



Author/Lead Officer of Report: Tammy Whitaker, Head of Regeneration & Property Services

Tel:

Report of: *Mick Crofts, Executive Director Place*

Report to: *Co-operative Executive*

Date of Decision: *20th October 2021*

Subject: *Sheffield Land and Property Plan*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Executive Member Portfolio does this relate to? <i>Finance</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Overview and Scrutiny Management Committee</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(N/a)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		

Purpose of Report:

To seek approval of the Sheffield Land and Property Plan (Corporate Asset Management Plan).

The City Council's land, property and assets have a significant role to play in delivering services and shaping the future of the city and its communities. The 'Sheffield Land and Property Plan' sets out at a high level, how the City Council will use and manage its assets to deliver its ambitions for Sheffield. It provides a framework and principles to guide decision making, and maximise the benefits for the City and its people.

Recommendations:

That Co-operative Executive:

1. Approve the Sheffield Land and Property Plan attached to this report.
2. Note that more detailed policies and procedures to support the Plan will be brought forward for approval in accordance with the appropriate corporate decision-making process.

Background Papers:

Sheffield Land and Property Plan

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Paul Schofield</i>
		Legal: <i>David Sellars</i>
		Equalities: <i>Annmarie Johnston</i>
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	<i>Mick Crofts</i>
3	Cabinet Member consulted:	<i>Cllr. Cate McDonald</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: <i>Tammy Whitaker</i>	Job Title: <i>Chief Property Officer/Head of Regeneration & Property Services</i>
	Date: 6 th August 2021	

1. BACKGROUND

- 1.1 The Council owns a substantial and varied estate of land, property and buildings around the City. From parks, woodland and farms to offices, shops, business units, leisure centres, museums and housing; Council owned property impacts on the lives of Sheffield People. The land and property the Council owns contributes to the nature of Sheffield's built environment and rural landscape. From our schools and community buildings to our libraries and open spaces, the services we deliver to the people of Sheffield are delivered from our Estate. It is important that these property assets are well managed to ensure that services can be delivered effectively and our assets can be used to realise the wider ambitions of the city for the benefit of local people, communities and businesses.
- 1.2 However, holding a significant land and property estate comes at a cost and Land and property is one of the top five resource costs for the Council. Unprecedented reductions in public sector funding and Covid-19 have had a significant impact upon the future budget position of the Council, as set out in the Medium Term Financial Strategy. There is now, more than ever a need to ensure effective, efficient and joined up use of the council's assets. Every decision the Council makes about its Estate must be driven by the priorities the Council wishes to achieve for the City and its people, balanced against the financial constraints within which it now operates.
- 1.3 The costs associated with holding property are extensive and whilst significant progress has been made in managing the estate to reduce operational running costs and raise much needed income there is still more to be done.
- 1.4 Pressure on resources has meant that the estate has suffered from a lack of investment. In particular, the Operational Estate, including city centre properties such as the Town Hall, local offices, libraries and other buildings used for service delivery, has suffered from a lack of investment spanning several decades. For the Operational Estate alone (excluding schools, Town Hall and Central Library) backlog maintenance to undertake essential repairs stands at £33m. These are the bare minimum of works required to keep our buildings open, safe and in compliance with the law. In addition there are further 'backlog' maintenance costs of over £180m which need to be completed within the next five years to prevent further catastrophic failure and closure.
- 1.5 The condition of many buildings is reaching crisis point and the Council urgently needs to make decisions to avoid significant risk and liabilities; the failure of key building components; and the closure of buildings, which will impact upon the ability to deliver services to local communities. Given current financial constraints, there is a compelling need to significantly reduce holding and running costs for the Operational Estate.
- 1.6 The recent global pandemic has also resulted in further financial

pressures and has led to substantial changes in the way services are delivered, and facilities operate with the majority of staff now able to work remotely. 2020 has seen a rapid change in society with a move to greater home working, a shift to online retail and a greater value placed on outdoor spaces and places. This rapid change has and will continue to impact on the management of the council's estate and the way in which we use it.

2.0 PROPOSAL

2.1 The Land and Property Plan provides a framework to guide decision making and outlines a set of guiding principles for use of the Council's assets. Our assets will be used to:

- **Support the delivery of good services for people** - Council services will be delivered from a core estate of land and buildings which are fit for purpose, fully utilised, well maintained and meet the needs of customers both now and in the future. Our estate will reflect our needs and demand and we will look to deliver services in new ways which reduce our need for physical premises where this is appropriate. Given limited resources we will only retain the minimum estate necessary from which to deliver our services and we will optimise the use of our own and other public service buildings and community assets
- **Join-up key services for communities** –We will ensure a single approach across all the Council's portfolios and seek to collaborate and share resources with others to ensure the best outcomes for local communities
- **Improve the quality of life for all communities in Sheffield** – using our estate to shape the city and the places and spaces within it, supporting guiding and delivering inclusive sustainable growth and development and acting as a catalyst to drive regeneration and change where there is a clear case to do so
- **Tackle climate change and support a low carbon economy** - leading by example, we will seek to design, and develop our assets to provide greater resilience to climate change and reduce carbon emissions. We will pursue opportunities to use our estate to increase the level of renewable and low-carbon energy generation and address resilience through the use of our land for carbon sequestration and natural flood management and address biodiversity challenges.
- **Support a stronger inclusive city economy that works for all** - using our let portfolio of properties to support business development, economic growth and recovery and community enterprise and generate income to support service delivery for the people Sheffield.

