

MUNICIPAL YEAR 2019/2020 REPORT NO. 9

MEETING TITLE AND DATE:
Cabinet 12th June 2019

REPORT OF:
Executive Director of
Place

Agenda – Part: 1

Item: 8

**Subject: Property Services - Strategic
Asset Management Plan**

**Wards: ALL
Key Decision No: KD4806**

Cabinet Member consulted: Cllr Maguire

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1. EXECUTIVE SUMMARY

- 1.1. The full Strategic Asset Management Plan is attached to the part two agenda as a confidential Appendix to this report, as it contains information that is exempt from disclosure. Releasing it would or would be likely to prejudice the commercial interests of the Council. An unrestricted Summary version of the Strategic Asset Management Plan is attached at Appendix 1.
- 1.2. Under Section 43(1)(2) of the Freedom of Information Act, information is exempt from disclosure if releasing it would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it). Disclosure of the detailed information held in the full Strategic Asset Management Plan would be likely to negatively impact the Council by exposing their commercial position and asset data to both competitors and potential partners/tenants/developers/contractors etc. and consequently weaken their bargaining position in the property market place.
- 1.3. The Strategic Asset Management Plan covers all Council-owned property, except for Housing Revenue Account (HRA) residential housing stock. Management of HRA residential housing stock is covered by a separate Housing Strategy.
- 1.4. All Council-owned Property Assets must be fit for purpose and continue to meet the Council's legal requirements to obtain best consideration for its property assets. The Council has an obligation to its staff, visitors and commercial tenants who occupy their buildings and has a requirement to comply with all health and safety and other relevant legislation.

1. EXECUTIVE SUMMARY Cont'd

- 1.5. In addition to the Council's legal requirements, there is opportunity for the Council to increase income, reduce expenditure and optimise its property assets to continue to deliver quality services and meet the Council's corporate objectives:
- Good homes in well-connected Neighbourhoods
 - Sustain strong and healthy communities
 - Build our local economy to create a thriving place
- 1.6. The Strategic Asset Management Plan (SAMP) is designed to support proactive and strategic decision making, ensuring that the Core Principles of the SAMP are reflected in the decisions of all parts of the organisation. It sets down the 'rules of behaviour' for the organisation, as far as property decision-making is concerned.
- 1.7. The SAMP does not describe detailed and specific asset portfolio strategies such as an "Operational Assets Strategy" or a "Rural Asset Strategy", but is an overview of what needs to follow and lays down the principles which will be adopted for both portfolio level and individual asset strategies as they emerge, initially over the next 12-24 months and continue to be created and reviewed into the future, to align with asset management best practice.
- 2.1. The SAMP is a core document, written to cover the 5-year period between 2019/20 and 2023/24. It includes an Action Plan for 1 to 5+ years. It is expected that the SAMP will be reviewed and updated in 2023/24 to cover the following 5-year period in more detail.
- 2.2. Strategic Property Services will, in consultation with the Cabinet Member for Finance & Procurement as part of their regular Cabinet Member briefings, produce an Annual Business Report to the Executive Management Team, which will report on progress against the Action Plan. The annual business report will include detailed reporting on performance against the 5-year Action Plan, which includes actions to produce an Operational Assets Strategy and Commercial Investment Asset strategies.

3. RECOMMENDATIONS

It is recommended that Cabinet:

- 3.1. Approves and adopts the Strategic Asset Management Plan for 2019 – 2024 (Appendix 1 - Summary version and Appendix 2 – confidential full version – part two agenda)
- 3.2. Specifically approves and adopts the Core Principles set out in the SAMP and listed below in 3.2
- 3.3. Approves the key milestones set out below in 3.6
- 3.4. Delegates delivery of the SAMP and any related sub-strategies to the Head of Strategic Property Services within the boundaries of the Council's Constitution.

RECOMMENDATIONS cont.

