

September
2014

Strategic
Asset
Management
Plan

BARNET
LONDON BOROUGH



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Glossary of Terms

ACB	Assets and Capital Board	HRA	Housing Revenue Account
ALMO	Arms Length Management Organisation	IPAMS	Integrated Property Asset Management System
ALP	Assets, Land and Property Rules	LABV	Local Asset Backed Vehicles
ARG	Assets, Regeneration and Growth Committee	LBB	London Borough of Barnet
ATRIUM	Database Software	LDF	Local Development Framework
AWS	Agile Working Strategy	NLBP	North London Business Park
CAS	Community Asset Strategy	NLWA	North London Waste Association
CCG	Clinical Commissioning Group	NSCSO	New Support Customer Services Organisation
CLP	Corporate Landlord Policy	OARS	Office Accommodation Rationalisation Strategy
CSG	Customer Services Group	Re	Regional Enterprise
CSO	Customer Services Operation	RICS	Royal Institution of Chartered Surveyors
CVS	Council for Voluntary Services	SAMP	Strategic Asset Management Plan
DRS	Development and Regulatory Services	SPA	Sport and Physical Activity Review
ECH	Edgware Community Hospital	TOM	Target Operating Model

Part 1

Strategic Context

In This Section

1. Vision & Aims

2. The Barnet Context

Part 1 Strategic Context

Overall Vision/Aim

1.1

The London Borough of Barnet (LBB) holds property to sustain and support its corporate objectives as set out in the Corporate Plan, and other strategies.

The aim of the Strategic Asset Management Plan (SAMP) is to set out the Council's vision, aspirations and objectives for its land and property assets portfolio, and to outline a five year plan for how it intends to achieve these outcomes.

This document replaces the Estates Management Strategy 2011-2015 and should be read in conjunction with the Council's land and property rules.

Why Formulate a Strategic Asset Management Plan?

1.2

The Strategic Asset Management Plan is a key corporate strategic tool which sets out the London Borough of Barnet's property objectives, focussing on how the Council intends to utilise its asset base to deliver its Corporate Plan.

The SAMP will be used by Elected Members, Officers and Partner organisations to support/inform any decision related to property assets and should be treated as the key reference point for all future property portfolio decisions.

The Strategic Asset Management Plan

1.3

Asset Management is the generic process that seeks to ensure that land and buildings, as the asset base of an organisation, are structured in the best corporate interests of the organisation concerned.

The strategic plan refers to land and buildings only. It aligns the asset base with the organisation's corporate goals and objectives and responds to all functional and service delivery requirements of the organisation. This will enable the council to meet its statutory and other obligations to deliver various operational functions and services within the borough.



Hendon Town Hall

Asset Strategy – Objectives

1.4

The SAMP provides a framework within which the London Borough of Barnet can secure the operational and financial benefits of an Estate which aspires to standards of best practice. It will address the need to secure the maximum potential economic benefit whilst supporting delivery of the Council's objectives through, providing services, enabling community participation, delivery, growth and regeneration.

The objectives of the SAMP are to:

- ① Articulate a vision for Council land and property assets over the next five years in support of the council's objectives.
- ② Set out a strategic approach in respect of the Council's land and property assets so the portfolio is managed as a whole rather than considering assets in isolation.
- ③ Shape the Council's operational estate to optimise service provision and meet the needs of customers.
 - Ensure that operational properties are appropriately located, provide flexible accommodation at appropriate cost, are in good condition and are accessible to all.
 - Achieve a reduction in the overall use of operational space to achieve savings.
 - Reduce the running costs of buildings and benchmark costs in use against peer groups.
 - Develop an Office Accommodation Strategy, achieving efficiency in the use of space through Agile / remote working and to maximise co-location of services working with partners.
- ④ Ensure that the procurement of works for buildings meets sustainable design criteria and those buildings are maintained and managed for maximum energy and resource efficiency.
- ⑤ Support longer term regeneration and growth by preparing business cases for retaining, acquiring or disposing of assets ensuring best consideration is achieved and where relevant community and social value is taken into consideration.
- ⑥ Provide a framework against which strategies for council assets such as highways, housing and parks can be developed.
- ⑦ Develop an approach that maximises letting income and where relevant, this should be balanced against community or social value and;
- ⑧ Achieve efficiencies by sharing assets across the public sector.

2.1

The Borough: a brief overview

The London Borough of Barnet is the second largest London borough by population and covers an area of 86.74 square kilometres (33 sq miles).

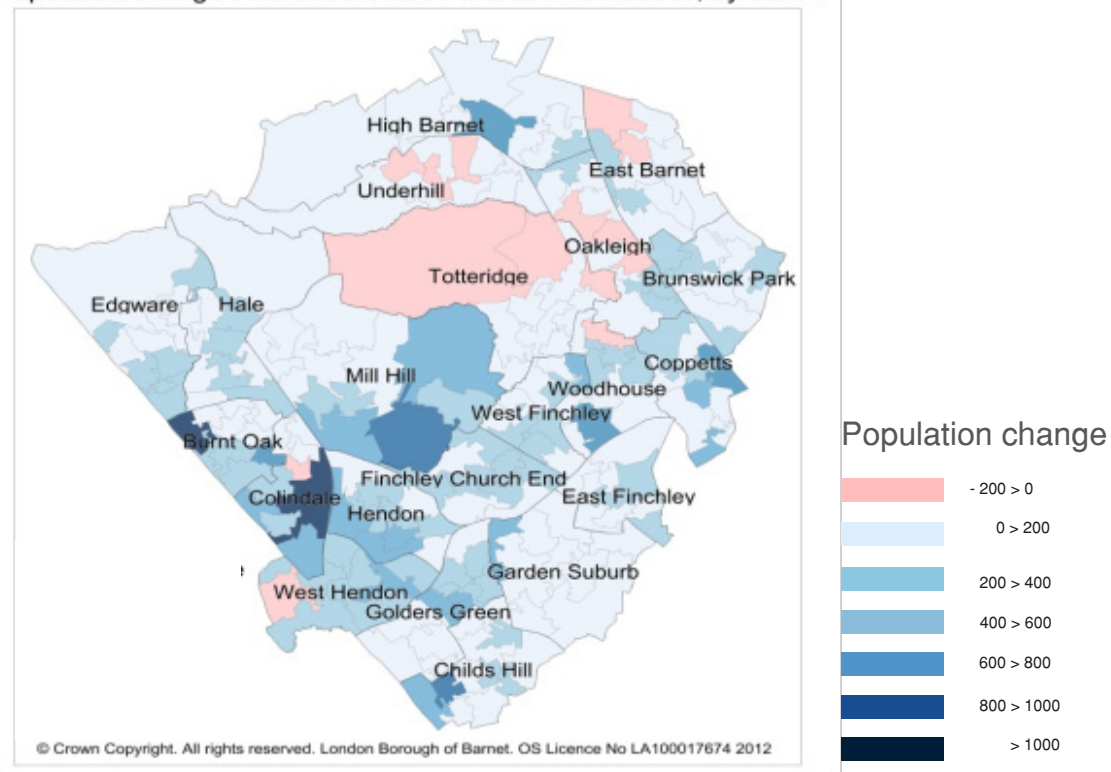
The Borough was formed in 1965 and stretches from Edgware to Brunswick Park and High Barnet to Childs Hill. The 2011 census reported 135,900 households in Barnet with an average occupation of 2.6 persons. One in three households live in a flat with a general trend towards smaller single income households and 81,000 individuals living alone.

The total population for Barnet in 2013 amounted to 362,065 individuals projected to increase by 2041 to 445,422.

