

Report for: Cabinet 16 July 2024

Title: Strategic Asset Management and Property Improvement Plan (SAMPIP) - Update on Progress of Action Plan Year 1 Priorities

Report authorised by: Jonathan Kirby, Assistant Director, Capital Projects and Property

Date: 16th July 2024

Lead Officer: Amanda Grosse, Head of Strategic Asset and Accommodation Management

Ward(s) affected: All

**Report for Key/
Non-Key Decision:** Key

Describe the issue under consideration

- 1.0. Cabinet approved the Council's Strategic Asset Management Plan and Property Improvement Plan (SAMPIP) 2023-2028 on the 18 April 2023, which incorporated the property governance recommendations from the external independent Property Review. A link to both reports can be found here: [\(Public Pack\)Agenda Document for Cabinet, 18/04/2023 18:30 \(haringey.gov.uk\)](#)
- 1.1. This report provides an annual update on the progress to date for the 10 objectives of the Strategic Asset Management and Property Improvement Plan 2023-28 (SAMPIP 2023-28). The roadmap for Year 2 Priorities and the associated action plans for each objective is set out in Appendix 2).

2.0. Cabinet member Introduction

We are fortunate in Haringey that the Council holds a broad range of Council property assets. These include corporate properties that accommodate our staff and allow for service provision, our schools' estate, as well as commercial and retail units and industrial sites. With ownership comes responsibility and corporate assets can be the source of major cost outlays as well as a valued source of income, a component in service delivery and economic growth, and the provision of social-value amenities within the community. As a Council we must ensure that we are managing these assets to the highest standards on behalf of council taxpayers and for the benefit of all residents in the community.

The Strategic Asset Management and Property Improvement Plan (SAMPIP)

sets out the reasons why we hold these assets and how we care for them in line with statutory regulations, the needs of the services we provide and to the benefit of the communities we serve. The strategy provides the Council with a robust and transparent process that can show how and why decisions are made to maintain, invest, divest or repurpose assets.

This annual update provides Cabinet with a report on the progress made so far against our Year one objectives. I am pleased to report that there has been significant progress. However, we are constantly revising and renewing our approach and working alongside the appropriate scrutinising bodies to ensure we maintain the highest standards of strategic management and planning to protect the Council's property assets.

The Council has set ambitious Year 2 targets which align with our Haringey Deal commitment to 'getting the basics right', and our many property objectives in the Corporate Delivery Plan.

3.0. Recommendations

It is recommended that Cabinet:

- 3.1 Note and comment on this annual update of the Council's previously approved Strategic Asset Management and Property Improvement Plan (SAMPIP) 2023 – 2028 with specific reference on the progress made in Year 1 of the Action Plan. – this can be seen in detail in Appendix 2 of this report.
- 3.2 Agree that further Year 2 progress on SAMPIP will be brought back to Cabinet for annual review in April 2025.

4.0. Reasons for Decision

- 4.1. Like many local authorities the Council has faced serious challenges in relation to the management of its property assets. This is largely due to limited resources and reduced budgets which impacted on the Council's capacity to manage effectively and efficiently the Council's property portfolios.
- 4.2. The independent external property review, instigated by the Council in 2019/20, recommended 46 areas for improvement, which the Council has been addressing. The progress for the three core areas for improvement, are outlined below:
 - People and Resources
 - Governance
 - Best Practise – Policies and Processes
- 4.3. **People and Resources:** the Council recruited a permanent Assistant Director for Capital Projects and Property (CPP) in April 2021. Following this appointment the creation of a restructured Capital Projects and Property (CPP) Team came into effect in May 2022. The appointment of a new Assistant

Director and the CPP team has seen a vastly improved capacity to pursue a strategic approach in the management of operational and investment property portfolios. . The new CPP restructured team now has the right level of resource which includes a Head of Property and a Head of Strategic Asset and Accommodation Management. (see below CPP high level organisation structure).



