

Policy and Sustainability Committee

10:00am, Tuesday, 9 January 2024

Corporate Property Strategy Update

Executive/routine
Wards

Routine
All

1. Recommendations

- 1.1 That the Policy and Sustainability Committee note the update provided in this report.

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Corporate Property Strategy

2. Executive Summary

- 2.1 This report provides an update on the [Corporate Property Strategy](#), as requested by Committee on 22 August 2023.

3. Background

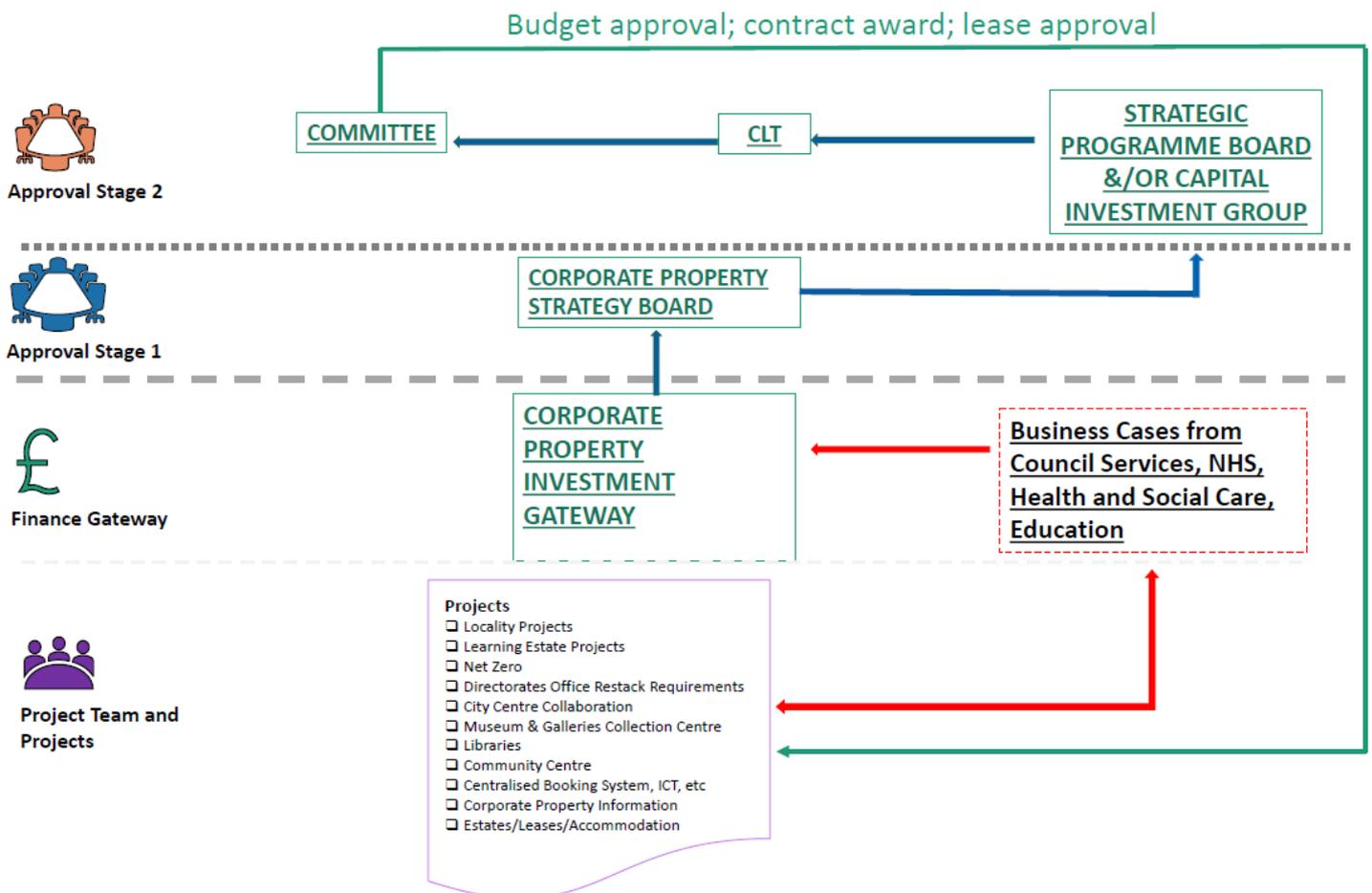
- 3.1 The Corporate Property Strategy was approved by the Policy and Sustainability Committee on 22 August 2023. There were several addendums agreed and a full list of these with a brief update on each is provided in Appendix 1.
- 3.2 Part of the addendum recommendations requested that an update be provided to the Policy and Sustainability Committee in two cycles on some specific issues which were to:
- 3.2.1 Provide a high-level overview of the programme which would be developed if the Strategy is agreed, including an indicative list of buildings which are expected to require a project business case;
 - 3.2.2 Either develop a fourth strategic theme of access and inclusion, or clearly show access and inclusion mainstreamed throughout the Strategy, acknowledging that the council's estate is currently not fully accessible, the systemic and unacceptable exclusion this causes, and committing the Council to prioritising actions to address this through this work;
 - 3.2.3 Further develop the Net Zero Properties strategic theme to consider the overall impact of disposals or demolition for the city, and not just for the Council's own portfolio.
- 3.3 This report focuses on providing more detail on these three requests.