The Local Economy within Barnet is characterised by a higher than average proportion of high income earners than the rest of the UK and is characteristically:

- ⦿ A local economy made up mainly of small and medium-sized businesses.
- ⦿ Lower than average rates of unemployment for London and a higher than average rate of VAT-registered businesses.
- ⦿ Residents with better than average qualifications earning higher than average wages and salaries - many in jobs in Westminster and the City.
- ⦿ A workforce that earns a little below the average for London.

Population change between the 2001 and 2011 censuses, by LSOA



London Borough of Barnet Corporate Plan

The Corporate Plan 2013-2016 sets out objectives and measures against which progress will be judged.

The Corporate Plan Strategic Objectives are:

- ① Promote responsible growth, development and success across the borough.
- ② To support families and individuals in need promoting independence, learning and wellbeing.
- ③ Improve satisfaction of residents and businesses within the London Borough of Barnet as a place to live, work and study.

Key Issues under the Corporate Plan

The Corporate Plan outlines a number of themes relating to asset management.

To meet these priorities the Strategic Asset Management Plan seeks to:

Maximise financial returns from Commercial Assets and long term income / capital generation from development opportunities

Description: The purpose of this objective is to ensure that the council receives the best possible income or receipts from those council owned properties and lands which generate rent or have been identified for disposal.

Solution: The SAMP will outline the approach to maximising income from both commercial assets and development opportunities. Maximise efficient and effective use of Public and Civic Buildings in the delivery of council Services.

Maximise efficient and effective use of Public and Civic Buildings in the delivery of Council Services.

Description: To ensure that council services are provided through facilities which are both fit for purpose and utilised in the most cost effective way.

Solution: The SAMP will outline the approach and methodology for maximising the effective use of the Public Estate.

Maximise efficient and effective use of council assets for Community use.

Description: The large and growing number of community based groups places an increasing demand upon existing, ageing council assets allocated for community use. The intent is to ensure that access to council assets is local, fit for purpose, cost effective wherever possible and forward plans are agreed with Stakeholders.

Solution: The SAMP will set out the scope of the Community Asset Strategy and prepare the ground for the publication of the Community Asset Strategy in December 2014. The document will set out an approach to assets primarily utilised by the community and will consider where other council assets can be released to enhance the council's relationship with the community, or promote capacity-building or other forms of social and community value.

Establishing a decision making body which manages the interface between the new Service Provider and the council.

Description: The Assets and Capital Board has been created to ensure officers of the council hold the service provider to account for delivery of the estate services.

From the point of view of council Members, reports for decision makers will be submitted in accordance with the council's constitution. It is also envisaged that consultation with stakeholders, such as council Members, will continue as normal (for example, as in the case of Disposals and Rent Reviews). The Asset, Regeneration and Growth (ARG) Committee has responsibility for asset management as set out in the council's constitution.

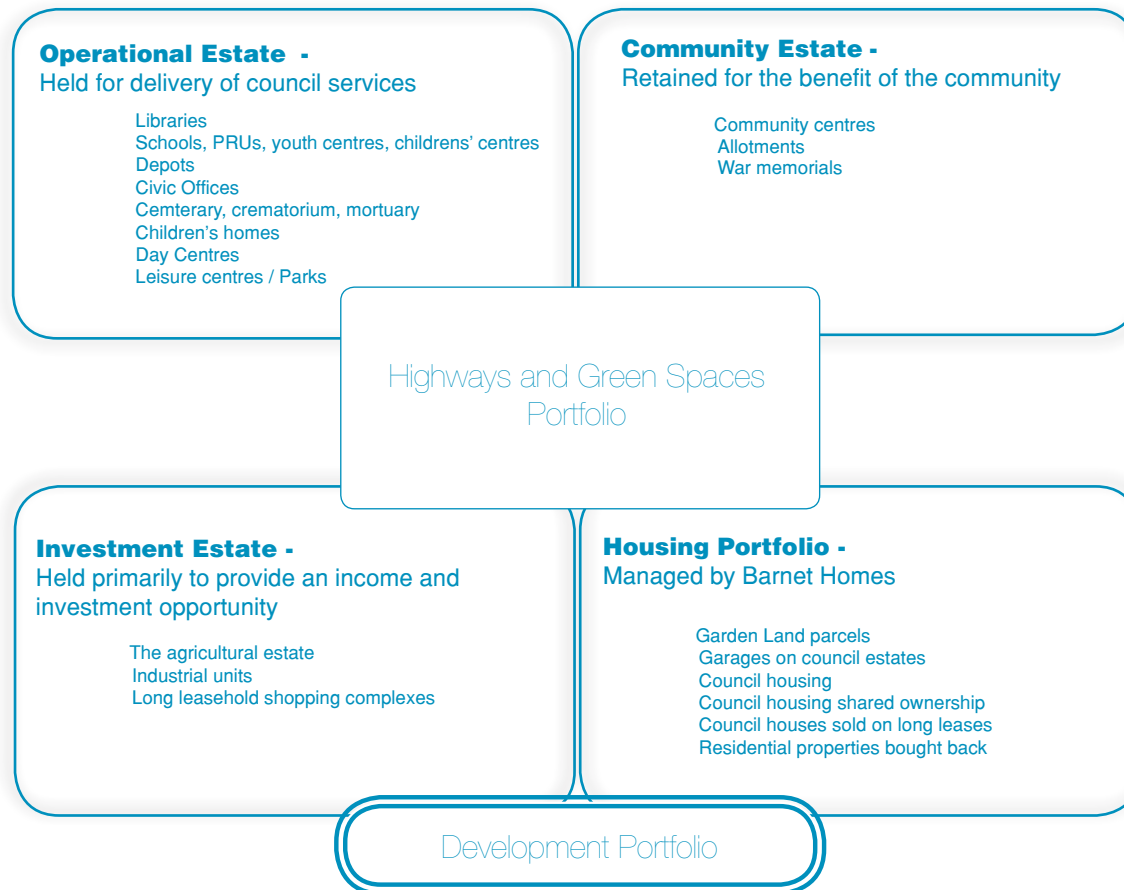
Solution: The Asset and Capital Board will ensure that officers manage the interface between the service provider and the council. Decisions relating to property and asset management will be taken by the assets, Regeneration and Growth committee in accordance with the Assets, Land and Property (ALP) rules.

Part 1 Strategic Context

2.3

Current Asset Base

In terms of the overall portfolio the individual asset types as at December 2013, are as follows:



2.4

Portfolio Details

A full property list will be published in accordance with the Transparency Agenda.

A summary of the income producing property portfolio can be found in Appendix 2.

Adapting the Estate

The performance of property assets should be monitored and assessed in both functional and financial terms. In managing assets, the portfolio should be subject to the following tests:

- ⦿ Is there a clear rationale for owning or holding property?
- ⦿ Does a particular asset assist service delivery or generate income?
- ⦿ Is there any beneficial purpose in its retention? e.g. a growth or regeneration opportunity or a wider public service benefit?
- ⦿ Are the individual properties fit for their intended purpose? Quantify the performance and return from any given property asset.

The Council will set objectives based on performance which will be reviewed and monitored to ensure that they are being met and are still relevant.

In summary these tests and corresponding decisions could lead to disposals or acquisitions which will enhance the performance of the property portfolio.