It is recommended that Cabinet:

- 3.6. Delegates monitoring performance of the SAMP to the Council's Executive Management Team. Strategic Property Services will produce the annual business report for the next 5 years for EMT, in consultation with the Cabinet Member for Finance & Procurement, as part of their regular Cabinet Member briefings.
- 3.7. Commits to reviewing, refreshing and re-approving the SAMP in 5 years' time.
- 3.8. Notes that all Key Decisions in relation to property transactions, creation and delivery of Strategies for Operational Assets and Commercial Investment Assets will continue to be made and scrutinised in the usual way, in line with the Council's Constitution, with Member involvement at all appropriate decision-making points.
- 3.9. Notes that any requests for funding related to the SAMP will follow the usual Council processes, and in relation to any requests for new Capital, these will be taken to the Capital Finance Board for approval, prior to any request to Cabinet and Full Council being made
- 3.10. Notes the requirement of the SAMP that all property budgets and property functions within the Council must be consolidated under Strategic Property Services, to ensure a strategic and comprehensive approach going forward, with a full understanding of all the Council's expenditure and income in relation to property assets, which also ensures that silo and reactive decision making is avoided.

3. BACKGROUND

3.1. Overview

- 3.1.1. The Council's property assets are the frame within which service delivery takes place. They have a significant value and represent a means to drive investment and resources despite the pressures on public finances.
- 3.1.2. With the recent introduction of the Council's new Corporate Landlord Policy, a core priority for the Council is to significantly strengthen the management of corporate assets and use this to ensure they are safe, compliant, and improve the quality and value for money of the service they can deliver. The SAMP describes the foundations of this change including more robust data and process, increased capacity and stronger governance and decision-making.
- 3.1.3. By 2020 central Government will have cut funding to Enfield Council by 60 per cent in real terms since 2010. Enfield Council has already delivered £161m savings and needs to make a further £31m saving by 2019/2020. As funding from Central Government is cut, Enfield has 3 main avenues for alternative income production – Council Tax,

Business Rates and our own Property Assets. Enfield has significant land ownership and Property Assets are an essential source of income for Enfield, which must be optimised to reduce reliance on other funding sources and to support essential service delivery.

3.1.4. The Chartered Institute of Public Finance Accountants (CIPFA) identified the following common corporate premises issues affecting local authorities:

- Property 'owned' by individual areas
- Asset plans not aligned to business planning/ corporate objectives / service outcomes
- Capital investment not prioritised
- Total backlog maintenance position unknown (Whole Life Costing)
- Statutory obligations / legislative testing programmes unknown
- Data inconsistent or held all over the place
- Cost of occupation unknown
- Space standards and utilisation inconsistent
- Space utilisation unknown
- Procurement of property services not consistent or/ delivering value for money

3.1.5. An unprecedented reshaping of the corporate approach to asset management is needed. Enfield's previous Corporate Asset Management Plan covered the period from 2007-2009 and the Council has not had a subsequent plan in place since that time. The lack of a strategy has meant that it has not always been possible to make property asset decisions in a strategic context, and individual decisions have not always aligned with each other or the Council's overall direction of travel. The new SAMP will set a clear direction for the next 5+ years to ensure that Enfield can make informed decisions about its property assets in an appropriate context.

3.1.6. The Council's previous stance towards disposals of its freehold property assets, to make one-off revenue savings, to help pay for service delivery, is now realigned with corporate finance objectives that require long term revenue income streams, as oppose to one-off capital receipts from freehold disposals. Long-term, secure income is essential for delivering the Council's services in a time when other sources of income for the Council continue to diminish significantly. The Council needs to retain productive assets for income and growth over time. In certain circumstances, it may be appropriate to sell a freehold or long leasehold asset, but only when the funds released from this disposal are to be recycled into the Council's property assets via an alternative investment.