4. Main report

Overview of the Corporate Property Strategy Business Case Programme

- 4.1 The business cases that will be developed as part of the Corporate Property Strategy programme will relate to one or more of the three themes which are: Our Future Work; Live Well Locally and; Net Zero Properties.
- 4.2 Business cases will be developed as opportunities arise across the wider operational corporate estate and will progress through the Corporate Property Governance Structure, for approval prior to being reported to Committee, if necessary. The approval process and governance structure are shown below. While business cases will ultimately be considered by the appropriate Executive Committee, engagement with elected members, other stakeholders and communities will be part of every project developed.

Corporate Property Strategy Governance Structure



- 4.3 Due to the level of planned capital investment in the learning estate, this is where opportunities to develop projects which meet the wider aspirations of the Corporate Property Strategy are most likely to emerge. Where projects for extensions to existing schools or building new learning estate facilities are being delivered,

opportunities will be taken to seek to create a community learning campus model which is more than a school or early years centre and acts as an anchor building at the heart of a community, integrating (where appropriate) community spaces, libraries, GP surgeries and Council services. The community learning campus model will take a holistic view of the services and spaces that the community need to promote learning, health and wellbeing and social capacity.

- 4.4 This approach has already been progressed in the following projects which are now being constructed:
 - 4.4.1 Macmillan Hub;
 - 4.4.2 Currie High School;
 - 4.4.3 Maybury Primary School;
 - 4.4.4 Liberton High School; and
 - 4.4.5 Wester Hailes High School.
- 4.5 It also being considered for the following projects which are in the early stages of the design and development process:
 - 4.5.1 St Catherine's RC Primary School, South Neighbourhood Office, Gracemount Leisure Centre;
 - 4.5.2 Queensferry Primary School and Early Years;
 - 4.5.3 Buileyon Road Primary School;
 - 4.5.4 Castlebrae High School extension, East Neighbourhood Office; and
 - 4.5.5 Greendykes Primary School.
- 4.6 As part of the Our Future Work theme, business cases for improvement and modernisation of Council offices, to make them suitable for modern hybrid working patterns and to accommodate increased partnership service delivery, will also be prepared and progressed through the governance and approval processes as necessary. The success of these business cases will be dependent on other improvement programmes and reviews.
- 4.7 The Corporate Property Strategy principles and approach will be integral to ongoing service led reviews that will have an impact on the property estate, including the depots, culture estate, libraries and community centre strategies. These strategies are at different stages of implementation (for example, the depot strategy has seen the rationalisation of Powderhall, Cowans Close, Barton and Baileyfield depots with new facilities delivered at Seafield). Effectively, the service delivery strategy needs to be agreed with the property implications approved as part of that process.
- 4.8 There are also a range of properties across the estate where redevelopment and reprovision has potential. This could help release land or property for much needed housing development whilst at the same time safeguarding public service provision.

However, opportunities will need to go through a business case process and some capital investment may be required to realise projects or a wider programme.

Accessibility and Inclusion

- 4.9 Currently accessibility improvements to the property estate are carried out either as part of Asset Management Works (AMW) projects and/or a material consideration in the design of a new building.
- 4.10 Implementing the aims of the Corporate Property Strategy will create an increased demand to support the strategic provision of accommodation for various services. Accessibility and inclusion will be vital in spatial design and development and will therefore be mainstreamed throughout every Corporate Property Strategy project.
- 4.11 With consideration of accessibility and inclusion, there is a particular initial focus on collating accessibility information across the estate. Currently, this information is not up to date and therefore processes are being reviewed to ensure property and spatial information is gathered and processed through a coordinated, data led approach.
- 4.12 Moving forward, in addition to the above, a budget of £1.2m has been created and will be supplemented by an annual capital allocation of £400,000. This funding will support accessibility improvements across the estate and contribute to improving the efficiency and utilisation of the Council's Operational estate, adapting and improving environments and enhancing effective use of space and user experience.
- 4.13 The aim is to ensure all accessibility requirements are considered fully as an integral part of all future projects across the estate (from new build and refurbishment project briefing to Facilities Management planned and preventative repairs and maintenance).
- 4.14 To inform the programme, accessibility surveys are being planned and initiated across the estate. The aim is to benchmark considerations across different building uses and architectural types, and to plan and programme the most efficient and sustainable format of lessons learned being applied across the estate to improve space and reasonable adjustments. It is acknowledged that the estate has many listed buildings, so reasonable adjustments will be made where feasible, considering budget, regulation and adaptation restraints with alternative accessible spaces being explored where possible. The Supporting Peoples Abilities Regardless of Circumstances (SPARC) Network are being engaged in this process.
- 4.15 Disability Scotland have recently updated their guidance to provide commentary on further accessibility considerations, such as visual impairment, hearing impairment, deafblind, physical impairment affecting mobility and dexterity, dementia, autism spectrum, learning difficulties such as dyslexia, dyspraxia and dyscalculia, brain injury and additionally 'hidden disabilities' such as mental health conditions, autoimmune diseases, chronic pain and fatigue disorders and neurological disorders. These will all be considered where possible in future spatial design.