2.5

Part 1

Strategic Context

2.6

Disposals

As the asset management policy is developed, land and property assets held by the council should be considered for disposal and potentially surplus to requirements if any of the following statements apply:

- ⦿ The asset no longer makes a positive contribution to the current delivery of council services;
- ⦿ The asset has no potential for future strategic regeneration and / or redevelopment purposes;
- ⦿ An alternative site can provide a more cost effective and/or efficient point of service delivery.
- ⦿ There is no adopted and resourced council plan/policy/strategy, which will bring the asset into beneficial use in the foreseeable future.
- ⦿ Consideration of long term income streams as alternative to disposals or;
- ⦿ There is no potential for advantageous shared use with partners.

Acquisitions

2.7

Land and property interests should be considered for acquisition if the following circumstances apply:

- ⦿ The acquisition will make a positive contribution to the current delivery of council services.
 - ⦿ The acquisition will make a positive contribution to reducing occupational cost.
- All other methods for the delivery of the service have been investigated and an option appraisal has been undertaken which highlights acquisition as the most economic and efficient means of service delivery.
- ⦿ The acquisition of the interest has potential for future strategic regeneration and / or redevelopment, or contributes to wider corporate objectives and appropriate funding has been identified.

Part 2

Shaping the Future Estate

In This Section

3. Operational Estate

4. Community Estate

5. Highways and Parks Estate

6. Investment Estate

7. Housing Portfolio

8. Development Portfolio

Civic Estate – Office Accommodation Rationalisation Strategy

3.1

The principle aim of accommodation rationalisation is to secure a significant reduction in the core civic estate in the short term whilst appraising a potential move to a new fit for purpose office environment in the medium term.

The opportunity to revise the civic portfolio arises from a combination of break clauses and lease expiries as follows:

- 04/2015 Lease Break notice on NLBP 4 to be served by the Council
- 10/2015 Lease Break Date on NLBP 4
- 07/2020 Lease Expiry Date on NLBP 2
- 09/2032 Lease Expiry Date on Barnet House

At the current time (September 2014), the total occupational cost in relation to NLBP and Barnet House per annum is as follows. In each instance these figures include rental, service charge, rates and general running costs.

Building 2 North London Business Park (NLBP): £1,635,088
 Building 4 North London Business Park (NLBP): £5,387,485
 Barnet House: £1,563,279

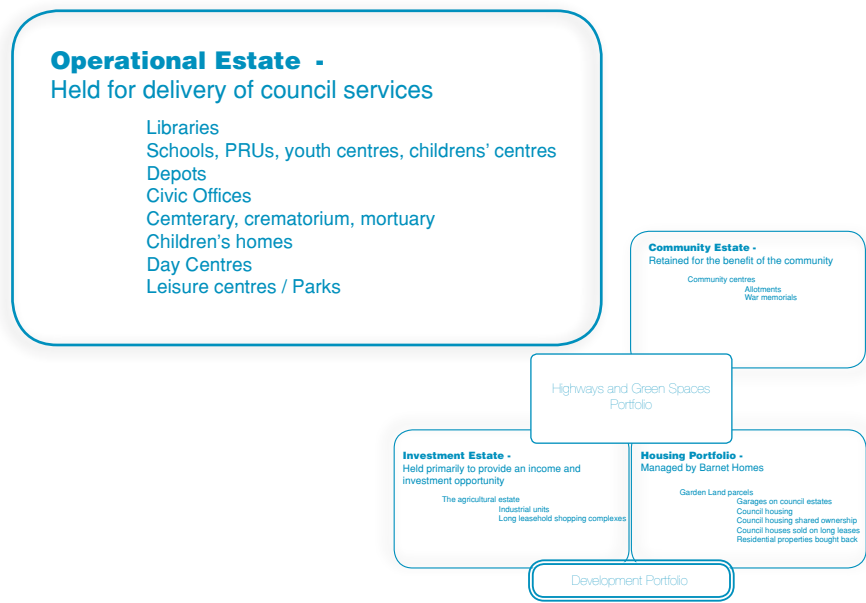
In terms of the current footprint the relevant floor areas are as follows:

1. Unit 4, NLBP 169,000 sq ft
2. Unit 2, NLBP 44,754 sq ft
3. Barnet House 70,000 sq ft

TOTAL= 284,700. Sq ft

The current office accommodation includes a significant amount of unused space. Reducing this, along with the introduction of more flexible and agile working environment will enable the council to occupy a much smaller footprint in the future. It is currently envisaged that the revised estate footprint for the core civic accommodation is in the region of 125,000 square feet.

The rationalisation of the civic estate will produce direct savings in terms of reductions in the annual rental payments and associated property costs.



In terms of the status of the OARS project to date the position is as follows;

A number of options were reviewed which included do nothing, manipulating the existing estate or identifying an alternative location;

The most cost effective short term option which would meet the target aim of reducing the cost of office accommodation by circa £3m per annum from 2014 is;

- a) Operate break Clause on NLBP Unit 4
- b) Consolidate into NLBP unit 2 whilst negotiating occupation of the vacant second floor space and,
- c) Maximise occupation of Barnet House.

The first stage is to exercise the break clause on NLBP, building 4 which was approved by ARG in July 2014.

In the longer term, it is recommended that a detailed review is undertaken on the potential relocation to a bespoke development in Colindale, either to occupy rented accommodation or for the council to build /purchase accommodation and own it outright. The relocation to a bespoke office is likely to be able to further increase space efficiency, reduce running costs and maintenance costs.

Part 2

Shaping the Future Estate

Civic Estate – Office Accommodation Rationalisation Strategy

3.1

Customer Access Strategy

The forthcoming Customer Access Strategy, due for development in autumn 2014 and approval in February 2015, will analyse how customers are accessing Barnet services currently, and how this compares to their access preferences. This strategy should set out the optimum model for customer access that will drive the customer access change programme over the next five years.

The council is investing in online access, and the creation of the Capita partnership has included significant investment in a new website a 'My Account' self-service facility, due to be launched late 2014. These new facilities are expected to facilitate significant channel shift away from both the telephone and face to face channels towards the self-service option of the web.



The introduction of a new customer relationship management system will, for the first time, enable the collection of data which will inform the council which customers are using the two main face to face access centres (Barnet House and Burnt Oak Library).

- ① Journey start points.
- ② Why this is their preferred access channel and,
- ③ What the opportunities to reduce demand might be.

Data on customer needs, preferences and satisfaction levels will be used to evaluate the potential to consolidate into one main customer access centre without compromising service accessibility or customer satisfaction.

There is also the potential for a 'neighbourhood hub' approach to customer access, where customer advisors are based in local communities rather than large fixed access centres. The SAMP will ensure that the aims of the customer access strategy are addressed from a property point of view. This will include a review of the potential for creation of neighbourhood hubs, in line with the town centre strategy.

Part 2 Shaping the Future Estate

Civic Estate – Office Accommodation Rationalisation Strategy

3.1

Accommodation requirements for the next five years and beyond

Once the estate has been consolidated into Unit 2, NLBP and Barnet House, it is considered that this will provide a short term solution only for approximately three years whilst the medium term solution is identified.

In the medium term the preferred option is to identify a site for a new build bespoke development which will provide a modern working environment with sufficient flexibility to allow for changes in the overall footprint as demand for space fluctuates. In re-housing the council office estate, the options available to the council will be considered in the light of accessibility, ease of access and location.

A location in the west of the borough is favoured as the current population of around 360,000 individuals is anticipated to raise to 400,000 individuals by 2020 the majority of who will be based in the western region of the borough (e.g. Edgware, Hendon, Colindale, and Burnt Oak) which is currently isolated from the present civic buildings.

