uses such as the creation of a park at Camlet Way for example.

Officer response

Each of the remaining assets listed will be the subject of further due diligence prior to any final decision to sell, including (but not limited to) cost/benefit analysis, consideration of alternative uses and the case for retention either for in-house use or potential for generating revenue (rather than a capital receipt).



Proposal: Councillor Chamberlain has asked that the decision is referred back to the decision maker.

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PUBLICATION OF DECISION LIST NUMBER 20/24-25

MUNICIPAL YEAR 2024/25

Date Published: 13 September 2024

This document lists the Decisions that have been taken by the Council, which require publication in accordance with the Local Government Act 2000. The list covers Key, Non-Key, Council and Urgent Decisions. The list specifies those decisions, which are eligible for call-in and the date by which they must be called-in.

A valid request for call-in is one which is submitted (on the form provided) to the Governance and Scrutiny Team in writing within 5 working days of the date of publication of the decision by at least 7 Members of the Council.

Additional copies of the call-in request form are available from the Governance and Scrutiny Team.

If you have any queries or wish to obtain further report information or information on a decision, please contact democracy@enfield.gov.uk

INDEX OF PUBLISHED DECISIONS – 13 September 2024

Decision taker	Date Decision came/ comes into effect	Part 1 or 2	Subject/Title of Report	Category of Decision	Affected Wards	Eligible for Call-In & Date Decision must be called in by (If Applicable)
Decisions Made by Cabinet						
Cabinet See : Cabinet Decisions, 11th September, 2024	Monday 23 September 2024	Part 1	Joint Local Health and Wellbeing Strategy JLHWS Report	KD5749	All	Yes Friday 20 September 24
		Part 1 & 2 (Para 3)	Disposal of Surplus Council Property Assets and Land Disposals Report	KD5741	All	
		Part 1	Quarterly Corporate Performance Report (Q4) Q4 Performance Report	Non Key	All	
		Part 1	Traveller Local Plan Regulation 18(2) TLP Report	KD5758	All	
		Part 1	2023/24 Revenue Provisional Outturn Report Revenue Outturn Report	KD5788	All	
		Part 1	Housing Gateway Limited 2023/24 Outturn HGL Outturn Report	KD5788	All	
		Part 1 & 2 (Para 3)	Energetik Outturn Report 2023/24 Energetik Outturn Report	KD5788	All	
		Part 1	Q1 2024/25 Revenue Forecast Update Q1 Revenue Report	KD5789	All	

		Part 1	Q1 2024/25 Capital Monitoring Report Q1 Capital Report	KD5789	All	
		Part 1	Q1 Housing Gateway Limited Monitoring Report Q1 HGL Report	KD5789	All	
		Part 1 & 2 (Para 3)	Q1 Energetik Monitoring Report 2024/25 Q1 Energetik Report	KD5789	All	
		Part 1	Q1 2024/25 Treasury Management Monitoring Report Q1 Treasury Management Report	KD5789	All	
		Part 1	2023/24 Housing Revenue Account Outturn Report HRA Outturn Report	KD5766	All	
		Part 1	2024/25 Q1 Housing Revenue Account Monitoring Report Q1 HRA Monitoring Report	KD5766	All	
		Part 1	Medium Term Financial Plan Update MTFP Update Report	KD5782	All	
		Part 1	Digital Services Portfolio Digital Services Portfolio Report	KD5801	All	

Decisions Made by Executive Directors / Portfolio Holders

Cabinet Member for Planning & Regulatory	Monday 23 September 2024	Part 1 & 2 (Para 3)	Individual Placement Support and Work Well Pilot I. Agree the Council accepts the projected	KD 5802	All	Yes Friday 20 September 24
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<p>Services (Councillor Susan Erbil)</p>		<p>£3,554,032.62 programme extension funding from Department of Work and Pensions (DWP) to continue delivery of Individual Placement and Support in Primary Care programme (IPSPC) awarded to Enfield and Haringey Councils.</p> <p>II. Agree that the Council ‘hosts’ the Work Well Pilot programme contract on behalf of the North Central London (NCL) Integrated Care Board (ICB).</p> <p>III. To approve the direct award of 2 contract extensions for 18 months to the two incumbent IPS providers working in Enfield and Haringey given the DWP requirements and time limits on funding and delivery. (Related to recommendation I.)</p> <p>IV. To approve a 6-month contract variation to award the two incumbent IPS providers the Work Well Pilot programme, given the time limits placed on the NCL ICB. (Related to recommendation II) Details of the funding can be found in the confidential annex of this report.</p> <p>V. Approve extending the Collaboration Agreement between the London Borough of Enfield and Haringey Council for the duration of the funding agreement. (Related to recommendation I.)</p> <p>VI. Approve entering a Collaboration</p>			
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			<p>Agreement between London Borough of Enfield and the NCL ICB. (Related to recommendation II)</p> <p>The report sets out the options considered, if any, and the reasons for the recommendation and the decision.</p>			
<p>Cabinet Member for Health & Adult Social Care (Cllr Alev Cazimoglu)</p>	<p>Monday 23 September 2024</p>	<p>Part 1 & 2 (Para 3)</p>	<p>Domestic Violence Refuge and Independent Domestic Violence Advocacy Contract Variation</p> <p>I. Agree to a vary the Domestic Violence Refuge Support Provision and Independent Domestic Violence Advocacy Service (IDVA) contract, adding two (2) Children’s Services IDVA’s (Early Help IDVA and Domestic Violence Team IDVA) and to update one (1) IDVA within the main IDVA/ISVA provision</p> <p>II. Agree the variation for the length of the existing contract of three (3) years with an option to extend for two further periods of two (2) years each. Total contract length of up to seven (7) years; and</p> <p>III. Subject to good performance and funding; allow authority to extend to be delegated to the Director of Health and Adult Social Care.</p> <p>The report sets out the options considered, if any, and the reasons for the recommendation and the decision.</p>	<p>KD 5763</p>	<p>All</p>	<p>Yes Friday 20 September 24</p>



London Borough of Enfield

Part 1	
Report Title	Disposal of Land and Property Assets
Report to	Cabinet
Date of Meeting	11th September 2024
Cabinet Member	Cllr Tim Leaver – Portfolio Holder for Resources and Procurement
Executive Director / Director	Perry Scott – Executive Director of Environment and Communities Nick Denny – Director of Property
Report Author	Doug Ashworth doug.ashworth@enfield.gov.uk
Ward(s) affected	Various
Key Decision Number	5741
Classification	Part 1 Public and Confidential Appendix
Reason for exemption	Commercial confidentiality (para 3) (Confidential Appendix only) By virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972:

Purpose of Report

1. The Council takes a commercial approach to its land and property assets and reviews performance on a continuous basis. This helps to ensure that the portfolio is “right sized”, that the Council retains high performing investment and occupational assets, whilst simultaneously identifying assets for disposal. The list of assets identified in the appendix are a draft list of “candidates” for sale at this stage and have either been declared surplus to operational requirements by former occupying service departments, are otherwise not considered “fit for purpose” by other service departments requiring accommodation, underperforming when judged against the principles set out in the core principles of the Council’s Strategic Asset Management Plan (SAMP) 2019-2024 s.1.3 or exceptional circumstances exist. Further due diligence if formal approval in principle for sale is granted will be undertaken on each asset.
2. Strategic Property Services have therefore been commissioned to dispose of these assets and achieve “best consideration” as defined in s.123 Local Government Act 1972.
3. The land and properties will, subject to Council approval, be marketed for sale by the Council’s appointed property consultants.