- 4.16 As outlined in the [Our Future Work Strategy](#), the vision for the workplaces of the future will be environments designed, built and adapted to drive the Council forward with a shared sense of purpose within a culture of collaboration aiming to improve outcomes for local people. The aspiration is to use the pandemic as a catalyst for change and realign the workplace to enhance customer and colleagues' wellbeing and experience. Creating more dynamic work settings and effective ways of working will improve performance, knowledge sharing and autonomy, leading to greater employee and customer satisfaction, which will ultimately result in improved service delivery. Wellbeing and Equalities will be a core focus within the Corporate Property Strategy.
- 4.17 A workstream is progressing with colleagues in Human Resources to develop a process to assist with reasonable adjustments for colleagues where these are identified by assessment or as part of their career passport – this could be training, assistive technologies, software, furniture, and adaptations to their working environment.
- 4.18 Mainstreaming this approach within the Corporate Property Strategy across the three themes will result in a coordinated, fully integrated approach within future building improvements.

Net Zero

- 4.19 New projects currently being delivered within the scope of the Corporate Property Strategy which contribute to the aim of creating a net zero city are several Passivhaus new build operational properties. These are the MacMillan Hub; Currie High School; Liberton High School; Sciennes Primary School Annex (now operational) and Maybury Primary School. All other operational property projects which are in the development stages are also being designed to Passivhaus standards.
- 4.20 Three pilot retrofit projects are being progressed at Brunstane Primary School, Liberton Nursery and Trinity High School (part). Further projects within the initial retrofit pilot programme are currently being reassessed on the basis of a best value assessment benchmarked against the overall budget available. Notwithstanding the significant construction cost inflation over the past two years, resources to retrofit the whole operational estate are significant (£b) and are not currently available through the Council Capital Investment Programme or external funding sources nor, given the cost involved, is it practical to assume they will be. An update on the programme will be presented to Committee in 2024.
- 4.21 Policies to look at how to decarbonise the energy used in operational buildings, and wider Edinburgh properties, are being progressed principally through the Edinburgh Local Heat and Energy Efficiency Delivery Plan which, was considered by Committee on 15 December 2023. All other opportunities to be involved in networks and have influence on properties not owned by the Council becoming net zero are progressed where appropriate resources are available.

- 4.22 Considering the overall impact of disposals or demolition for the city will be a key role in implementation of the strategy, requiring consideration of circular construction and specification of materials, furniture and fittings including repairs, maintenance, and ethical end of lifecycle planning.

5. Next Steps

- 5.1 Business cases will be progressed through the governance and approval processes outlined in this report as necessary.

6. Financial impact

- 6.1 There are no financial implications arising from this report. Business cases will require to be developed and approved for any projects emerging from the Corporate Property Strategy with the financial detail reported to the Finance and Resources Committee to be considered on its own merits.

7. Equality and Poverty Impact

- 7.1 Integrated Impact Assessments will be completed where necessary for any project arising from the Corporate Property Strategy.

8. Climate and Nature Emergency Implications

- 8.1 As a public body, the Council has statutory duties relating to climate emissions and biodiversity. The Council

“must, in exercising its functions, act in the way best calculated to contribute to the delivery of emissions reduction targets”

(Climate Change (Emissions Reductions Targets) (Scotland) Act 2019), and

“in exercising any functions, to further the conservation of biodiversity so far as it is consistent with the proper exercise of those functions”

(Nature Conservation (Scotland) Act 2004)

- 8.2 The City of Edinburgh Council declared a Climate Emergency in 2019 and committed to work towards a target of net zero emissions by 2030 for both city and corporate emissions and embedded this as a core priority of the Council Business Plan 2023-27. The Council also declared a Nature Emergency in 2023.