Whilst the SAMP will govern the methodology for achieving the ideal Civic Estate the precise shape and structure of the Civic Estate in the medium term will, to some extent, be dictated by the need to maintain appropriate and relevant multi-agency, face to face facilities in the key town centres.

In terms of multi agency facilities, the forthcoming Customer Access Strategy will determine the precise design, location and composition of those facilities based on a pre-determined need and identified requirement.

Sports and Leisure Activities Strategy

3.2

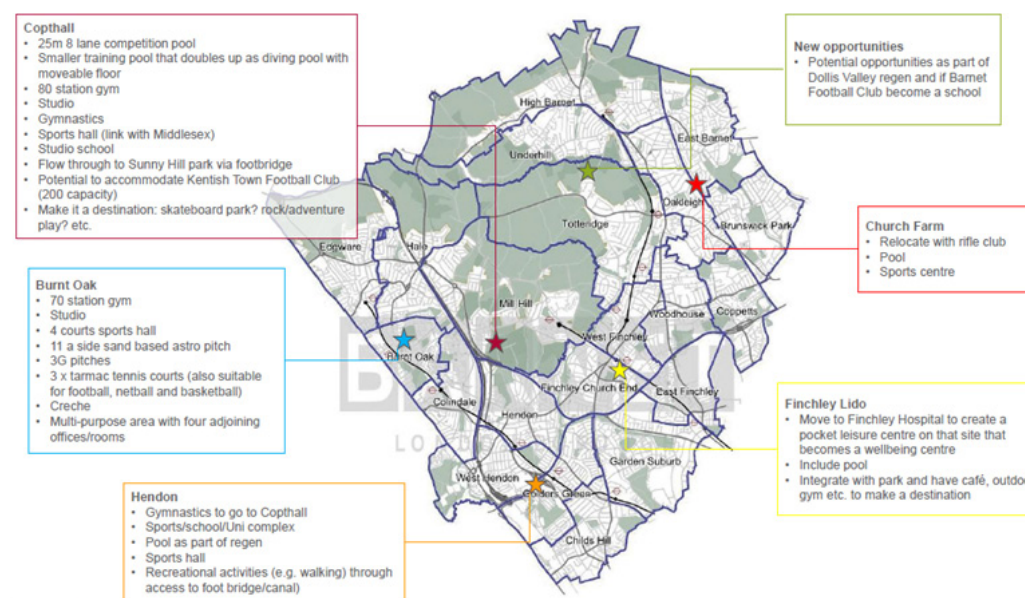
The sport and leisure activity portfolio is based on the ethic of providing an environment conducive to physical activity centred on leisure centres, wide ranging leisure facilities and parks / open spaces which seek to encourage participation from residents of all ages.

In December 2003 a fifteen year contract was entered into by the council to manage the Authority's five principal leisure facilities externally. In the lead up to the contract expiry date of 2018 a new vision is in the process of being developed for the key sports centres to revise / improve facilities and to achieve a number of key aspirations in line with the following principles:

- ① To implement changes that minimise the cost of provision of leisure services.
- ② To ensure that the future leisure Centre offering is adaptable and able to respond to need.
- ③ To ensure that the future leisure offering provides continued alignment with the health agenda.
- ④ As a minimum, to ensure that the current condition of the leisure estate is maintained.
- ⑤ To ensure that where assets are disposed, that there is an appropriate re-provision and,
- ⑥ To ensure that costs to residents are appropriate for the area to enable access.

The aspiration therefore in terms of the future configuration of the leisure centre estate is shown on the following borough map.

The new vision for the estate allows for the council to explore other opportunities which will arise following reconfiguration including:



Part 2

Shaping the Future Estate

Education Portfolio

3.3

Within the current educational landscape of greater autonomy for places of education (as demonstrated by the increasing growth of academies and free schools) the council nevertheless has retained the statutory responsibility to ensure there are sufficient school places within the borough.

The authority's role could now be more adequately described as a commissioner of school places rather than as a direct provider. Whilst the council still retains responsibilities in relation to community schools under the Academies Act 2010 decisions in relation to changes to academies and free schools are administered through central government.

In eight wards within the borough (Coppetts, Colindale, Golders Green, Childs Hill, Finchley Church End, Hendon, West Finchley and Mill Hill) there has been a greater than anticipated growth in demand for school places with the population of 0-19 year olds having grown by 20% since the 2011 census considerably above the 11.5% growth in population overall.

The key commissioning priority is to ensure there are sufficient school places within the borough, in the right locations, to enable the council to make a statutory offer to all children and young persons who require one.

The core commissioning principles for school places include;

- ⦿ Where permanent additional provision is required to meet demographic pressure, existing popular and successful schools will be prioritised for expansion where the site allows, demonstrating value for money in terms of building works.
 - ⦿ Innovative and creative solutions to meet the educational needs of the anticipated growth in Barnet. The council will work with schools, free school proposers and regeneration partners to find acceptable solutions through design that enable constrained sites to be brought forward.
 - ⦿ Schools wishing to enter the state sector must have suitable and adequate school buildings to ensure that the council is not exposed to unnecessary financial liabilities.
 - ⦿ In the interests of efficiency and value for money, infant and junior schools will be encouraged to consider amalgamation where the opportunity arises.
- Previously the council undertook a disposal programme to release excess educational land, however following the Academies Act 2010 any further land sales are now restricted.

Academy Transfers

The council has pursued a policy to transfer education land to Academies under 125 year leases at a peppercorn rent, consistent with the Academies Act 2010.

The Academies Act 2010 includes clear expectations that Academies should have a long leasehold interest unless the predecessor school held the freehold. A "two stage" conversion (Foundation and then Academy) could enable an Academy to obtain the freehold of the school site and is considered against the intentions of the Act. Therefore two stage conversions can be refused by the council.

Where other council services (e.g. Libraries, Children's Centres, form an integral part of the school, the council's ability to continue to provide these services will be secured by taking a 125 year "lease-back" at a peppercorn rent (paying a fair proportion of utilities and maintenance costs).

Part 2 Shaping the Future Estate

Community Asset Strategy

4.1

The Community Asset Strategy is being prepared for publication in December 2014.

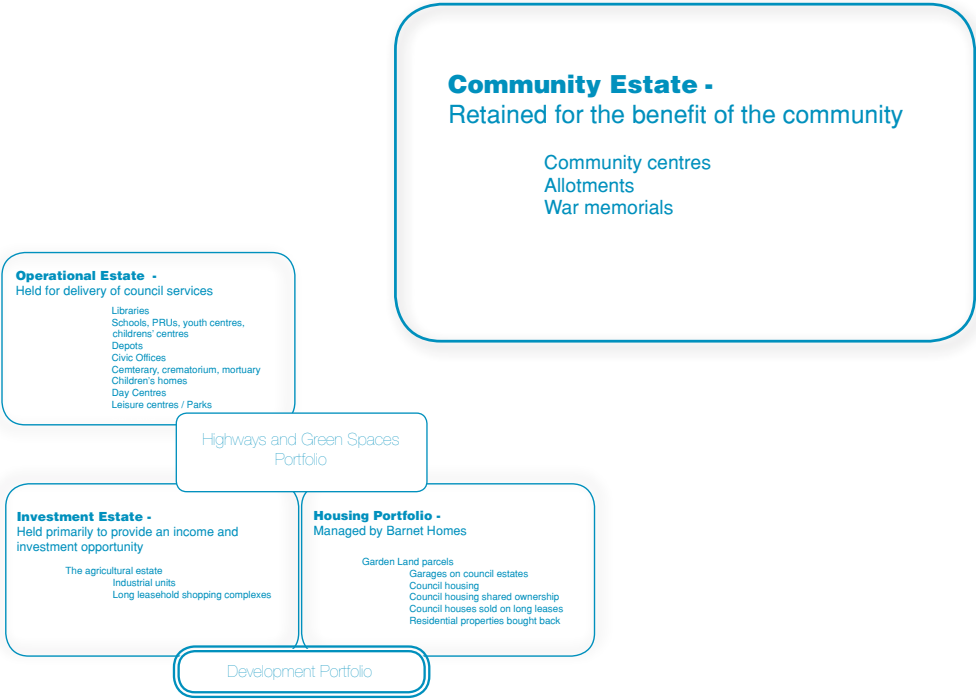
The council's approach to asset management must ensure that savings and income generation targets are met. Nevertheless the council is also committed to developing greater community participation and recognising the importance of providing support to those voluntary organisations that provide services to the community which are compatible with the council's wider objectives.