Recommendations

- I. Agree that the Council proceeds with the disposal of the property assets listed in the table contained in both the appendix and confidential appendix (which includes receipt estimates) to this report at the earliest opportunity (subject to appropriate due diligence investigations).
- II. Delegate authority to the Cabinet Member for Finance and Procurement in consultation with the Executive Director of Resources and Director of Property (and otherwise in accordance with the Council’s Scheme of Delegation) to market and finalise terms of sale with successful bidders in order to achieve best consideration following completion of full due diligence and stakeholder engagement .

Background and Options

Reason for Proposals

4. The assets listed in the appendix (and confidential appendix) are no longer required for operational purposes or are underperforming or exceptional

circumstances exist. They have therefore been identified as surplus and released for sale.

Why the need for Asset Sales

5. Through prudent and effective management of its assets , coupled with a pragmatic policy of “right-sizing” it’s portfolios in line with the resources available , a sustainable approach to property ownership can be delivered. This approach will therefore assist in identifying assets for disposal.

In addition, other legislative changes are shaping the reviews of the Council’s asset base including the Minimum Energy Efficiency Standards (MEES) legislation, aligned with the Council’s declaration of a Climate Emergency (and the need to reduce carbon emissions and revenue costs in inefficient buildings)..

The Councils non-operational estate also needs to deliver an acceptable Return on Investment and therefore the recycling of capital receipts from sales of underperforming assets into the acquisition of new performing assets (where a regeneration objective is involved) also has an important place within the SAMP.

Finally, the adverse hangover impact of the Covid 19 Pandemic in 2020, in the level of interest rates, inflation and the shortfall of funding from Central Government has resulted in the need to focus the Council’s attention to raise capital receipts.

It should be borne in mind that asset sales take place within the context of “right sizing” the portfolio, continuous asset review and delivering asset sales at Market Value.

How do we achieve “Best Consideration”?

Each property asset is unique and will therefore require careful consideration as to how to achieve “Best Consideration”. In broad terms, however, the following main factors apply:

6. Type of property: We consider whether the asset is of a specialist nature (e.g. works depot, swimming pool) or non-specialist (e.g. residential house or retail shop) . If the former, then a change of use/planning consent is likely to be required to accord with the buyers’ intentions. This has an impact on the timing for the sale as most contracts will be conditional upon receipt of a satisfactory planning consent. Assets of a non-specialist nature can generally be sold more quickly as planning restrictions are less likely to apply and therefore lend themselves to unconditional (on planning) sales. Officers also consider whether the sale would benefit from local, regional, or national marketing coverage. Assets of a higher value are generally marketed nationally or regionally, whilst lower value assets are generally marketed

locally. This would then impact upon the type of sales agent we would appoint for the marketing process.

7. Sale route: Consideration is also given as to whether the asset is suitable for auction, tender or private treaty sale. Typically, where there is mass market demand, auction sales ensure a quick sale, it would also generate the best price when taking into account the opportunity cost of obtaining the sale proceeds earlier, lower transaction costs (as compared with a local estate agent) and the ability to obtain a buyer's premium to offset sales costs. The Council also maintain control over the final reserve price to ensure that we receive Best Consideration A tender route, seeking either conditional, unconditional (or both) is also typically used, where asset values are high, and the extra expense incurred through using national agents and data rooms (with full due diligence investigations) to aid bidders in their decision making helps ensure that buyers do not price uncertainty into their bid and therefore adds value to the overall price achieved.
8. A full evaluation is prepared by officers prior to a final decision on the best approach to a sale is made. This is presented to the operational disposal's delivery team for approval prior to the commencement of the marketing process and appointment of sales agents. This report is therefore seeking permission to undertake marketing of the asset following further due diligence including a Net Present Value calculation of the value of each assets future income (and expenditure) where applicable. (eg car parks).

Disposals Programming

First Wave – 2024/2025

9. This will contain assets identified from previous tranches 1-12, recent asset reviews or otherwise identified by Strategic Property Services (SPS) as surplus to operational requirements. Priority will be given to assets capable of being sold quickly whilst simultaneously undertaking full due diligence on those assets which require more in-depth attention intended for sale in the subsequent financial year. Asset sales targeted for 2024/2025 have been divided into 2 categories, "highly likely" and "opportunities". A flexible and pragmatic approach will therefore be adopted to bring forward sales in both categories as quickly as possible, whilst acknowledging that some sales will therefore fall into the following financial year (2025/2026).

Second Wave – 2025/2026+

10. This will contain assets which SPS are aware require either enabling works to facilitate a sale, reprovision of an existing service or occupier to deliver vacant possession or other necessary measures to optimise the sale value. Completion of these sales is dependent upon resolving these matters. Marketing, advertising and possibly exchange of contracts may in some cases be delivered in 2025/26 but with completion in the following financial

year (2026/2027). Within this category there may be income producing assets which are considered under-performing following a formal review taking into consideration rental versus capital value, covenant strength of occupier, non-recoverable Council expenditure, vacancy factor, potential for income growth and longevity of the income stream. This is the focus of this paper.

Third Wave - Further Tranches

11. There will be further land and property asset reviews as part of a structured programme of disposals over the next 10 years.

Programming and Governance

12. The Head of Property Development and Investment will lead the delivery of the programme in conjunction with the Director of Property.
13. A programme tracker has been created with input from legal, finance and other departments as appropriate. The tracker will monitor key milestones including due diligence investigations, marketing and advertising, offers received and analysis, negotiation periods, authority, sales contract and completion.
14. Where re-provision of accommodation is required, prior to sale completion, the Head of Operational property will take responsibility for this part of the process and provide input on the tracker as required.

Timescales and Caveats

15. The delivery period is 2025 – 2026+ for the disposals identified in this paper, and forms part of the 10-year capital disposals programme. The latter includes some assets which can only be brought forward in the medium term e.g., sites and properties which require detailed investigations and the grant of planning permission to maximise value.
16. The initial programme is targeted to be delivered within the 3-year plan (2024-26) but this is subject to market conditions.

Programme delivery will be put at risk if any of the following factors apply:

1. A decision is made to withdraw an asset from sale without a comparable value replacement. In these circumstances the sales target will be reduced accordingly.
2. A decision is made to withdraw, reduce, divert, or re-prioritise staffing or external resource base towards other property work.
3. A change in market conditions.
4. Subsequent due diligence investigations reveal a serious defect with the asset or title such that it cannot be resolved within the delivery period.