3.1.7. The SAMP describes the Council's approach to management of its property assets, except for Housing Revenue Account (HRA) residential housing stock. It is intended to provide the framework for

decision-making across the Council's property estate, and shape delivery. The value of the circa 1,100 properties included within this SAMP is c £1.01 billion (£934m general fund plus £79m HRA non-residential assets) and represents a means to drive investment and resources despite the significant pressures on public finances. The HRA residential housing stock has a further value of £670 million, bringing the Council's total property asset value to c. £1.68 billion. By geographical area the Council own approximately 5800 acres which equals approximately 30% of the borough, excluding HRA residential housing stock.

3.1.8. Taken together, all these assets are powerful levers for change. There is potential to increase levels of income generated and the total estate is a resource that can drive regeneration and economic growth, deliver the infrastructure to meet Enfield's needs now and into the future and deliver services which will improve residents' quality of life.

3.1.9. The central focus of this SAMP is the Council's operational and commercial investment properties, covering a wide range of corporate, cultural and community facilities, education, public health and a range of other associated non-domestic properties owned by the Council. It does not include HRA residential housing stock or Highways Assets.

3.1.10. An important point is the need for a holistic approach, to connect Enfield's operational and commercial investment properties with other assets in and around the borough, particularly adjacent assets owned by potential partners from both the public and private sectors.

3.1.11. Enfield's SAMP will be revised every five years. Strategic Property Services will also report to the Council's Executive Management Team on an annual basis, in the form of an Annual Business Report, setting out progress against the Action Plan appended to the SAMP, highlighting key achievements and confirming the priorities for the following year, and providing an updated Action Plan for the following year.

3.2. Core Principles

3.2.1. The Core Principles are designed to make sure that the property asset strategy is reflected in the decisions of all parts of the organisation. It sets down the 'rules of behaviour' for the organisation, as far as property decision-making is concerned, to ensure that the strategy can be implemented.

Core Principles	
1.	Deliver best consideration for the Council's assets in accordance with s.123 Local Government Act 1972.
2.	Increase income from the Council's property assets (long term revenue streams preferred to one-off capital receipts)

3.	Reduce expenditure on the Council's property assets
4.	Optimise assets to meet the Council's corporate objectives: <ul style="list-style-type: none"> • Good homes in well-connected neighbourhoods. • Build our local economy to create a thriving place. • Sustain strong and healthy communities
5.	Consolidation of operational estate into a small number of strategic hubs. Quality not quantity.
6.	Provide quality modern operational buildings for staff and customers that will help the Council to deliver outstanding service to customers and attract and retain talented professional staff. Operational buildings should be efficient, attractive environments that are future-proofed, flexible and support agile working.
7.	Move towards eliminating all leased-in buildings and only occupy owned buildings for operational purposes.
8.	Release surplus operational estate for long-term revenue income and/or development
9.	Achieve 100% compliance (physical buildings and H&S)
10.	Consolidated and transparent single property budget , held by Property & Economy (ALL property income and expenditure is centralised – Services have any property cost codes/budgets removed and centralised)
11.	Account for full market rent for ALL buildings, including operational ones and take a % cut out of rental income to cover all property costs – maintenance, management, development, feasibility work etc. (including Strategic Property Services (SPS), Corporate Maintenance & Construction Team (CMCT) and Facilities Management Team (FM) resources)
12.	Support provision of a properly resourced, professional in-house property team that is an exemplar for other local authorities
13.	Hold a live Asset Register held in Asset Management and GIS Data Systems that are accurate, comprehensive, modernised, accessible, and transparent.
14.	Hold live Asset information that can be easily and simply reported/communicated and properly used to strategically optimise asset management as well as respond to enquiries from Members and the public
15.	No conflicts of interest to be created between Enfield Council and

	Council owned companies (Housing Gateway Ltd (HGL), Enfield Innovations Ltd (EIL), Independence and Wellbeing Enfield Ltd (IWEL) and Energetik).
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3.2.2 Enfield’s property assets will be operated as a corporate resource, seeking the best outcome for the organisation and area as a whole. Land and buildings are not owned by the services that occupy them but are owned for the benefit of the people of the area and service customers. When decisions are made, they are made in a way that provides the best overall outcome for the council and its customers.