- 4.4. **Governance:** The Council’s governance of property decisions was reviewed in 2020, and the revised changes led to improvements in policies and procedures that support the use of Council property in line with the priorities set out in the Corporate Delivery Plan (CDP). This review led to a restructure of Officer Boards that has delivered a more robust approach to business case-based decisions at a corporate level.
- 4.5. **Best Practice, Policies and Process:** Cabinet approved the Council’s first Asset Management Plan 2020-25 on the 11 February 2020. This was in line with the Chartered Institute of Public Finance and Accountancy (CIPFA)’s Strategic Asset Management Framework of August 2018. This included an expectation that the Council prepares an Asset Management Plan alongside its Capital Strategies for the 2020/21 municipal year. That Asset Management Plan (AMP) sets out an overarching strategy for the use of Council property and land to support the delivery of the Council’s Corporate Delivery Plan and Council services. It provided a baseline on property and land matters and supports the capital investment decisions identified in the Capital Strategy and the MTFS.
- 4.6. **Background context:** Cabinet approved the Strategic Asset Management Plan and Property Improvement Plan (SAMPIP) 2023-2028 on the 18 April 2023 which incorporated the external property review recommendations for improvement. The independent external Property Review, which was commissioned by the Council, highlighted the need to strengthen the existing property decision making governance processes to improve transparency and accountability in property transactional matters.
- 4.7. The SAMPIP identifies 10 key objectives, which are to be achieved within the next five years to ensure the Council’s approach in the management of assets

and property related decisions is open and transparent. Actions have been set under each of the SAMPIP objectives; the actions and progress made under each objective can be seen in Appendix 2 – SAMPIP Action Plan.

- 4.8. The SAMPIP Action Plan details the progress on the implementation of the 46 recommendations from the property audits, across three core themed areas, Governance, Best Practise & People. The action plan incorporates recommendations made from the External Property Review, as well as wider activity as part of our continued journey of improvement in the management of our assets and property.
- 4.9. The updated SAMPIP 2023-2028 provides the following:
 - An overarching strategy that sets out why the council holds property.
 - Strategic objectives that steer Council decision making and management of property.
 - A decision-making framework for evidence-based, open and transparent decisions relating to our asset and property transactions.
 - A set of action plans with measurable objectives and timescales, allowing for scrutiny of how the Council implements the SAMPIP objectives, improves the management of assets, and ensures robust decision-making on property-related matters.

5. Alternative options considered

- 5.1. The purpose of the report is to provide an update to the previous Strategic Asset Management & Property Improvement Plan (SAMPIP 2023-2028), report that approved by Cabinet on the 18 April 2023, therefore, this section is not applicable.

6. Background information

- 6.1. Cabinet approved the Strategic Asset Management Plan and Property Improvement Plan (SAMPIP) 2023-2028 on the 18 April 2023 and incorporated the recommendations from the external property review into the SAMPIP action plan. A link to both reports can be found here: ([Public Pack](#))[Agenda Document for Cabinet, 18/04/2023 18:30 \(haringey.gov.uk\)](#)
- 6.2. The 10 SAMPIP objectives have a corresponding action plan, each action plan breaks down how the Council will implement, deliver, and measure performance. The action plan outlines Year 1 activities and proposes the direction for Years 2 to 5. This would be subject to further analysis of the progress made in preceding years and any reassessment of corporate objectives in the context of government, demographic and economic considerations.

- 6.3. The actions are measurable and will be taken through the property governance process to ensure transparency. Council Members will be fully informed of progress. This will also assist the Council when working with partners and other public sector bodies.
- 6.4. Although the SAMPIP actions will be owned by the Capital Projects and Property (CPP) team, the activities require joint working across the Council to ensure their successful delivery and the appropriate management of interdependencies.

Action Plan - Year 1 Key Achievements and Successes

- 6.5. This section of the report summarises the progress of the Year 1 action plan for each of the 10 SAMPIP objectives, in particular the achievements and successes, this is detailed as follows:

Objective 1: To ensure the Council property works for the benefit of residents and achieves value for money for the Council while supporting financial sustainability.