5. Reprovision of accommodation for service groups located within assets deemed surplus cannot realistically be delivered within the plan period.
6. Additional value eg: from Marriage Value or a Special Purchaser cannot be realised within the plan period. This situation typically occurs in circumstances where Council land when combined with adjoining third party land/property yields a sum greater than market value than if the Council's land/property were sold in isolation.

Summary and Recommendation

17. It is recommended that the Council agree to the disposal of the assets shown on the attached list in the appendix (and confidential appendix) with year of delivery 2025/2026, (Wave 2). In addition, agree to the continuation of work on property assets shown as year of delivery 2025/2026+ (Wave 3).

Risks that may arise if the proposed decision and related work is not taken

18. If the Council do not undertake regular reviews of its property holdings and dispose of surplus or underperforming property then there are ongoing risks in relation to security, and increased revenue costs from reactive and planned maintenance associated with empty property. In addition, there is the risk of a loss of interest on the capital receipt and less funding available for the Council's Capital Programme for other projects, whilst the capital receipt remains outstanding.

Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

19. There is a risk that sales will not complete due to buyers failing to proceed with the purchase. This risk is managed by undertaking due diligence on the buyer prior to seeking authority to dispose and ensuring that provisional Heads of Terms are agreed.

Options Considered

20. Do Nothing. This is not an option as property which is vacant will deteriorate. In addition, the Council is incurring significant "holding costs" in terms of security, empty rates and other outgoings .
21. Disposal. This will generate a capital receipt and reduce borrowings/contribute towards reserves and/or the Council's Capital Programme.

Conclusions

22. It is in the Council's best interests for financial, property and legal reasons, and for the wider community, to benefit from the sale of these assets.
-

Preferred Option and Reasons For Preferred Option

23. The preferred option is to dispose of the assets listed in the appendix and commercial appendix at the earliest opportunity subject to detailed and thorough due diligence investigations.

Relevance to Council Plans and Strategies

24. The proceeds obtained from these sales will deliver capital receipts for the Council thereby helping generally to fund Council services which contribute to a strong and healthy community.

Financial Implications

25. The disposal of property to the preferred bidder will generate a capital receipt and/or deliver social benefits. By regulation, this receipt will be available for investment in the Council's Capital Programme, funding of transformation projects, or for the repayment of external debt.

The 10-year capital strategy was approved by Full Council in October 2023 for capital receipts expected by 2033/2034 which will be achieved primarily through a combination of asset rationalisation of the operational estate, sales of under-performing commercial assets and assets being prepared for longer term value enhancement (and therefore not guaranteed).

The planned disposal list for 2025-2026+ with a range of values is shown in the Confidential Appendix 1 as is a tracker showing progress to date .

Where property sales are achieved earlier than expected, the surplus will be put against the receipt target for the following year.

Detailed financial implications/modelling will be carried out for each property prior to disposal which will detail the revenue impact, borrowing impact as well as any tax implications.

Legal Implications

26. Section 123 of the Local Government Act 1972 gives a power of sale or leasing to Councils. Pursuant to this section, the Council has a statutory duty to achieve best consideration (save for tenancies of less than seven years). Flexibility is afforded by virtue of the General Disposal Consent 2003, which permits the Council to dispose of land at less than its market value, without the need to seek specific permission from the Secretary of State, provided that (i) the purpose for which the land is to be transferred is likely to contribute to the 'promotion or improvement' of the economic, social, or environmental well-being of the area; and (2) the difference between the market value of the land and the actual price paid for the disposal (if any), is not more than £2,000,000.

Legal due diligence is required on all the proposed disposals, so as to understand the specific issues applying to each site, with further legal advice to be provided. It should be noted that restrictions apply for certain types of land (including housing, open space and playing fields) and the Council must have regards to applicable statutory requirements, in the event that there is a proposed disposal of any such land.

Any disposal of property must also comply with the Council's Constitution, including its Property Procedure Rules which set out mandatory procedures regarding (amongst other things) the acquisition, management, and disposal of property assets.

Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive to or incidental to the discharge of any of its functions.

The Council also has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation. A local authority may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. This power encompasses the power for the Council to enter into contracts,

Public law principles will apply to the decisions made by the Council, including the Council's duty to take account of its fiduciary duty and to act prudently with public monies entrusted to it. The Council is also under a general duty to act reasonably and show that its decisions are made after having given due and proper consideration to all relevant factors including consideration of State Aid principles in the event that any land is to be sold at an under-value.

Under Section 14 (3) of the Local Government Act 2000, the executive may arrange for any of its functions to be discharged by an officer of the authority.

Any legal agreements arising from the matters described in this report must be approved by Legal Services on behalf of the Director of Law and Governance

Equalities Implications

27. Corporate advice has been sought regarding equalities and an equalities impact assessment is neither relevant nor proportionate for the approval of this report.

HR and Workforce Implications

28. There are no workforce implications.

Environmental and Climate Change Implications

29. The sale of these assets will result in a decrease in the Council's overall energy consumption and therefore CO₂ emissions will reduce.

Property Implications

30. These are contained in the report

Other Implications

None

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Appendices

Appendix 1– Tranche 13 – Land and Property Assets - Listing
Appendix 2 – Location Plans
Appendix 3 - Disposals update – RAG report

Confidential Appendix – Tranche 13 – Land and Property Assets - Listing
(including estimated receipts)