3.2.3 The Council aims to utilise its property assets to meet the ever-changing customer expectations and needs, easing and simplifying efficient access to service.

3.3 Operational Property Assets Strategy

3.3.1 Whilst this SAMP is not intended as a detailed Operational Assets Strategy, it includes the development of it in the Action Plan for delivery. Section 3 – “Community Focus” of the detailed SAMP (Part 2) sets out the strategic principles of that strategy, which will seek to optimise the use of assets to maintain the quality of service provision and excellent customer care, attract and retain talented professional staff, while further driving reductions in expenditure and exposure to costs.

3.3.2 Operational buildings should be efficient, attractive environments that are future-proofed, flexible and support agile working. The Corporate Landlord Policy and this SAMP introduce Enfield Council to the principle of consolidating the operational estate into a smaller number of strategic hubs, releasing surplus operational estate for long-term revenue income and/or development potential.

3.3.3 The Council is moving towards eliminating all leased-in buildings and only occupying owned buildings for operational purposes. This consolidation of an operational estate has been standard practice across Local Authorities over the last decade, with many London Councils having completed the process some years ago. Enfield is able to properly start this comprehensive review and consolidation process, now it has a SAMP, subject to an Operational Assets Team being fully resourced.

3.4 Commercial Investment Asset Strategies

3.4.1 Effective management of the commercial investment estate is an essential part of driving income from the corporate estate and responding to the Council’s wider financial pressures. Section 4 of the SAMP – “Commercial Investment Focus” includes the approach proposed for the commercial investment estate in terms of fully utilising assets, increasing income by achieving market rates and the proactive collection of income. Enfield has a large and diverse commercial

investment portfolio, including industrial, retail and, unusually for a London Borough, rural, property assets.

3.5 One Council

3.5.1 Strategic Property Services recognises the importance of working closely with other services across the Council and the vital links to other Council Strategies. The SAMP emphasises this throughout. Specifically, a strong partnership between the Commercial and Finance teams in the Resources directorate, and the Strategic Property Services Team within the Place Directorate, will help to deliver the optimum commercial approach to the Council's property assets. Close working with the People Directorate and the Council's regeneration programme teams, such as for Meridian Water, will also ensure that property assets provide socio-economic and community dividends, as well as commercial benefits.

3.6 Key Milestones

The following sets out **key milestones/actions** for delivering the requirements within the SAMP. Individual and more detailed action plans will be produced where necessary for any significant project that materialises from the SAMP and subsequent strategies. Implementation of this Action Plan will be overseen by Strategic Property Services and the Property Board. The delivery of the Action Plan is reliant on significant capacity being built within the Strategic Property Services Team.

✓ In Progress
✓ Complete

Action	Status
YEAR 1 - 2019/2020	
Continue to manage the Commercial Investment estate	✓
Design and implement new staff resource structure	✓
Creation of the New Asset Register including Categorisation of Assets in line with IFRS 16	✓
Phases 1 - 5 implementation of the Corporate Landlord Policy	✓
Develop Strategic Asset Management Plan (SAMP)	✓
Consolidation of Budgets	✓
Creation of Governance Structures	✓
Develop vacant sites strategy	✓
Scope and procure new Asset Management System (AMS) - Phase 1	✓
CIPFA Benchmarking	
Develop Commercial Investment Portfolio strategies (Rural Portfolio and Meridian Water Assets) - Phase 1	
Delivery of immediate Operational Assets projects (Phase 1) - John Wilkes House & Enfield Highway Carnegie Building	✓
Scope and procure new Geographical Information Systems (GIS) - Phase 1	
Development Projects - Phase 1	✓
YEAR 2 - 2020/2021	
Phases 6 & 7 implementation of Corporate Landlord Policy	