Environmental Impacts

- 8.3 Any positive or negative environmental impacts, as well as the steps taken (or planned) to mitigate any adverse impacts will be considered as specific projects are

progressed. This includes impacts on greenhouse gas emissions, air quality, biodiversity, and adaptation to climate change.

9. Risk, policy, compliance, governance and community impact

- 9.1 Risk, policy, compliance, governance and community impacts will be considered in more detail within any future business cases aligned to the Corporate Property Strategy.
- 9.2 The report to the Policy and Sustainability in August 2023 included an example of the detailed community engagement that is progressed when property projects are in development.
- 9.3 The Corporate Property Strategy is fully aligned to the Council Business Plan and the medium term financial plan.
- 9.4 There is a risk that the aspirations for community hubs are impacted by lack of partner agency funding. Each case will have to be considered on its own merits as part of the wider business plan. Moving forward, however, it is proposed that partner projects should be fully funded prior to seeking approval to proceed with construction.

10. Background reading/external references

- 10.1 [Corporate Property Strategy](#), report to Policy and Sustainability Committee, 22 August 2023.

11. Appendices

- Appendix 1 Final Corporate Property Strategy approval recommendations, Policy and Sustainability Committee 22 August 2023.

Appendix 1 - Final Corporate Property Strategy approval recommendations, Policy and Sustainability Committee 22 August 2023.

1. To approve the proposed Corporate Property Strategy.
2. To agree work be prioritised on community-based district heating networks. This should fully utilise public buildings and facilities like swimming pools and look to Energy for Edinburgh to delivery short- and medium-term projects.

UPDATE: [The Edinburgh Local Heat and Energy Efficiency Delivery Plan](#) was considered by the Policy and Sustainability Committee on 15 December 2023.

3. To agree that community centres were a critical resource for our communities which had only grown in importance during the cost of living crisis and that the strategy must have, as a starting point, protecting and continuing the use of these buildings by communities as the primary objective.

UPDATE: This action is captured under the ongoing review of community centres.

4. To note that a report is coming to the Culture and Communities Committee which would set out the condition of each community centre building, as the report to the Finance and Resources Committee in March 2020 did, but which would also include additional information about each building in terms of ability to retrofit to improve energy efficiency and costs required to meet accessibility standards.

UPDATE: This action is captured under the ongoing review of community centres.

5. To agree this report would include an update on the detailed profiles of individual community centres that officers were developing, and how this approach would be utilised to identify best practice and share insights across all management committees, improving services and increasing capacity.

UPDATE: This action is captured under the ongoing review of community centres.

6. To agree that, where any buildings were considered to be underutilised, that the approach would be to support increased activity, not use any information gathered through this profiling to justify closures of buildings.

UPDATE: This action is captured under the ongoing review of community centres.

7. To note that the proposed Corporate Property Strategy Board would bring forward business cases for programmes and projects, as set out in the report by the Executive Director of Place, to the appropriate Executive Committee for approval.
8. To request an annual update report on the property strategy outlining via suitable indicators:
 - Running costs (energy, water, rates, maintenance)

- Carbon expended
- Electricity use
- Estimate of any embedded carbon required

UPDATE: An annual report will be submitted to the Policy and Sustainability Committee before the end of 2024 and then every 12 months thereafter.

9. To note that suitable summaries of the above should include as a minimum:

- Totals across the whole estate;
- The 10 most costly buildings to run in categories above;
- The 10 most costly buildings per square metre of gross internal area.

UPDATE: An annual report will be submitted to the Policy and Sustainability Committee before the end of 2024 and then every 12 months thereafter.

10. To thank officers for developing the proposed Corporate Property Strategy, welcome the strategic approach to the whole estate, and support the three themes of Live Well Locally, Our Future Work and Net Zero Properties.

11. To note the Strategy would mean possible disposals or replacement of council buildings, and note communities would be concerned by the possible changes to local facilities such as community centres or libraries.

UPDATE: Community engagement will take place before any proposed changes to local facilities are presented in a business case to Committee so that the feedback from that engagement can be included in the report.

12. To agree to a further update in two cycles and call on officers to:

- Provide a high-level overview of the programme which would be developed if the Strategy is agreed, including an indicative list of buildings which are expected to require a project business case.
- Either develop a fourth strategic theme of access and inclusion, or clearly show access and inclusion mainstreamed throughout the Strategy, acknowledging that the council's estate is currently not fully accessible, the systemic and unacceptable exclusion this causes, and committing the Council to prioritising actions to address this through this work.
- Further develop the Net Zero Properties strategic theme to consider the overall impact of disposals or demolition for the city, and not just for the Council's own portfolio.

UPDATE: Latest information provided in the main report.