Background Papers

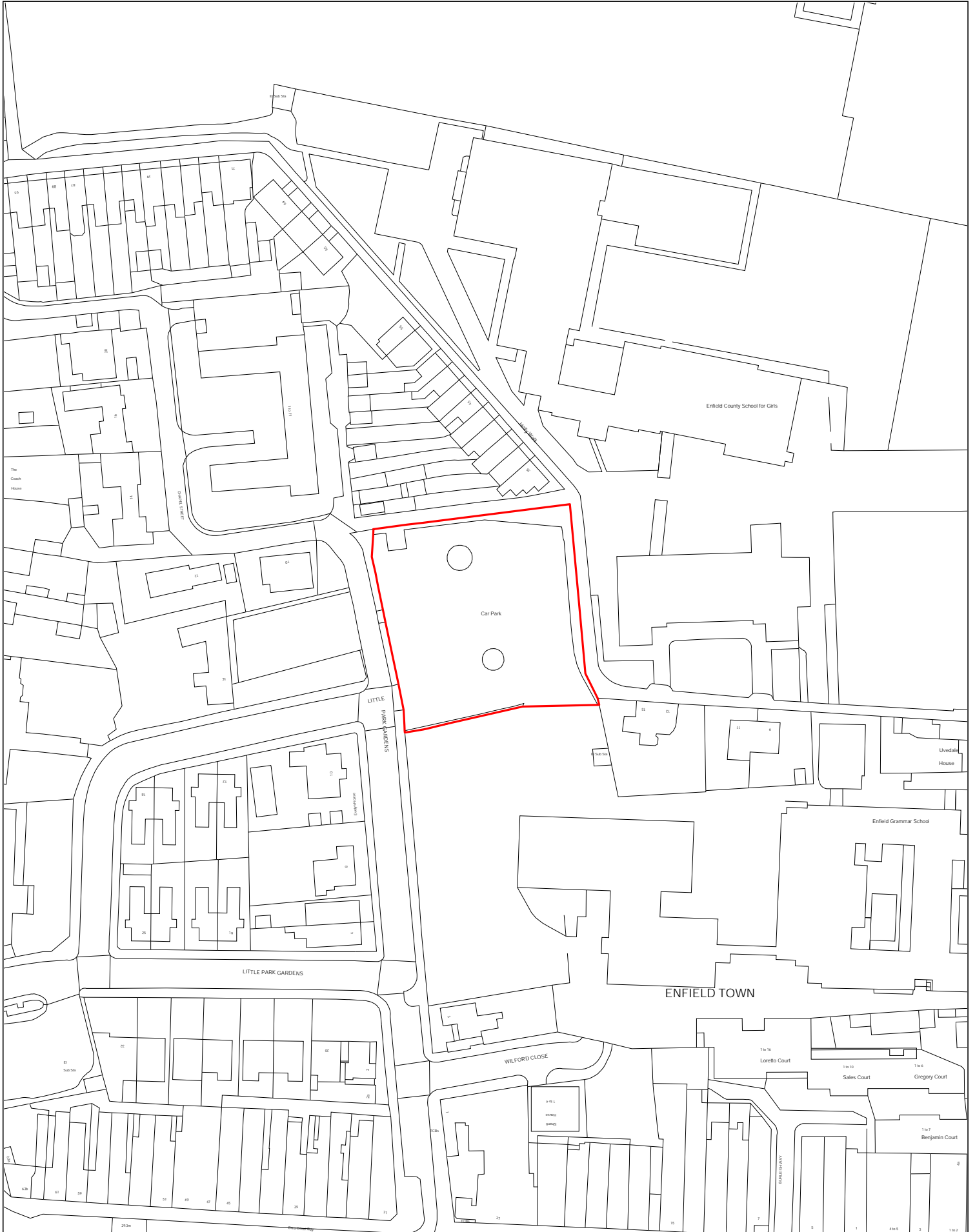
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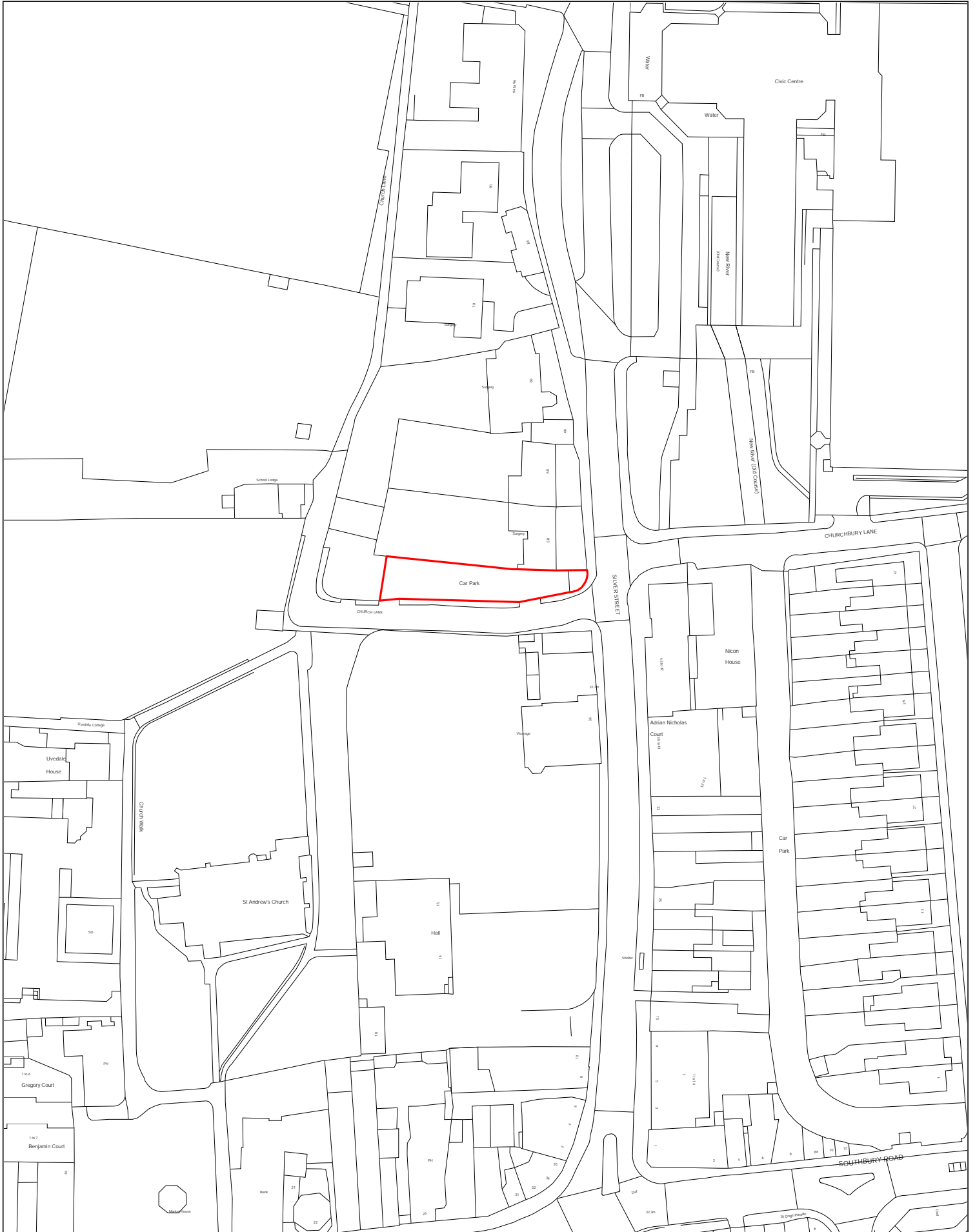
APPENDIX 1**DISPOSAL CANDIDATES FOR SEPTEMBER CABINET 2024**

Address	Current Use	Comments
Little Park Gardens, Enfield Town Centre	Car park	Tree Preservation Order may cause significant development constraint
Church Lane, Enfield Town Centre	Car park	Adjacent to 58/60 Silver Street with potential "Marriage Value"
Fords Grove, Winchmore Hill	Car park	Under-used car park in good residential location
Land adjacent 28 Camlet way, Hadley wood	Amenity land	Difficult site above railway tunnels but high value if constraints can be overcome
St John's School, The Ridgeway	Barn	School interested in purchase/lease.
Holly hill Farm Barn, The Ridgeway	Derelict building	Opportunity to bring back into beneficial occupation and realise capital receipt
Southbury Corner, Southbury Road	Long leasehold interest in Cinema and four retail units plus parking	lease extension or freehold sale (with overage) from 125 – 250 years
Parker Centre, Houndsfield Road, Edmonton	Adult day care centre	Potential relocation to Rose Taylor centre as current building not fit for purpose
Land south of Barnet road, Potters bar	Land	Residential or discount retail use subject to planning consent.