- The baseline data has been compiled for all corporate property assets that are utilised for Council service delivery. This has enabled us to successfully carry out asset performance assessments (APA) with service areas in each council Directorate.
- The procurement activity has commenced to re-tender the supply chain for repairs, maintenance and statutory compliance to ensure the Council achieves value for money maintenance of its property assets.

Objective 2: To ensure that our property meets our service needs across Adults, Health, and communities, Placemaking and Housing, Children's Services, Environment and Resident Experience & Culture, Strategy and Engagement.

- An internal working group has been established to develop a new leasing model for Voluntary and Community Sector (VCS) organisations occupying or seeking to occupy Council-owned buildings. There has been positive engagement with leaseholders, local communities and partner organisations to assist in the co-production of the Haringey VCS Leasing Model. The Cabinet signed off a process of engagement with the sector in March which is now in train, with the expectation that a full policy will be returned to Cabinet later this year.

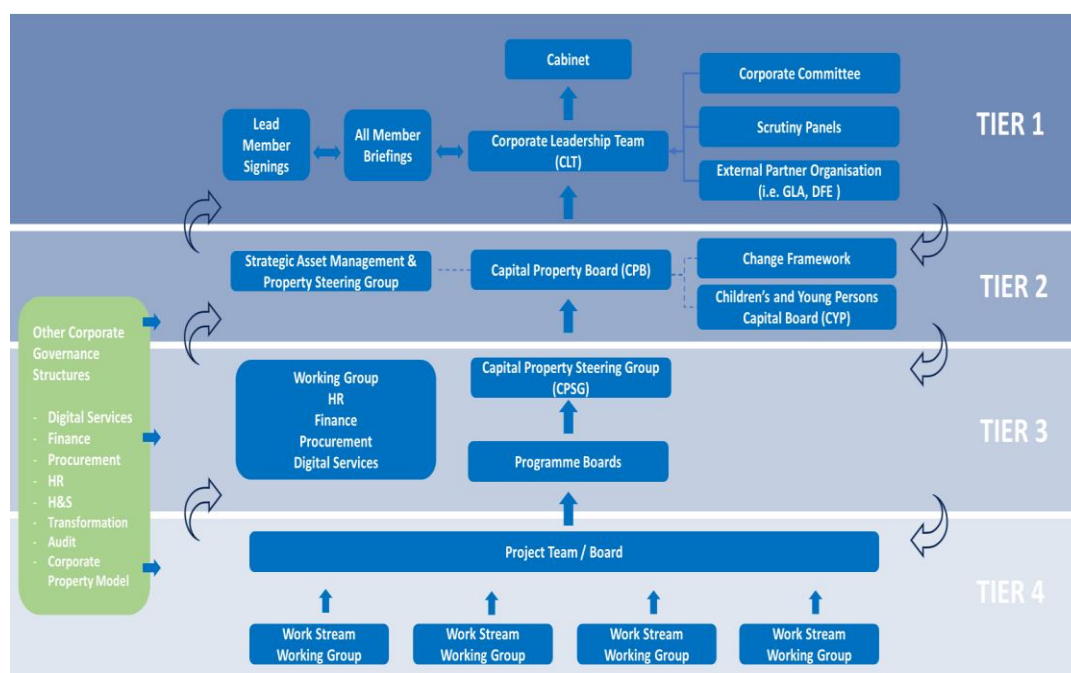
Education Funding and RAAC update:

- Significant progress has been made with Children's Services on implementing the Safety Valve programme. The Safety Valve programme will deliver five units for approximately 118 pupils with special education needs to receive appropriate support in new or significantly remodelled facilities.
- The Council has been undertaking reinforced autoclaved aerated concrete (RAAC) remedial works, which was discovered in in three schools. RAAC was discovered in ceiling structures at Park View School, Hornsey School for Girls and Welbourne Primary School. The council worked collaboratively with each school to minimise the immediate disruption to learning and identified how areas could be used by installing structural supports to the RAAC ceilings.
- A suite of temporary classrooms was installed at Park View School, whilst classrooms have been restored to use at Hornsey School for Girls and Welbourne Primary School ensuring that the children's education is continued in a safe environment
- Hornsey School for Girls and Welbourne Primary have been included in the Department for Education's (DfE) School Rebuilding Programme (SRP) and are expected to receive investment in the next 4 to 6 years. Works to remove RAAC at Park View will be delivered by the council, funded by the DfE.
- Officers successfully lobbied the Department for Education (DfE) to reverse its decision that would have excluded Fortismere School from the SRP. The main teaching block that was the focus of the original application is now expected to be rebuilt within the next 4 to 5 years.
- The Children's Capital Programme will continue to prioritise works to address the condition needs of the council's schools' estate where the council is responsible for major improvements. These include roof and window replacements. However, central government funding meets less than half the cost of the annual programme.
- An Education Strategy Board has been established to include Headteachers and other key stakeholders for the development of an Engagement and Development Plan for our schools' estate.

Objective 3: To use our asset base to enable placemaking where the need and opportunity is greatest for people who live, work, and visit the borough, ensuring the Borough's diverse communities are celebrated.

- An Asset Review Process has been established to guide property decisions to either retain, invest, divest or re-purpose assets. Under the Council’s updated Property Governance structure this process falls within the remit of the Officer led Strategic Asset Management and Property Steering Group (SAMP SG), where all property recommendations are made (see below flow chart).

Capital Projects & Property Governance Structure – February 2024



Objective 4: To implement the restoration of the Civic Centre as part of an Accommodation Strategy that provides high quality sustainable workspace for all staff across the Borough.

- The Civic Centre Redevelopment project is moving forward. Planning permission was granted and validated in the Autumn of last year, and the project team are currently in the process of evaluating contractor tender returns with the intention to recommend a preferred contractor to members in coming weeks.
- The project has a successful engagement strategy which includes: a project website; staff communications/consultations; Members’ Forum with councillors who oversee the development of the programme; pre and post planning engagement with schools, church, and community for the co-production of the garden. The engagement strategy also focuses on areas

such as sustainability (aiming for BREEAM standards), accessibility and inclusivity, and memorial/commemoration.

- A Civic Centre Programme Board, chaired by the Chief Executive, has been set up to provide governance and oversight for the interrelated projects identified to achieve the strategic aims and benefits underpinning the business case for the Civic Centre including transformation in ways of working, use of the existing estate to support income generation and regeneration. The projects within programme are BUILD, EQUIP, MOVE, ENLIVEN, ESTATE and ENGAGE and will link with other Corporate Delivery Plan (CDP) high priority projects - known as Category A projects.

Objective 5: To establish a corporate property model (CPM) that holds all non-residential property and budgets centrally, in accordance with good practice.

- The Corporate Property Model (CPM) workshops have been delivered to all Council Directorates, Adult. Health & Communities, Children Services, Environment & Resident Experience and Culture, Strategy & Engagement.
- The initial data analysis work relating to the transfer from services of property related budgets and staff who deliver facilities management functions has been completed.
- The Asset Challenge and Assets Review Report for Adults, Health and Communities directorate has been undertaken, following the completion of all the service asset performance assessment (APA) reviews in the Adults, Health and Communities directorate. The APA process involved an assessment of every operational asset's suitability and service delivery looking at location, building size and configuration, technology, utilisation, social value, future suitability, and accessibility. A similar exercise was carried out by the Strategic Asset Management team to focus strategically at the suitability of each asset. This involved assessing each building based on building condition, potential for redevelopment/intensification, capacity, utilisation, carbon efficiency, capital expenditure requirements, social value and effectiveness of capital deployed. Where documentation was available such as condition surveys, EPC ratings, these were used to support the matrix scoring.
- The Asset challenge process for the remaining Directorates is on-going.
- Work is in progress to review how we deliver Facilities Management (FM) Services. This includes setting an overall Facilities Management (FM) Policy, a Premises Responsible Person (PRP) Policy to ensure clarity

about roles and responsibilities in managing our operational buildings. This will also include an FM Service Delivery Matrix that provides clarity on level of service delivery that will be provided for each operational and corporate asset under the Corporate Property Model (CPM).