There is a Corporate Plan objective 'to promote... community wellbeing and encourage engaged, cohesive and safe communities'. This objective means that the council needs to consider how to use its interactions with the community to support residents, voluntary and community groups, and businesses to be empowered, independent and active agents in their local areas. The council's assets have a key role to play in supporting this objective.

The Community Asset Strategy will set out an approach to managing those assets that are available to the community for their sole use. It will not cover council operational assets such as libraries, leisure facilities and parks which will be subject to separate strategies developed by the council.

A detailed review of all community assets will be undertaken leading to development of a Community Asset Strategy for consideration by the Assets, Regeneration and Growth Committee in late 2014. This review and strategy will be guided by the following principles:

- ⦿ The council will generate a commercial yield on community assets, but this could be subsidised where an organisation is clearly supporting the council's objectives or assisting with service delivery.
- ⦿ The Community Asset Strategy will prioritise utilisation of buildings and identifying opportunities for organisations to share and co-locate.
- ⦿ The Community Asset Strategy will also set out the approach to community "right to bid", and explore how community assets can be used as a tool for encouraging community engagement.



Highways

5.1

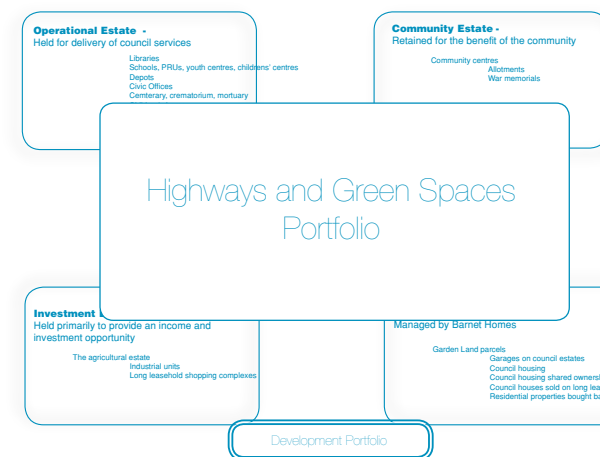
The council Highway Infrastructure network has 5 million square metres of road carriageway and 3.5 million square metres of pedestrian footways.

The current economic climate poses big challenges to councils to make the best use of limited resources in providing an acceptable highway service to the public and critically to maintain the integrity of our highways for future generations.

The Highway Infrastructure Asset Management Guidance, published in 2013 by the UK Roads Liaison Group (UKRLG), with the support of the Highways Maintenance Efficiency Programme (HMEP), provides comprehensive advice to enable the successful implementation of good asset management practices. The Guidance includes 14 priorities that should be adopted if councils are to achieve the full benefits of asset management and make better use of their scarce resources. It also introduces a flexible framework that is designed to support councils in developing an approach to highway maintenance that matches their strategic priorities and meets efficiency requirements and stakeholder expectations. The fourteen priorities are:

- ① An Asset Management Framework should be developed and endorsed by senior decision makers. All activities outlined in the Framework should be documented.
- ② Relevant information associated with asset management should be actively communicated through engagement with relevant stakeholders in setting requirements, making decisions and reporting performance.
- ③ An asset management policy and a strategy should be developed and published. These should align with the corporate vision and demonstrate the contribution asset management makes towards achieving this vision.
- ④ A performance management framework should be developed that is clear and accessible to stakeholders as appropriate and supports the Asset Management Strategy.

- ⑤ The quality, currency, appropriateness and completeness of all data supporting asset management should be regularly reviewed. An asset register should be maintained that stores, manages and reports all relevant asset data.
- ⑥ Lifecycle planning principles should be used to review the level of funding, support investment decisions and substantiate the need for appropriate and sustainable long term investment.
- ⑦ A prioritised forward works programme for a rolling period of three to five years should be developed and updated regularly.
- ⑧ Senior decision makers should demonstrate leadership and commitment to enable the implementation of asset management.
- ⑨ The case for implementing the Asset Management Framework should be made by clearly explaining the funding required and the wider benefits to be achieved.
- ⑩ The appropriate competency required for asset management should be identified and training should be provided where necessary.
- ⑪ The management of current and future risks associated with assets should be embedded within the approach to asset management. Strategic, tactical and operational risks should be included as should appropriate mitigation measures.
- ⑫ Asset management systems should be sustainable and able to support the information required to enable asset management. Systems should be accessible to relevant staff and, where appropriate, support the provision of information for stakeholders.
- ⑬ The performance of the Asset Management Framework should be monitored and reported. It should be reviewed regularly by senior decision makers and when appropriate, improvement actions should be taken.



- ⑭ Local and national benchmarking should be used to compare performance of the Asset Management Framework and to share information that supports continuous improvement.

Asset management promotes a business-like approach to highway maintenance. It makes better use of limited resources and delivers efficient and effective highway maintenance. It takes a long term view of how highways may be managed, focusing on outcomes by ensuring that funds are spent on activities that prevent expensive short-term repairs. This makes the best use of public money whilst minimising the risk involved in investing in highway maintenance.

In order to manage the network successfully the council will produce the following

- ⑮ Network Management Plan
- ⑯ Network Recovery Plan – An addendum to the existing Barnet Highway Asset Management Plan (HAMP)
- ⑰ Operational Network Hierarchy
- ⑱ Developer's Design Guide

It is expected that they will be adopted by the Council by April 2015.

Green Infrastructure

5.2

The 'Green' portfolio is a substantial part of the council's asset base, comprising a total of 34.4% of all land in the borough, with an extensive and varied range of asset type and functionality. The Green Assets of the borough are identified in the London Plan as one of the reasons why people choose to live in the borough.

There are over 200 parks and open spaces, covering an area of approximately 842 hectares providing a series of services and functions for residents and the environment. The nature of parks and open spaces is multi-faceted with a varied and in some cases complex secondary infrastructure that may include buildings, play facilities etc. In addition there are over 32,000 street trees which contribute significantly to the green and leafy nature of the borough.

Subject to further evidence review and analysis, the following emerging strategic priorities have been identified: -

- ⦿ Protecting, conserving and enhancing green space and the leafy character of Barnet for current and future generations.
- ⦿ Protecting and conserving biodiversity. Parks offer refuges for threatened species.
- ⦿ Keeping our air and water clean, counteracting the damaging effects of pollution.
- ⦿ Playing a vital role in flood risk management in terms of drainage and run-off by providing porous surfaces and water storage areas.