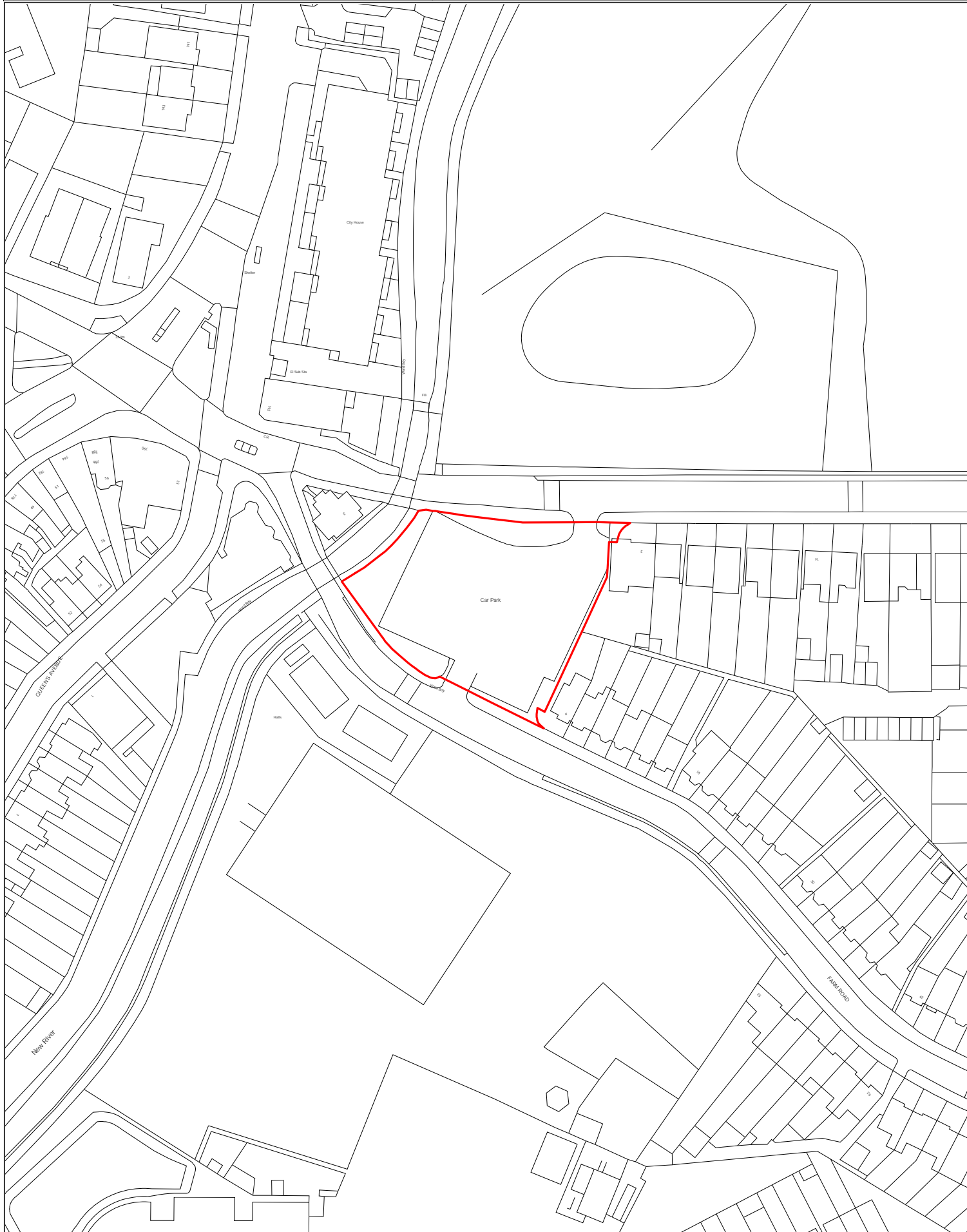
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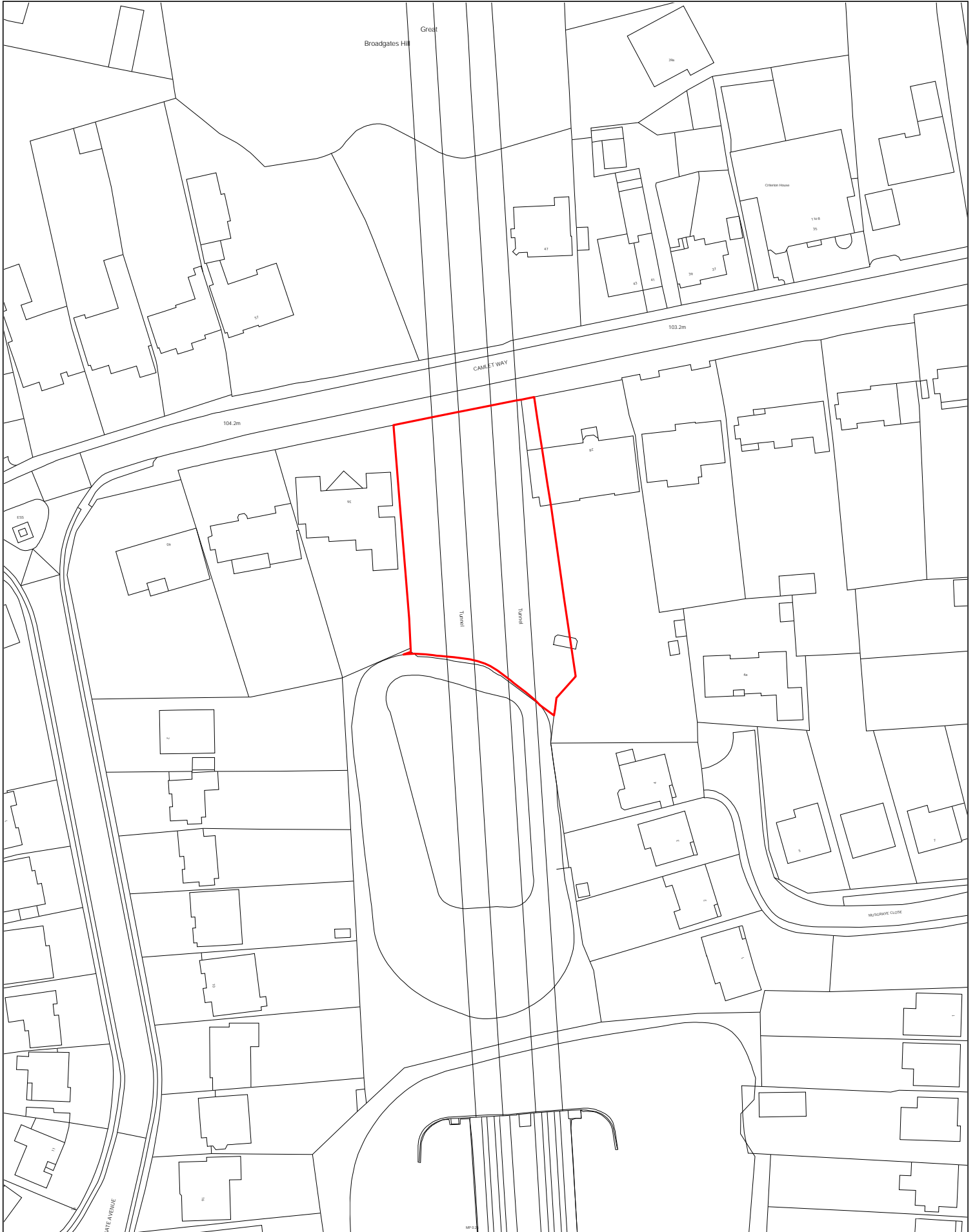
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