Objective 6: To complete a commercial portfolio review which will inform our future approach to industrial, community and retail property portfolios to maximise income opportunities and efficiency of running costs across the council's property portfolio, including investment and divestment opportunities.

- Cabinet has granted approval for the disposal of Shaftesbury Road Industrial Estate. The Property team are in the process of agreeing terms with the proposed Agents who will carry out the disposal of Shaftesbury Road on behalf of the Council.

Objective 7: To ensure open and transparent decision making, via a robust governance framework, updated policies & procedures and implementation of a fully resourced property team.

- The Independent External Property review (“The Review”) was commissioned so that lessons could be learnt from previous property transactions. The Review was commissioned by the Leader and the Chief Executive. The Terms of reference were agreed with the Leader of the Opposition party who also had the opportunity to meet the Independent Reviewer. External Property Review ([Public Pack](#))[Agenda Document for Cabinet, 18/04/2023 18:30 \(haringey.gov.uk\)](#)
- A full review of the current governance, policy and processes had taken place prior to this review. The council is carrying out further improvements within all areas of Property and Asset Management, which will be brought to forthcoming Cabinet meetings, as part of our Strategic Asset Management and Property Strategy update.
- Terms of reference have been reviewed to clearly state that the Boards make recommendations as opposed to Decisions.
- Property Governance Boards now include a standing item to report on SAMPIP action plans update.
- Additional governance measures have been implemented in the form of the Strategic Asset Management & Property Steering Group (SAMP SG) which reports into the Capital Project Board and then Cabinet to ensure decision making transparency and rigour.
- Policies and procedures are under review and will be brought through to Cabinet for approval as part of the annual update.

Objective 8: To create a strategic framework informed by performance data that will support the prioritisation of capital investment decisions.

- An asset performance assessment (APA) toolkit has been fully developed and is being used to assess performance of assets across the operational portfolio. This has assisted in the identification of service needs and the prioritisation of future capital works programmes.

Objective 9: Working with public sector partner organisations, to adopt a One Public Estate (OPE) approach, where possible, which utilises assets for public good.

- Refurbishment work is underway for the Neighbourhood Resource Centre (NRC) in Northumberland Park ward being provided with the budget for approved refurbishment works.
- The Communities and Partnerships service are moving into the next phase of the Community Hubs work, the purpose of which will be to develop a detailed business case and a target operating model.

Objective 10 To deliver Zero Carbon and Low Carbon Council Buildings, in line with the Climate Action Plan including maximising technological and digital solutions via smart buildings.

- The initial data compilation and analysis of the EPC ratings for operational and commercial properties has been undertaken.
- We have recently applied for Salix funding for Phase 5 Public Sector Low Carbon Skills Fund (LCSF) for 16 Council owned for the purpose of building audits and feasibility works and occupied buildings (that includes five Schools and two Libraries). These 16 buildings have been chosen as they have works planned around heating and infrastructure (within the next three years) and this funding offers up savings around installation.
- The Civic Centre Redevelopment is aiming for BREEAM standards.
- The Councils newly appointed Renewable Energy Officer has been tasked with assessing and ensuring the Councils solar systems are operating to the deliver the maximum energy generation. Once this has been delivered, they will work on increasing the number of systems across our portfolio.

7.0. Contribution to CDP strategic outcomes

The Strategic Asset Management and Property Improvement Plan (SAMPIP) sets out an overarching strategy for why the council holds property and a decision-making framework for how we manage our assets to support the delivery of Council services and the Council's Corporate Delivery Plan.

The SAMPIP sets the vision and strategy for the property function and contains a detailed Action Plan for delivery, which includes the transition towards a Corporate Property Model (CPM) to facilitate this.