- ⦿ Supporting and improving the health and wellbeing of the population, including older people especially through physical activity.
- ⦿ Maintaining and boosting Barnet's reputation as a green, leafy borough and as a good place to live, work, and raise a family.
- ⦿ Improving resident satisfaction with Barnet as a place to live and with the council.
- ⦿ Creating places where small businesses and cultural activities are enabled to thrive.
- ⦿ Promoting economic growth that is balanced and also of direct benefit to the local community.
- ⦿ Involving communities and local businesses in the maintenance and development of the green spaces asset.

Management of the parks and open spaces portfolio has two strategic approaches. The development and provision of new assets to support the significant growth and regeneration of the borough ensuring the current assets and their infrastructure are maintained and fit for purpose.

In relation to buildings located in parks and open spaces, the level of infrastructure investment needs to be clearly understood combined with a reassessment of the approach to parks as an income generating asset.

There is currently a general policy of maintaining parks and open spaces and protecting public open space and metropolitan open land. The development of the property database will ensure that the asset detail in relation to parks and open spaces is collated within a single database and will better facilitate future decision making.



Part 2 Shaping the Future Estate

6.1

Approach to Portfolio Income

The council will consider strategic acquisition of investment property subject to the development of a viable business case in each instance to include an analysis of risk, funding methodology and potential returns.

This will necessitate a market centric approach to management of the portfolio to ensure that the portfolio generates a full beneficial return.

It is proposed that going forward over the next five years the approach to the council retained/held portfolio will be one that seeks to maximise rental income / yield wherever possible, notwithstanding that this approach need not necessarily conflict with the council's desire to support community uses.

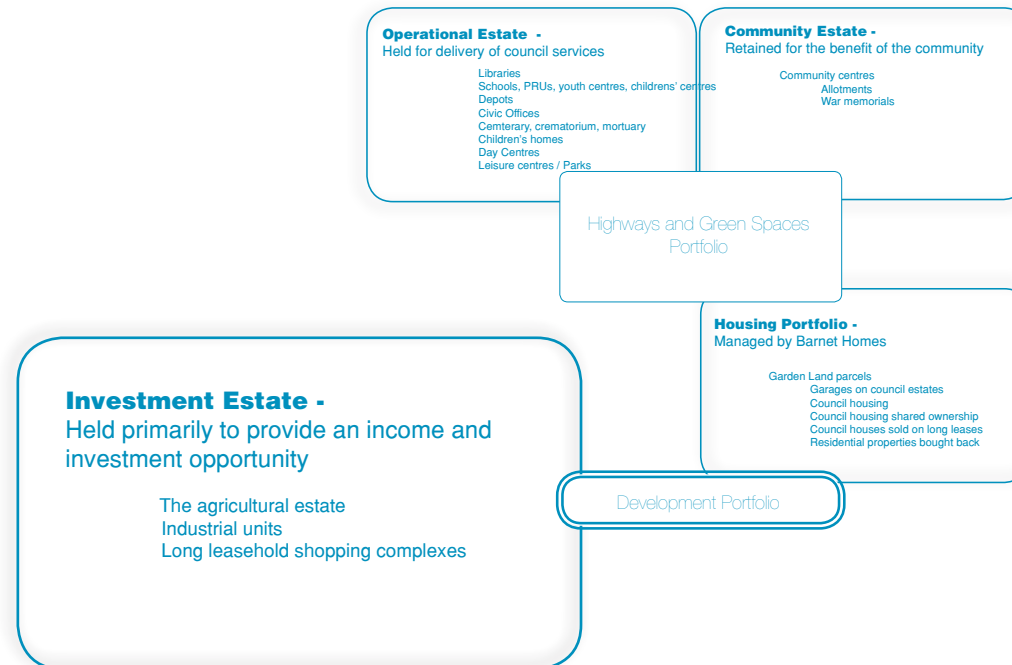
Investment Portfolio

The council will, where it is considered appropriate, pursue opportunities for capital investment in surplus property to provide an income stream, subject to a robust business case.

The council will consider strategic acquisition of investment property subject to the development of a viable business case in each instance to include an analysis of risk, funding methodology and potential returns.

At the present time the council does not hold properties as part of a pure investment portfolio and the majority of the current rental receipt is from retail units within the Housing Revenue Account (HRA) portfolio.

As a general principle the council wishes to maintain and enhance the generation of long term revenue streams and, where appropriate, will pursue a strategic approach of enhancing the income streams from property holdings by retaining freeholds and income generating property.



Part 2 *Shaping the Future Estate*

Housing Strategy

7.1

The popularity of the borough alongside the high demand for housing presents a number of challenges, including high prices, a shortage of affordable housing and a potential threat to the qualities that make the borough attractive in the form of pressure to replace more traditional suburban houses with developments of flats.

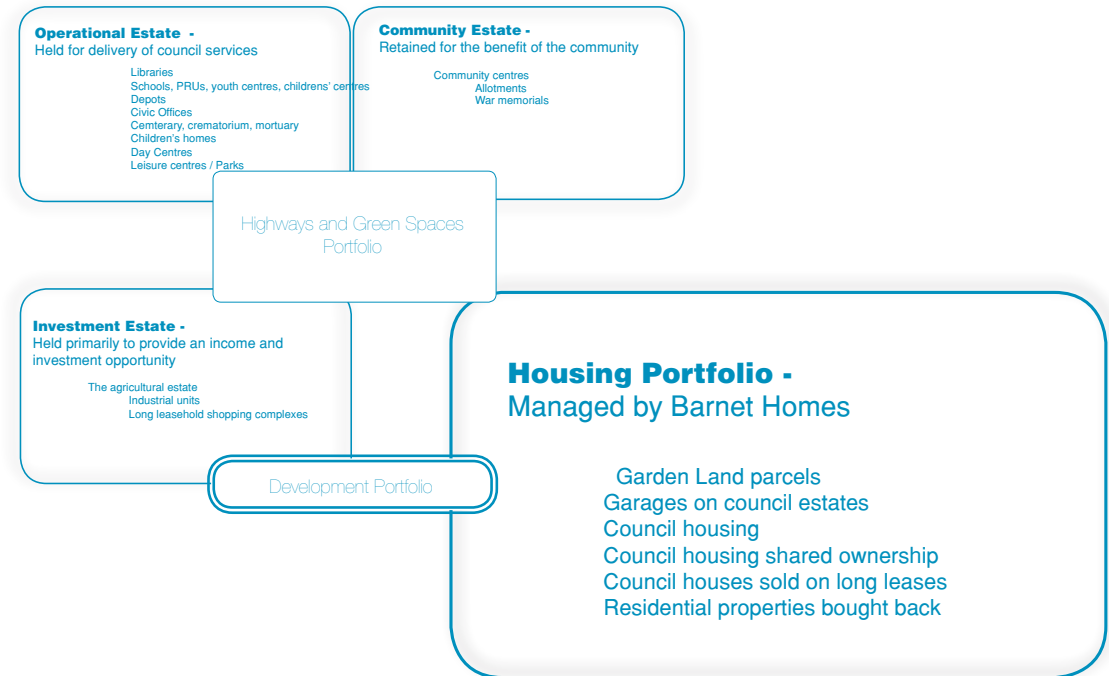
The council has focussed its housing strategy agenda at a strategic level on the Three Strands Approach, which seeks to protect and enhance the borough whilst recognising the need to accommodate growth where appropriate particularly as a means of improving less successful parts of the borough.

There is potential within Barnet to deliver an additional 31,000 new homes over the next 15 years as set out in the emerging Barnet Local Development Framework Core Strategy and in line with existing London Plan targets.

Much of Barnet's housing is characteristically classic "interwar" suburban, with some 60% of the housing stock comprising houses, two thirds of which are detached or semi-detached. This type of housing remains popular but provides challenges in terms of ensuring it meets modern standards, particularly for energy efficiency.