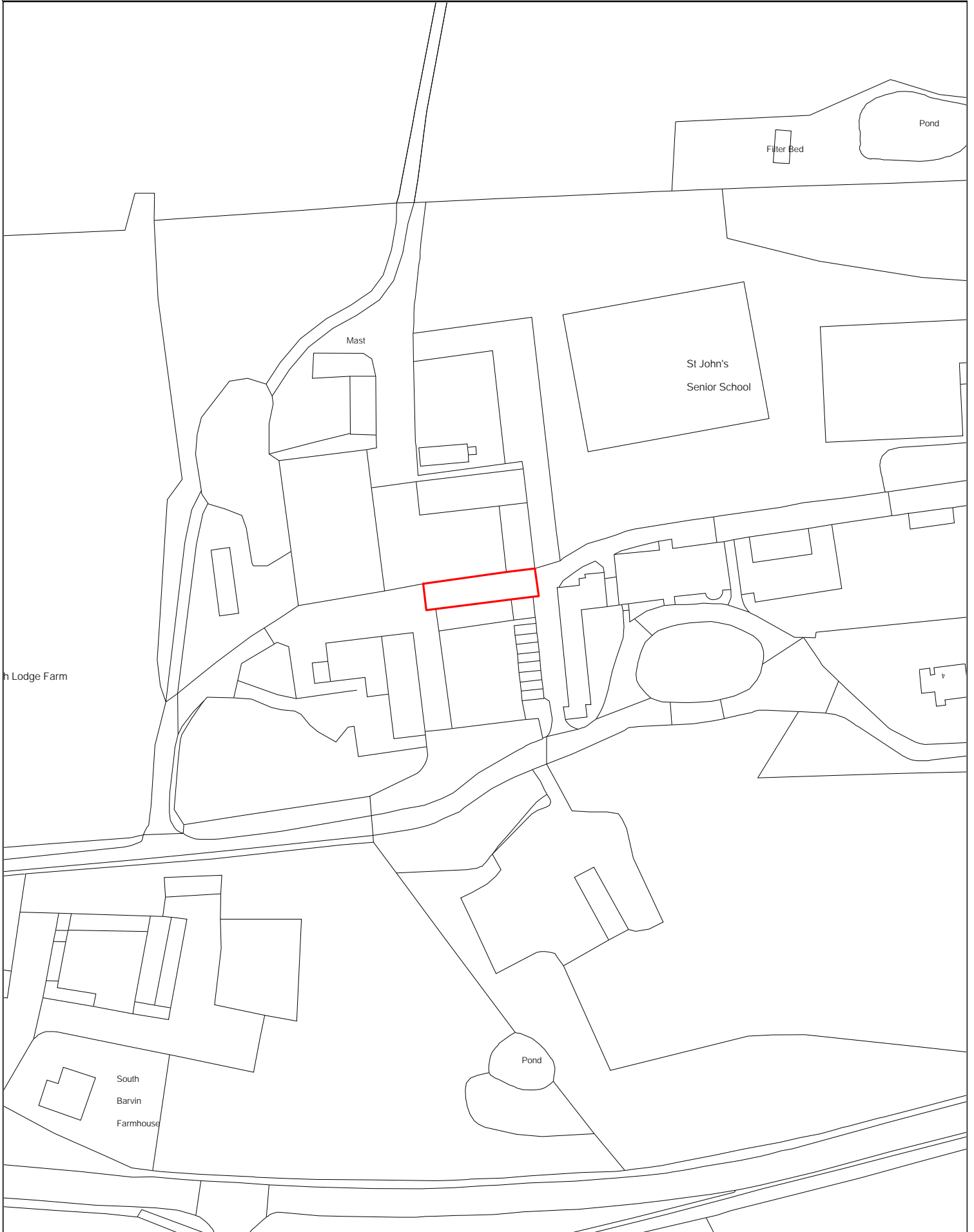
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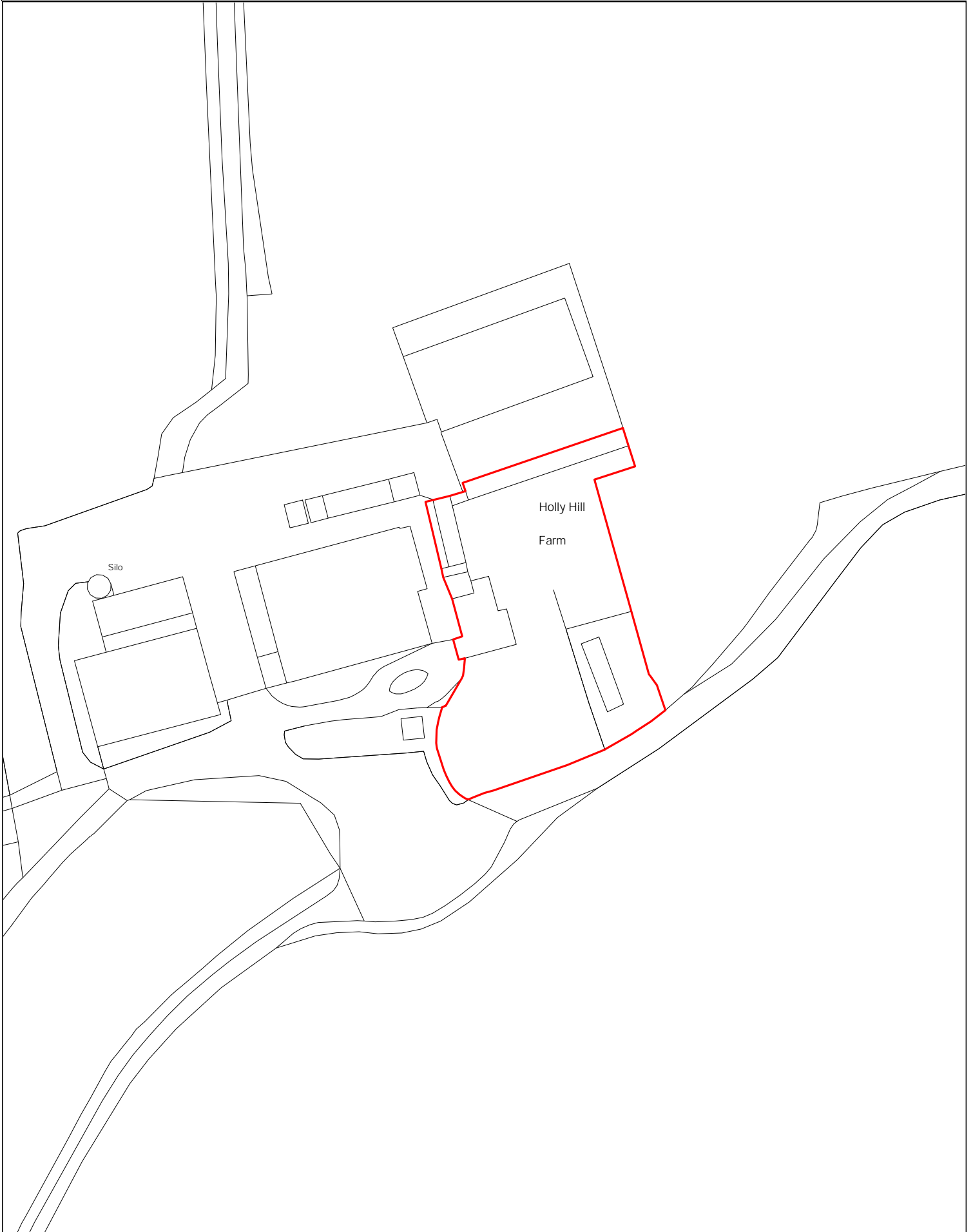