As a Category A Project the delivery of the SAMPIP objectives and the decision-making toolkits will support the delivery of the council's priorities as set out in the Corporate Delivery Plan (CDP).

8.0. Carbon and Climate Change

The Energy Performance Certificate (EPC) is a key performance indicator in the CDP. Survey work to determine the EPC ratings for operational and commercial properties is progressing and we are identifying the next batch of properties with expired EPCs to be surveyed. This exercise will ensure that the Council has assessed whether all properties in the investment portfolio meet the Minimum Energy Efficiency Standards (MEES) regulations.

A rating of C will be required for new commercial property leases from April 2025, or 2027 in the case of existing leases, and an anticipated minimum of a B rating by 2030.

Utility information has been provided for the schools' estate and is currently being evaluated in preparation for the next round of the Mayor of London's Retrofit Accelerator – Workplace programme. The Children's Capital Programme of works is under review and as previously reported replacement works will prioritise improvements that reduce energy costs, such as improved insulation and/or the replacement of any remaining single pane glazing.

9.0. Statutory Officers comments (Chief Finance Officer (including procurement), Head of Legal and Governance, Equalities)

9.1 Finance

The Council's current General Fund property estate includes a wide range of land and buildings with a total value of £1.551 billion (for accounting purposes) as at 31st March 2023. Within the GF assets, nearly £1.201 billion worth of assets are used for service operational purposes and just over £0.113 billion are held for non-operational purposes (i.e. lettings to businesses and community groups). The remainder amounting to £0.238 billion is made up of community assets (parks, open spaces, transport infrastructure and plant

vehicles/equipment). The capital strategy agreed by Council at its budget setting meeting of the 4th March 2024 includes an approved General Fund capital programme of £583.5m 2024/25-28/29. This level of budgeted activity will require the application of a considerable project management resource to be achieved.

The inclusion of a scheme in the capital programme is not an immediate authority to spend. A large proportion of the capital programme requires the completion of a satisfactory business case prior to the release of capital funding. The business case serves to validate the high-level assumptions used in the compilation of the capital programme.

9.2. Strategic Procurement

Strategic Procurement have been consulted in the preparation of this report. Strategic Procurement note the recommendations in section 3 of this report are not a procurement related decision.

Strategic Procurement see no procurement related reason why the report cannot be approved.

9.3. Legal

The purpose of the SAMPIP is to ensure that the Council uses and manages its asset portfolio to meet its needs and objectives. It is good practice for the Council to have an asset management plan and recommended by CIPFA.

This report provides the first annual update on the progress made on the SAMPIP objectives. There are no legal issues contained in this report.

9.4. Equalities

The council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and

sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

The updated Strategic Asset Management and Property Improvement Plan sets out an overarching strategy for the reason why the council holds property and a decision-making framework of how we manage our assets to support the delivery of Council services and the Council's current Corporate Delivery Plan.

These objectives are designed to reduce existing inequalities, advance equality of opportunity, and foster good relations among Haringey's communities. To the extent that the Asset Management Plan supports the achievement of the Borough Plan objectives it will enable Haringey Council to meet its public sector equality duty.

Any subsequent new or revised policies that underpin the Strategic Asset Management and Property Improvement Plan will be subject to screening for equalities impact and equalities impact assessment where appropriate. The council has a Public Sector Equality Duty (PSED) under the Equality Act (2010) to have due regard to the need to:

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10. Use of Appendices

Appendix 1 – Strategic Asset Management and Property Improvement Plan (SAMPIP) 2023-28

Appendix 2 – Year 1 - Action Plan updates

11. Background Papers

Strategic Asset Management and Property Improvement Plan (SAMPIP) 2023-28 ([Public Pack](#))[Agenda Document for Cabinet, 18/04/2023 18:30 \(haringey.gov.uk\)](#)

External Property Review ([Public Pack](#))[Agenda Document for Cabinet, 18/04/2023 18:30 \(haringey.gov.uk\)](#)