Action	Status
Procure and implement required professional service contracts	
Scope and procure new Geographical Information Systems (GIS) - Phase 2	
Develop Commercial Investment Portfolio strategies (Industrial & Retail Portfolio) - Phase 2	
Develop an Operational Assets Strategy - Phase 1	
Implement New Asset Management System and related management processes - Phase 2	
Review and Implement Market Rent as appropriate	
Development Projects - Phase 2	
YEAR 3 and 4 - 2021/2022 & 2022/2023	
Implement new GIS system (including public access) - Phase 3	
One Public Estate Programme	
Start to implement Operational Assets Strategy - Phase 2	
Development Projects - Phase 3	
YEAR 5 – 2023/2024 and beyond	
Ongoing Delivery of the Regeneration Scheme at Montagu Estate via Joint Venture	
Ongoing implementation of the Operational Assets Strategy - Phase 3	
Development Projects - Phase 4	

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not having and implementing a SAMP. The council could maintain the status quo, managing its property assets in a non-strategic, reactive and un-co-ordinated way. Doing so would leave the Council vulnerable and with limited opportunities to achieve efficiencies.

5. REASONS FOR RECOMMENDATIONS

- 5.1 The Council has not had a SAMP in place since 2009. Not having a SAMP or carrying out the associated action plan puts the Council at risk of non-compliance across its property assets. It also means that when property decisions are made reactively and from a siloed approach, rather than from a strategic perspective, they do not create the best outcomes for the Council financially, for its staff or its residents.
- 5.2 A historic lack of investment in maintenance in the property portfolio (due to individual services being made responsible for building maintenance costs and having to regularly choose between spending their budgets on service delivery or building repairs) has led to a general dilapidation of property stock, which now has direct consequences on levels of income achievable, and compliance liabilities for the whole Council.
- 5.3 Ensuring value for money in the management of assets is a fundamental part of the approach. Establishing clarity through properly categorising assets, consolidating property related budgets and

functions, rolling out Corporate Landlord across the estate and putting in place a new Asset Management System will allow the Council to set up assets so that they can clearly show income and expenditure.

- 5.4 All property budgets and property functions within the Council must be consolidated under Strategic Property Services, to ensure a strategic and comprehensive approach going forward, with a full understanding of all the Council's expenditure and income in relation to property assets, which also ensures that silo and reactive decision making is avoided. A project is underway to complete the consolidation of budgets, which will gain a detailed understanding of the true maintenance costs of property, the staff costs of managing property and the examining of income targets.
- 5.5 All requests for new Capital will go through the Capital Finance Board. In January 2019 the Council agreed to the initiation of a Corporate Property Investment Programme (CPIP) for the Council. The CPIP will be a long-term capital programme that intends to invest capital in the Council's own property assets, to ensure that the assets maintain/grow in value, do not depreciate in value and that they are compliant, fit-for-purpose, sustainable and provide a quality environment. It will be the financial programme that supports the outcomes of the SAMP and a detailed Operational Assets Strategy.
- 5.6 Strategic Property Services does not currently charge commercialised services to residents and businesses, like other departments in the Council, such as Planning or Building Control. With the introduction of increased capacity within the team, especially within the Property Information team, it will become possible to start offering chargeable services. This is a new area of opportunity for Strategic Property Services, both to improve the quality and scope of the service offered externally (not just internally within the Council) and increase revenue income to help support service delivery. The development and implementation of a Fees & Charges structure is in the SAMP Action Plan (Year 3).

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 There are several financial aspirations and further specific strategies referred to in the SAMP that will need to be considered at the appropriate time through future business cases and reports where detailed financial implications will be provided at the time.
- 6.1.2 Paragraph 2.5.2 of the SAMP refers to the need to increase the number of permanent posts from the current 6 to approximately 30 posts. There is currently no business case or approved revenue budget in place and these will need to be drafted and agreed with its own financial implications considered. The funding of any increase will need to be managed and sources of funding would include increasing

levels of income as aspired to in the SAMP or growth that will need to be managed as part of the budget setting process.