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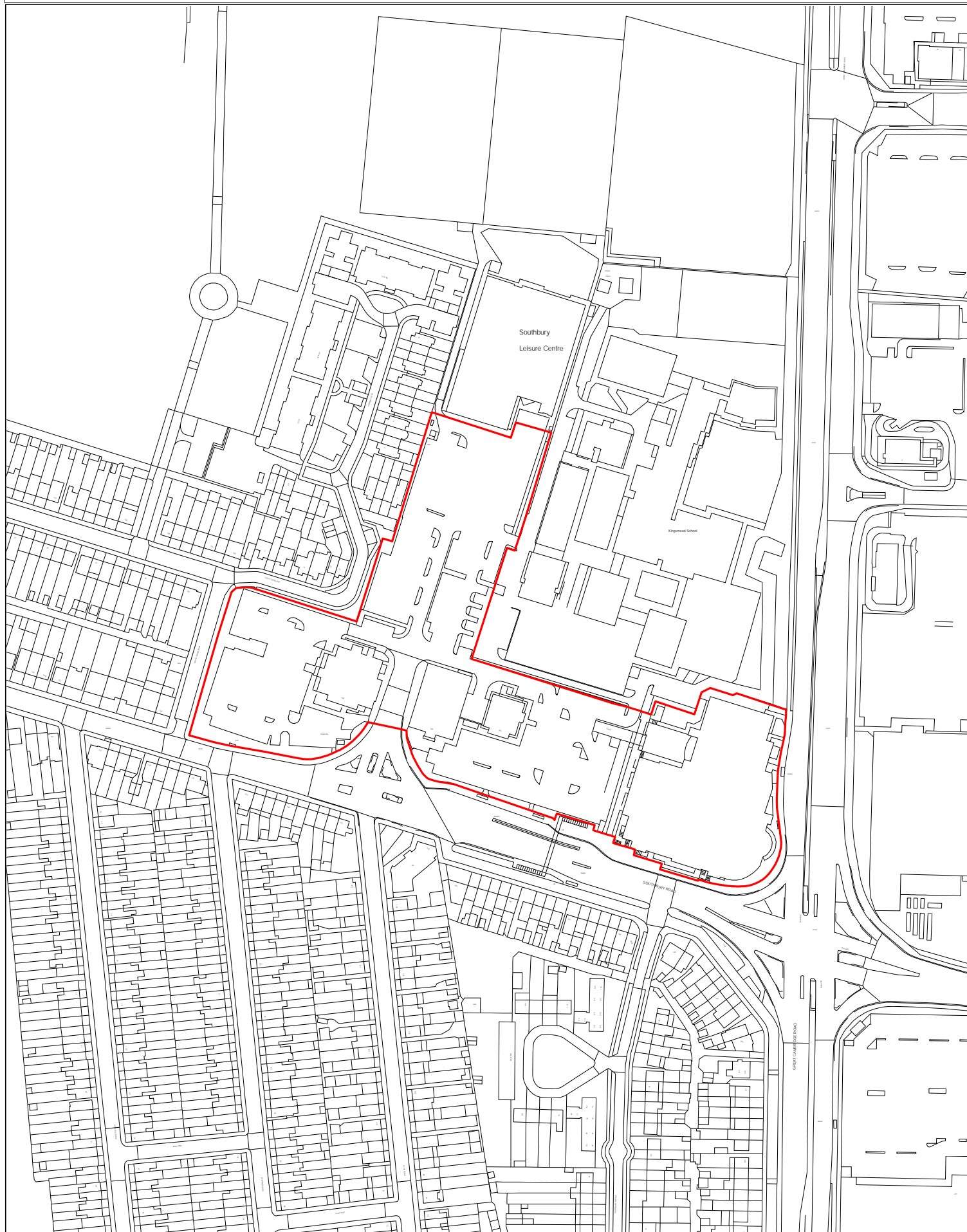
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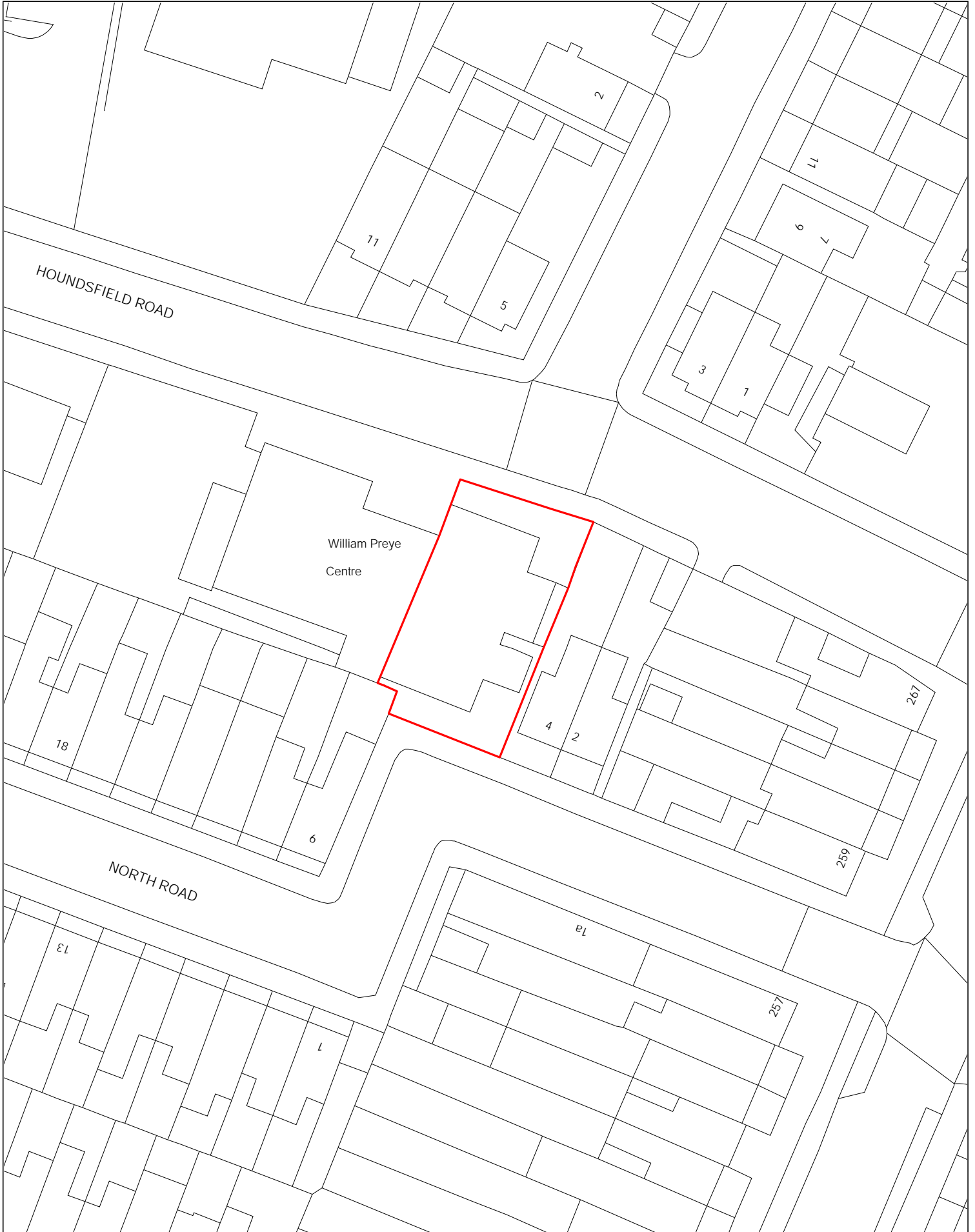