In addition, the council provides some 11,000 properties for social rent, which have benefited from an investment of £189m since 2004 through the Decent Homes programme – these will require on-going investment to ensure that they are maintained to an acceptable standard.

The tenure of choice in Barnet is owner occupation, with two thirds of households owning their home and about half of owners owning outright. The remaining third of households are divided equally between social renting and the private rented sector, with the latter playing an increasingly important role in meeting housing need in the borough.



Part 2 Shaping the Future Estate

Development Portfolio

8.1

Building on the Council Track Record

Barnet has an extensive redevelopment programme designed to deliver its Regeneration Strategy so that the borough remains 'A successful London suburb' through:

1. Delivering sustainable housing growth
2. Supporting people to have the right skills to access employment opportunities
3. Supporting enterprise (including town centres)
4. Supporting infrastructure delivery to keep Barnet moving
5. Ensuring a clean, green suburb

By 2026, over 23,000 new homes will be delivered through Barnet's redevelopment programme, as well as schools, health facilities, parks / open spaces and community facilities alongside opportunities for skills and employment.

The council's regeneration programme is transforming Barnet's council housing estates into multi-tenure neighbourhoods with particular emphasis on Grahame Park, West Hendon, Dollis Valley and Stonegrove.

In each of these instances, the council is leveraging its existing housing assets to raise housing standards and facilitating growth in the amount of housing and associated community infrastructure.

At Mill Hill East, the council has entered into partnership with adjoining landholders and an infrastructure development partner to bring forward a major brown field development.



Direct Development

The council recognise that as a significant land owner within the borough, in many instances, they control the key asset which can enable development to take place.

There is an increasing trend within the public sector to ensure that the authority shares in the benefit of land ownership through taking all or part of the development profit.

The council will identify potential development sites within either the control or ownership of the council and prepare those for development with the council acting either as direct developer or a joint venture partner, dependent on the individual sites and risk profile, to enable the council to access the development profit and maximise the potential return.

Development Pipeline

It is proposed that in those cases where it would be in the council's interest to retain the land, and undertake development directly the governing principles are:

- ⦿ The decision whether to develop or sell a site, and what to develop on the site, should be based on assessment of what offers the best financial return to the council while meeting the need for different housing types. This might, for example, involve development of affordable or extra care housing, which offsets the costs of temporary accommodation or residential care respectively.

- ⦿ While decisions will consider the Net Present Value of different options, the requirements of the Medium Term Financial Strategy may in some cases suggest that revenue savings are afforded a higher priority than Capital receipts.

- ⦿ The council will decide whether to develop using Barnet Homes, Re, or a third party developer dependent on the skills and specialisms required, and an assessment of the relative risk and reward of different options. Sites may be considered individually, or grouped into portfolios.

In taking this approach to development opportunities, the council will also consider the potential for long term income generation as well as capital receipts. This will form an important part of the council's financial strategy to enable it to meet future budget reductions from central government.

Part 3

Delivering the Strategy

In This Section

9. Delivering the Strategy

10. Conclusions & Way Forward

9.1

LBB Constitution

The LBB Management of Assets, Land and Property Rules forms part of the council's constitution and are the framework of quality standards and methods adopted by the council. The rules define the Delegated Powers which have been mapped against the different types of activity required to be deployed in managing the council's Assets.

9.2

Working with Strategic partners

The Council has appointed a strategic delivery partner to provide a range of property and facilities management services over a 10-year period. Working in association, with the partner the council should deliver a new estate designed to be fit for purpose and which achieves the maximum achievable reductions in operational and property costs whilst delivering the optimum level of services to the community.



Part 3

Delivering the Strategy

Working with Public Sector and Voluntary / Community Partner Organisations

9.3

The council actively wishes to pursue opportunities for more efficient and effective collective use of the wider public sector estate. Meetings have been held with a number of key public sector partners in order to ascertain the potential for shared accommodation and mutual estate rationalisation. Over the lifetime of the SAMP, additional partner organisations including, for example, NHS Property Services, the Court Service, GLA and TFL will be included within the shared accommodation programme.

The results of initial interviews have been summarised as follows:

Job Centre Plus

Job Centre Plus, through its parent organisation, the DWP outsourced its property matters nationally to Telereal Trillium under a contract to expire in 2018.

Within the London Borough of Barnet, Job Centre Plus has three direct outlets at Hendon, Ballard's Lane and Enfield with a fourth front line job centre in Harrow although largely servicing the council's customers.

In terms of the group's ability to co-locate with the council, the opportunities are limited to inward co-location given the control over the wider estate by Telereal Trillum. Currently, and as part of the day to day drive to secure a collective use of the public sector estate, three Job Centre Plus staff members are located in Barnet House as part of a multi-agency team in a partnership arrangement. Moving forward there may be other opportunities to co-locate in order to provide a cross agency function although the focus is potentially as much upon the council sharing Telereal Trillum accommodation.

Clinical Commissioning Group

The Barnet Clinical Commissioning Group (CCG) undertook an "opportunity review" in early 2014 to establish how the accommodation occupied by the group might be reconfigured.

At the current time the teams are based in c.900 sq metres of accommodation at Edgware Community Hospital (ECH) with NHS Property Services as landlords.

It is now proposed to co-locate CCG with the council initially at the North London Business Park and afterwards alongside the council at whichever site is selected as the future medium / long term solution.

CommUNITY Barnet

Currently located within Barnet House operationally CommUNITY Barnet has close links to the council as the Local Authority whilst, at the same time, wishing to maintain a degree of separation.

The current property arrangements are satisfactory although CommUNITY Barnet believes that there is demand for temporary touchdown office accommodation for use by the wider community and believe there is an opportunity to work together with the council to develop a multi occupational hub.

Part 3

Delivering the Strategy

Working with Public Sector and Voluntary / Community Partner Organisations

9.3

Middlesex University

The Middlesex University, until recently, held an estate comprising 16 different sites ranging in location from North London to Hertfordshire. Following a 12 year rationalisation strategy the Campus and outlying estate is now focussed around a one and half mile radius centred on the main Hendon buildings.

The Governors and asset management team have recently completed the construction of three new campus buildings and a planning application was submitted in early 2014 for a new site to the rear of the campus.

The strict geographical / locational focus is such that there are inevitably fewer opportunities to share accommodation unless stock within the ownership / control of the council is located within the catchment boundaries.

Currently the University rent two buildings from the borough and their main current additional space requirements are for small scale temporary ancillary office space, within the target catchment area and seminar accommodation.

Brent Cross Development Partners

The Brent Cross Cricklewood development will create a structure which will oversee the long term development of a new town centre which will span the North Circular Road and, at a strategic level, will create a major new urban centre in the north west of London. The scheme envisages key improvements to the public transport infrastructure including a new bus station at Brent Cross North and a new Midland Mainline Station to the south.

Whilst the vision for the site is still under development, the master plan will include major new public realm schemes and new facilities such as schools, open spaces, community facilities and medical centres. The key new scheme elements are as follows:

- ④ Comprehensive regeneration of 250 acres
- ④ 7,500 new homes
- ④ Up to 27,000 new jobs
- ④ A second phase to the existing Brent Cross Shopping centre
- ④ A revised M1/Staples Corner interchange
- ④ New infrastructure investment in the region of £500m
- ④ New sports and leisure facilities

As the overall detailed vision is still in its infancy the opportunity therefore exists to influence how the new public sector estate within the Brent Cross Master plan is developed and managed from the outset. As an output from the SAMP strategic plan the potential for public sector partners to benefit from the regeneration of the Brent Cross Cricklewood area from the outset should be recognised and the advantage of a collective approach to the use of the new proposed public sector estate recognised.