- 6.1.3 As detailed in section 5.5 of this report, Council approved £1.9M addition to the capital programme for the Corporate Property Investment Portfolio (CPIP) for 2019/20. Future approval of additional Capital resources will be in accordance with relevant governance.
- 6.1.4 The aim to introduce new fees and charges for services (5.6 of this report) is in line with the Council commercial approach and will need to be incorporated into the budget setting process and formally agreed annually as part of the Budget Report.
- 6.1.5 It is appropriate to account for the full market rent of all the Council's buildings, including operational assets to reflect the full cost and expected income from each asset as stated in the core principles of the SAMP.
- 6.1.6 The above and the reorganisation of the service will require an assessment of the various factors that will make up the service e.g. what size property team will be required to manage the estate, what the repair and maintenance requirements are, estimated level of customers for fees and charges, the level Facilities Management resources required etc. which will facilitate the setting of an appropriate and robust budget.
- 6.1.7 It is essential that the Council receives the appropriate level of return on all commercial ventures and that such a rate reflects the risk in individual investments. The Council will be updating its Capital Strategy, and this will set out expectations in respect of Internal Rate of Return (IRR), Payback Period and Net Present Value (NPV) assessments.
- 6.1.8 Paragraph 2.4.2 of the SAMP refers to the implementation of a new Asset Management System (AMS). The implementation of a new AMS will need to recognise the need to interact with the Council's main accounting system.

6.2 Legal Implications

- 6.2.1 Section 111 of the Local Government Act 1972 ("LGA") gives a local authority power to do anything which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions and the Localism Act 2011 provides the Council power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. In addition, section 112 of the LGA permits the appointment of such officers that the Council deems necessary for the discharge of its functions. The proposals set out in this report are consistent with this power.

- 6.2.2 The Health & Safety at Work etc. Act 1974 (also referred to as HSWA, the HSW Act, the 1974 Act or HASAWA) is the primary piece of legislation covering occupational health and safety in Great Britain. The Health and Safety Executive, with local authorities (and other enforcing authorities) is responsible for enforcing the Act and a number of other Acts and Statutory Instruments relevant to the working environment.
- 6.2.3 The contents of this report constitute a Key Decision as the recommendation to adopt the SAMP potentially has an effect across all wards of the borough. This item has been included in the Key Decision List reference: KD4806. Once approved, the decision to proceed will be subject to the usual five-day call-in period.
- 6.2.4 Local authorities are given powers under the 1972 Act to dispose of land in any manner they wish, including sale of their freehold interest, granting a lease or assigning any unexpired term on a lease, and the granting of easements. The only constraint is that a disposal must be for the best consideration reasonably obtainable.
- 6.2.5 Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003 disposal of land for less than the best consideration that can reasonably be obtained. The purposes of the Circular are to convey the Local Government Act 1972: General Disposal Consent 2003 ("the Consent"), and to provide guidance to those local authorities in England (listed in paragraph 3(1) of the Consent) which have land disposal powers under sections 123 and 127 of the Local Government Act 1972 ("the 1972 Act"). The Consent removes the requirement for authorities to seek specific consent from the Deputy Prime Minister and First Secretary of State ("the Secretary of State") for any disposal of land where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted ("the undervalue") is £2,000,000 (two million pounds) or less. It therefore offers authorities greater freedom than previously to exercise discretion in the disposal of their land, and the Circular aims to provide guidance on the exercise of this freedom.
- 6.2.6 Enfield Council governs all of its property transactions through the application of its own **Property Procedure Rules (PPRs)**, which form part of the Constitution and are approved by Full Council. The PPRs set out mandatory procedures regarding the acquisition, management and disposal of property assets and must be followed when transacting with another party using property in which the Council has an interest and commit the Council to a rigorous and business-like approach to the management of its property assets.
- 6.2.7 When delivering specific projects and where Planning Permission is required in respect of any project that proceeds beyond feasibility, considerations will be in accordance with the Town and Country Planning Act 1990 (as amended). The planning process requires statutory and public consultation. Works should not commence until

such time as approval is given and any pre-commencement conditions (if required) by the planning permissions are discharged.