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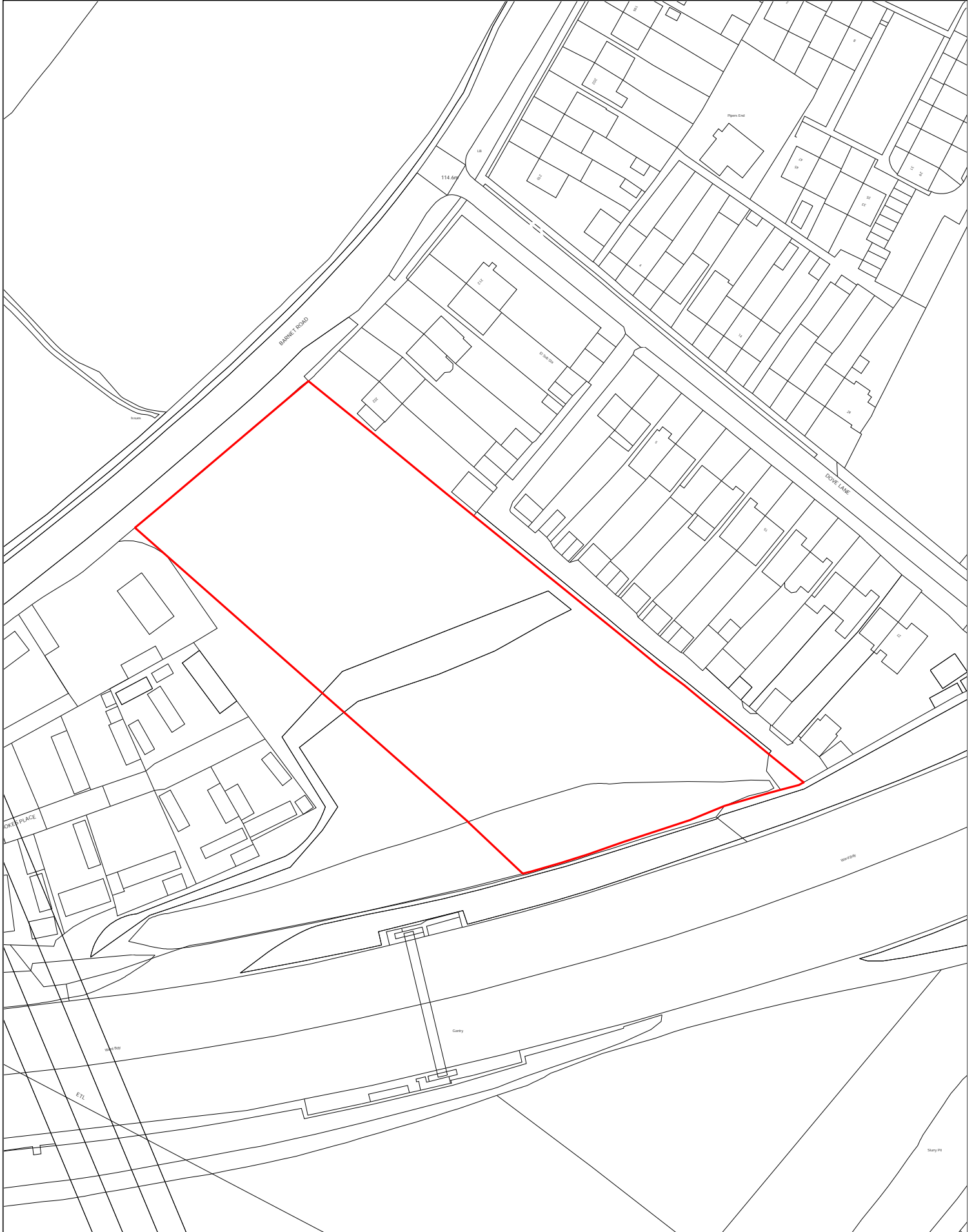
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