- **Unlock money to support new investment** – we will optimise the use of our estate, and where assets are no longer required for operational services we will seek to dispose of them in a timely manner to deliver wider city priorities, reduce costs, generate capital, free up revenue funding, improve and support service delivery and generate capital for investment in other priorities..

2.2 The plan revises previous Asset Management Plan, Assets for our Communities 2010-2020, approved by cabinet in 2010.

2.3 Policies and procedures to support the new Plan will be reviewed and developed over the next 12-24 months to guide specific areas of decision making, including disposals, community and concessionary lettings and the rural estate. These will be subject to approval via the relevant corporate decision-making arrangements and processes.

3. HOW DOES THIS DECISION CONTRIBUTE?

3.1 The plan provides an overall framework, approach and set of principles to guide management and decision making of the Council's estate. The Plan will be under-pinned by more detailed policies to govern specific decisions given the wide range of assets held by the Council

4. HAS THERE BEEN ANY CONSULTATION?

4.1 There is no legal requirement to consult on these proposals. However, the plan has been informed by discussion with Cabinet Members and Senior Officers of the Council.

4.2 Formal consultation on any decisions taken on Council assets will be undertaken if required and conducted in the normal manner.

5. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

5.1 Equality of Opportunity Implications

5.1.1 There are not anticipated to be any negative impacts that affect any particular groups and as such a full Equalities Impact Assessment form has not been completed for this report.

5.2 Financial and Commercial Implications

5.2.1 Property is an expensive resource to both hold and manage. Implementing the measures outlined in the plan will ensure a tight fit between property supply and service delivery and a more efficient use of scarce resources.

5.2.2 There are no specific financial implications contained within this policy

report. As the detailed policies and initiatives referred to in 3.1 above are completed, these will be brought forward for approval by Members, most likely in the annual Business Planning process, monthly capital approvals report to Cabinet or in specific reports to Cabinet.

- 5.2.3 The Council cannot currently afford to invest in and maintain its current estate. Backlog maintenance costs are currently estimated in excess of £180m just to address urgent maintenance costs. Operational running costs are estimated at £103m per annum
- 5.2.4 Good Estate Management and timely release of surplus stock results in revenue savings by reducing operational and vacant property holding costs and maintenance liabilities, releases development sites to support wider strategic priorities such as housing, regeneration or economic development and realises capital funding which can be used to reinvest in the retained estate, buy more appropriate premises/accommodation or fund other priorities for the benefit of local communities.

5.3 Legal Implications

- 5.3.1 There are no direct legal implications resulting from approval of this report. Decision-making on disposals will continue to conform to relevant statutory legislation and related elements of the Council's decision-making processes.

5.4 Other Implications

- 5.4.1 The Council's land and property portfolio has a considerable role to play in addressing the climate emergency. Our buildings generate a significant carbon footprint which can be reduced through better utilisation of our assets, better management and improved maintenance investment in energy generation and energy saving measures and timely decommissioning of surplus assets.
- 5.4.2 Our estate can be used in a variety of ways to support Sheffield's ambition to become a zero carbon city by 2030 by: increasing the level of low carbon and renewable energy used and generated on our estate; promoting and developing climate resilient neighbourhoods through the use of green and blue infrastructure; and supporting natural flood management and promote carbon sequestration through good stewardship and land management practices.

6. **ALTERNATIVE OPTIONS CONSIDERED**

- 6.2 The Council could do nothing; but this would result in ad hoc decision making and a lack of focus. With operational costs and maintenance demands far outstripping available resources the whole estate will continue to deteriorate eventually resulting in the closure of key council buildings and the subsequent knock on effect on service delivery for the people of Sheffield.

7. REASONS FOR RECOMMENDATIONS

- 7.1 The Council's land and property portfolio is a finite resource, expensive to hold and maintain. Since the publication of the last plan, there have been a number of changes which have resulted in new challenges and opportunities for the city. It is therefore increasingly important that the City Council's assets are used to best effect in delivering vital services and priorities, whilst minimising the cost.
- 7.2 The Plan provides local people, Members and officers with a clear statement of how the council's estate will be used to maintain and enhance service delivery and contribute to the wider ambitions of the City balanced against the financial constraints within which the Council now operates.

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