Service Provision through Hubs and Partnering

With the proposed revised approach to the Civic Estate in the medium term it is envisaged that the core civic centre will be located in a new building in the west of the borough with appropriate hub locations in the key town centres maintaining the appropriate and relevant current service provision centres (e.g. Libraries) and sharing accommodation with partner public sector organisations wherever practicable.

To date there have been a number of successful initiatives including the proposal in relation to CCG (The Clinical Commissioning Group) transferring into Unit 2 NLBP in the mid part of 2014 and Barnet Homes occupying Barnet House as sub-tenants of the council.

The council will continue to work with public sector partners within the borough enabling the authority to have shared service hubs through multi agency teams in shared accommodation.

Part 3

Delivering the Strategy

Integrated Property Asset Management System (IPAMS)

9.4

A single view of the council's assets will enable comprehensive property asset performance information to be analysed and reported as required. This information will enable better decision making and inform the on-going development of the Strategic Asset Management Plan.

By holding information within a single database the council will be enabled to assess how it needs to respond to the challenges of delivering transformation and meet cost savings whilst still providing effective and efficient public services.

The effective use following the implementation of IPAMS of the data contained therein will be fundamental to successfully delivering the Council's Corporate Objectives.

An overarching data warehouse facility, as part of the IPAMS model, will form part of the central database, combined with the Corporate Landlord Function and enable:

The Corporate Landlord Model

9.5

One of the principal aims of the SAMP is to secure the adoption of a Corporate Landlord model (and its core principles) as defined by the Royal Institution of Chartered Surveyors (RICS) as the proper basis for developing and managing the council estate.

In practice this means that the whole council estate will be managed in one place, rather than services across the organisation managing assets and buildings in different ways. This should enable greater efficiency in terms of running costs across the estate, the potential for increasing income and will also identify opportunities for co-location of services.

Conclusions & Way Forward

10.0

Over the next three - five years revenue will continue to be under constant pressure. As a direct result delivery units will continue to be reviewed in order to provide affordable service provision, commissioned under the guidelines and policies contained within the SAMP.

It is envisaged that by 2019-2020 the property portfolio will be flexible and fit for purpose, having taken advantage of location factors, the revision of the civic estate, agile working practices, service partnerships, a corporate landlord model, commissioning, school academies and procurement opportunities.

In summary the SAMP, on approval, will lead to the following outputs:

A Approval / Adoption of the SAMP (Subject to Consultation): September 2014

Approve and agree the SAMP by September 2014 subject to consultation.

The SAMP will be reviewed annually / as necessary.

B Delivering the Key Issues under the Corporate Plan: 2014 to 2019

Ensuring that the council receives the optimum income or capital receipt from council owned properties and land which generate rent or have been identified for disposal.

All council services to be provided through facilities which are fit for purpose and utilised effectively.

Ensuring capital asset activities are managed effectively and in line with the assets land and property rules.

Prepare and publish the Community Assets Strategy by December 2014.

C The Approach to Governance and Asset Management: 2014

Ensure that all future decisions in relation to the built estate are compliant with the SAMP.

Set up and maintain a 'Corporate Landlord Policy'.

To ensure all key decisions are referred according to the council's constitution.

To set up and maintain the IPAMS database to provide a single view of the council's property assets.

To publish the Community Asset Strategy by December 2014.

D Shaping the Future Civic Estate: 2014 to 2017

The OARS delivery plan will provide a civic estate that is fit for purpose and reduce the current civic footprint.

Identify an optimum estate capable of flexibility and change over the next decade whilst monitoring the performance of property assets to ensure that the corporate objectives are being met.

Progress the potential for relocation to a purpose built civic accommodation building in the Colindale area.

E A suite of documents will be developed to support implementation of the SAMP

- ⦿ An Office Accommodation Rationalisation Strategy (OARS);

- ⦿ A Community Asset Strategy (CAS);

- ⦿ A revised approach and strategy for the Leisure Estate;

- ⦿ A development pipeline;

- ⦿ A Housing Strategy;

- ⦿ A Parks Strategy;

- ⦿ A Highways Asset Management Strategy;

- ⦿

- ⦿ Education Capital Strategy document; and,

- ⦿ A Shared Accommodation / Working Strategy with partner organisations including consideration of community or neighbourhood hubs.

F Delivering Savings / Efficiencies through Asset Management: 2014 to 2019

Identify all potential surplus property assets through rationalisation and the Asset Disposals Programme.

Explore all potential regeneration or redevelopment opportunities.

Consider capital investment opportunities, including potential acquisitions, where a robust business case demonstrates an enhanced revenue income or capital receipt or improved asset value.

Ensuring there is a regular process for reviewing and challenging the rationale for owning or holding properties.

G Collective Use of the Wider Public Sector Estate: 2014 to 2019

Work with partners to explore potential alternative and beneficial uses for existing property assets.

Work with public sector partners to pursue collective effective use of the wider public sector estate.

Consider opportunities for capital investment into an investment portfolio to produce additional income streams.

H Create a Rolling Development / Regeneration Plan Based On Sites in LBB Ownership / Control: 2014 to 2019

Review all land and buildings in the ownership or control of LBB to identify opportunities for regeneration and redevelopment.

To maximise returns to the authority through sharing in development profit in all relevant instances.

Consider any site assembly opportunities to generate a subsequent enhanced disposal.

Part 3

Delivering the Strategy

Appendix 1 - Background Documents

In preparing the SAMP we have referred to the following published documents;

- A** Housing Strategy Evidence Base: January 2014
- B** Housing Strategy Evidence Base: January 2010
- C** Smarter Working Programme Review
- D** Estates Savings Summary Plan
- E** Barnet Housing Strategy 2011
- F** Barnet Housing Strategy 2010
- G** Regeneration Strategy 2011
- H** Sport and Physical Activity (SPA) review 2013
- I** Corporate Asset Management Plan 2009
- J** Strategic Corporate Asset Management Plan 2013
- K** Customer Access Strategy 2012
- L** Customer Access Strategy: London Borough of Barnet: 2014
- M** Commissioning School and Learner Places 2014/15 – 2018/19 (update April 2014)

Appendix 2 - Income producing assets

Type	*No	Rent Roll as at end August 2014
Shops (excl long leasehold with flats over)	91	717,013
Industrial units	27	456,474
Agricultural (incl grazing land)	14	130,150
Offices (incl retail used as offices)	21	460,154
Depots (waste collection/recycling)	2	29,000
Garden land parcels	34	5,130
Parks and open spaces	182	120,050
Community Centres (excl other buildings used by community groups)	14	66,260
Long leasehold retail with flats above	39	1,228
Civic Offices	4	482,768
Shopping complexes	4	401,685
Public car parks	23	42,800
Substation sites	27	4,467
Misc Sports (not within parks)	33	486,880
Misc buildings and parcels of land	117	653,605
Total	632	4,057,664

*Base Line Rent from Income Schedules 1st September 2013	
Commercial total	£2,246,326.55
General Fund Total	£814,887.86
HRA Total	£916,138.81
Total	£3,977,353.22

* Rent as of 1st September 2013. Following agreement of lease events (eg rent reviews) at end of August 2014 increased to £4,057,664

*Not all the assets are income producing

Part 3

Delivering the Strategy

North London Business Park,
Oakleigh Road South,
London

N11 1NP