6.2.8 Once planning permission is gained Building Regulations will need to be adhered to as part of the enabling and construction works.

6.2.9 All procurements of goods/services/works must be in accordance with the Councils Constitution, Contract Procedure Rules (“CPRs”) and, where applicable, the Public Contracts Regulations 2015. There is a range of EU compliant frameworks available to the Council to engage the services of construction contractors or technical support staff such as architects or quantity surveyors. The use of frameworks is permitted under the CPRs provided the P&C Hub has carried out due diligence on, and approved the use of, such frameworks. Any use of a framework must be in accordance with the framework terms.

6.3 Property Implications

Throughout the document

6.4 Procurement Implications

6.4.1 Any procurement to support the delivery of the SAMP must be undertaken in accordance with the Councils Contract Procedure Rules and the Public Contracts Regulations (2015)

6.4.2 Consideration of the use of any Framework Agreement must first be approved by the Procurement & Commissioning Hub, and it is essential that any procurement follows the framework process to remain compliant.

6.4.3 The award of contracts, including evidence of authority to award, promoting to the Councils Contract Register, and the uploading of executed contracts must be undertaken on the London Tenders Portal including future management of the contract.

6.4.4 All awarded contracts must be promoted to Contracts Finder to comply with the Government’s transparency requirements.

7. KEY RISKS

The key risks identified at this stage are:

7.1 The Council has not had a SAMP in place since 2009. Not having a SAMP or carrying out the associated action plan puts the Council at risk of non-compliance across its property assets, especially around Health & Safety Legislation.

7.2 It also means, that property decisions made reactively and from a siloed approach, do not create the best outcomes for the Council financially, for its staff or its residents.

- 7.3 The Corporate Manslaughter and Corporate Homicide Act 2007 was given Royal assent on 26 July 2007. Companies and organisations that take their obligations under health and safety law seriously are not likely to be in breach of the new provisions. Nonetheless, companies and organisations should keep their health and safety management systems under review, in particular, the way in which their activities are managed or organised by senior management.
- 7.4 Failure to comply with these requirements can have serious consequences – for both organisations and individuals. Sanctions include fines, imprisonment and disqualification. Under the Corporate Manslaughter and Corporate Homicide Act 2007, an offence will be committed where failings by an organisation’s senior management are a substantial element in any gross breach of the duty of care owed to the organisation’s employees or members of the public, which results in death. The maximum penalty is an unlimited fine and the court can additionally make a publicity order requiring the organisation to publish details of its conviction and fine.
- 7.5 It is also important that management of the asset portfolio ensures compliance with legal agreements, minimises the Council’s exposure to risk as a result of environmental, social and economic change and understands and addresses the Council’s exposure to risk of all kinds including financial, legal and reputational. The SAMP includes a table of the key risks (section 5).
- 7.6 Detailed Risk Registers will be produced for any significant project that materialises from the SAMP and subsequent strategies. Additionally, SPS will work with relevant “tenants” to ensure risks are appropriately included in their business continuity plans.

8. IMPACT ON COUNCIL PRIORITIES – CREATING A LIFETIME OF OPPORTUNITIES IN ENFIELD

8.1 Good homes in well-connected neighbourhoods

Supporting the provision of ‘Good homes in well-connected Neighbourhoods’ by leveraging the impact of development and regeneration schemes via our own land-holdings.

8.2 Sustain strong and healthy communities

Sustaining ‘strong and healthy communities’ through the optimisation of the Council’s operational property assets. All projects that materialise from the SAMP and various emerging strategies will consider the wider health and community benefits of the projects/proposals being put forward. Consideration will be given to how we can work smartly with our partners to improve quality of life and support independent living.

Managing property assets strategically will ensure the impact on Council objectives and its total property portfolio can be assessed more effectively.

8.3 Build our local economy to create a thriving place

Building our 'local economy to create a thriving place' by maximising opportunities in our commercial estate to drive income and employment.

The SAMP's purpose is to support the Council and Enfield reach its full economic potential whilst achieving and maintaining compliance within its buildings; supporting local businesses, attracting investment; increasing jobs and business growth; supporting and empowering the voluntary and community sector; and building strong and sustainable futures for our residents, environment and the economy.

9. EQUALITIES IMPACT IMPLICATIONS

9.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these diverse groups when designing and changing services, policies, staffing structures or budgets so that our decisions do not unduly or disproportionately affect access by some groups more than others.

9.2 Predictive EQIAs will be undertaken on relevant projects that materialise from the SAMP and various emerging strategies.

10. PERFORMANCE AND DATA IMPLICATIONS

10.1 Strategic Property Services are asking CIPFA to work with the Council to provide some initial benchmarking in relation to the roll-out of the Corporate Landlord programme and general asset management. They will validate the policy, the operational procedures and the way that they are being implemented. They will carry out benchmarking against other organisations as to how Enfield is faring in comparison.

10.2 The SAMP includes a high-level action plan and a set of KPIs. This report recommends to Cabinet that delivery of the SAMP and any related sub-strategies is delegated to the Head of Strategic Property Services within the boundaries of the Council's Constitutional Property Procedure Rules.

10.3 This report also recommends that monitoring of the SAMP and the action plan is delegated to the Council's Executive Management Team, via the provision, by the Strategic Property Services team, of an annual business report for the next 5 years.

- 10.4 Improvements to the existing Atrium system and the introduction of a new asset management system (as outlined within the SAMP) will ensure that the system is robust and can provide quality information to support the Corporate Landlord Policy and the delivery of the SAMP

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 Ensuring the health and safety of residents, staff and others using the Council's buildings is one of the top priorities for the effective management of the corporate estate.
- 11.2 The concept of Corporate Landlord is that the ownership of an asset and the responsibility for its management and maintenance is transferred from the service departments to a centralised corporate body. The service departments therefore become corporate tenants and make use of the property or land in delivering a service. There are specific responsibilities that fall to both landlord and tenant, depending on the nature of the asset and the service.
- 11.3 The Strategic Property Services team report to the Corporate H&S Committee on a quarterly basis, on the subject of compliance levels and associated workstreams, across the Council's property assets, as part of the Corporate Landlord programme.

12. HR IMPLICATIONS

- 12.1 The SAMP includes a section on the current level of staff and how the Council needs to commit to building capacity within the Strategic Property Services team, in order to deliver on the overall objectives, specific KPIs and Action Plan that are outlined in the SAMP.
- 12.2 The proposal on building the capacity within the SPS will be subject to a further departmental restructure report and will follow appropriate procedures.

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 The SAMP links to the Health and Wellbeing Strategy section 1.4 of the full SAMP (Part 2). The SAMP has considerable implications depending on how it is implemented. The built environment is an important determinant of behaviour and therefore health. Physical assets can therefore support or hinder health; each part of the SAMP should therefore consider how it can impact upon physical activity, healthy eating, alcohol consumption and smoking behaviour. This might include such as inclusion of changing facilities for health transport, ensuring that assets are close enough and accessible by active transport, that there is a preponderance of healthy good and less unhealthy food and smoking is stopped by reinforced smoking policies and that there is an expectation that where people do smoke it is out of sight and particularly out of sight of children.

- 13.2 Further implications of the SAMP are that it might release funding that might be used to support Enfield residents and that housing is fundamental to health as evidenced by the fact that the homeless have a life-expectancy approximately 35 years less than the national average.
- 13.3 SPS will work with officers from Public Health Team to ensure public health matters are imbedded within any relevant projects that materialise from the SAMP and various emerging strategies.

Appendix 1 – Strategic Asset Management Plan (Summary)

CONFIDENTIAL

Appendix 2 – Strategic Asset Management Plan (Full Version – attached to part two agenda)