

Finance and Resources Committee

10.00am, Thursday, 19 September 2024

Placed-Based Property Improvement Programme

Executive/routine
Wards

Executive
All

1. Recommendations

- 1.1 That Finance and Resources Committee agree:
 - 1.1.1 That the initial properties highlighted can be considered for disposal or alternative use, with reports related to specific disposals, leases or community asset transfer submitted to Committee for further consideration as necessary; and
 - 1.1.2 That more detailed place-based proposals should be developed with the full involvement of local elected members and business cases brought forward for consideration when available.

Gareth Barwell

Interim Executive Director of Place

Contact: Crawford McGhie, Head of Strategic Asset Planning

E-mail: crawford.mcghie@edinburgh.gov.uk | Tel: 0131 469 3149

Placed-Based Property Improvement Programme

2. Executive Summary

- 2.1 This report provides an overview of the place-based approach which will be progressed to determine future operational property requirements in local communities.
- 2.2 The overarching aim of the programme is to improve access to services for residents at the same time as reducing the number of properties from which services will be delivered. The approach is designed to enhance the overall facilities and services available within local communities. Properties will only be declared surplus to requirements when agreement on the alternative service delivery option is reached through detailed engagement within a local area.
- 2.3 The Place-based Property Improvement Programme will be delivered through the Corporate Property Strategy Governance structures and is specifically aligned to the need to generate £1m savings from non-core property rationalisation and disposal from financial year 2025/26 (which is included as a target in the Revenue Budget Framework and Medium-Term Financial Plan 2024/29 progress report also being considered at this Committee).

3. Background

- 3.1 Over the last decade or more the Council has been taking opportunities to rationalise its operational property estate and, where possible, integrate service delivery with strategic partners. While this has been successful, there is an ongoing necessity to continue to make the property estate as efficient as possible.
- 3.2 Further progress is time consuming due to the complexities involved in changing the locations of service provision in local communities and because the city is growing at a pace which places increased demand on the overall property footprint. However, the Revenue Budget Framework and Medium-Term Financial Plan 2024/29 progress report (elsewhere on the agenda for this Committee) highlights the need to generate £1m savings from non-core property rationalisation and disposal from financial year 2025/26.

4. Main report

- 4.1 Despite the associated challenges, opportunities exist to improve and integrate the delivery of local services in some communities from fewer buildings. This will require joined up extensive and purposeful engagement with local communities and up-front capital investment to secure longer term property efficiencies.
- 4.2 Progressing these opportunities is in line with the aspirations of the Council business plan to create community service hubs. In essence, wherever possible, the intention would be to integrate learning estate, libraries, sports, health, care and community centre infrastructure within local neighbourhood campuses utilising, improving and replacing buildings where necessary so that services are delivered from fit for purpose facilities. As a result, service delivery from buildings which are no longer fit for purpose would cease.
- 4.3 This place-based approach to change will result in proposals which are acceptable to communities and improve service delivery in local areas.

Overview of the Place-Based Approach to Change

- 4.4 When considering future options for the purpose and use of Council buildings across the city, community hubs should provide attractive, inclusive, and accessible spaces for citizens to engage in a wide range of personal and work-related activities. They should cater to a diverse spectrum of cultural, social, health and economic requirements within neighbourhoods and deliver access to high quality essential services, recreational activities, and learning opportunities, reflective and inclusive of local need. These needs will differ for every community, often led by social, demographic and technological change.
- 4.5 Too many existing facilities do not currently meet this requirement and, therefore, officers intend to bring forward place-based plans to ensure that community assets can be fit for purpose, meet net zero targets and are best able to meet the needs of communities of geography and interest. Providing space for informal, free social interaction is essential to democracy, community wellbeing and empowered community voices.
- 4.6 The team leading this programme will work with colleagues across Council services and partner organisations to identify areas for a phased place-based approach to change and investment. The work will recognise that one size does not fit all and will fully involve local people and organisations in the process to transform community assets into thriving hubs which are responsive to need, and best placed to provide these essential spaces to support communities to live well locally.
- 4.7 This approach will be informed by an approach to building and service design that meets this ambition. Specific proposals will be informed by ongoing dialogue with ward councillors and presented to Committee for approval on a rolling basis.
- 4.8 This programme of improvement will be guided by the principles for delivering community hubs shown in the following diagram:



- 4.9 Strategic partners local property requirements for service delivery will also be considered when appropriate but only included in project delivery if the necessary resources are available and committed. Strategic partners such as the NHS, Police, Fire and third sector organisations are already involved in place-based planning with the Council through the Edinburgh Partnership and every opportunity to improve the integration of service delivery will be progressed.
- 4.10 To progress these opportunities, the following ongoing engagement activities require to be co-ordinated:
- 4.10.1 Libraries review;
 - 4.10.2 Community Centre review;
 - 4.10.3 City Plan 2040 engagement and Local Place Plans;
 - 4.10.4 Ongoing engagement with communities for existing property delivery projects; and
 - 4.10.5 Local housing led regeneration initiatives.
- 4.11 There are also ongoing initiatives to:
- 4.11.1 Transform community planning partnership neighbourhood delivery groups;
 - 4.11.2 Ensure children’s voices are included in decisions around place and planning through the Edinburgh Children’s Partnership;
 - 4.11.3 Revise service delivery models based on a prevention led approach; and
 - 4.11.4 Create service delivery “Teams around the Learning Community”.

- 4.12 As they progress, these wider strategic initiatives will shape future property requirements and regular updates will therefore be provided and considered through the Corporate Property Strategy governance structures.

Community Engagement Proposals

- 4.13 It is proposed that the extensive community engagement required is overseen by the existing Corporate Property Strategy governance structures and becomes a focus for the Strategic Asset Planning service (who lead on the implementation of the Corporate Property Strategy).
- 4.14 The programme will be aligned to the 20-Minute Neighbourhood Strategy and the 20-minute neighbourhood team will be integrated into the Strategic Asset Planning service to focus on engagement. This team will be supported by the wider Strategic Asset Planning team with the programme becoming a key deliverable of the Corporate Property Strategy.

Property Disposal and Alternative Use Opportunities

- 4.15 One output of the proposed approach is that, over time, certain properties would become available for disposal or would be able to generate more income or savings if they are not available to be sold (e.g. because the building is classed as common good or should be retained for a community purpose). Due to the level of engagement required before acceptable place-based proposals can be brought forward, the properties which may become available for disposal or alternative use will be presented as business cases to future Committees.
- 4.16 In the meantime, there are some properties which will be considered for rationalisation/disposal/alternative use sooner without the need for detailed place-based analysis and engagement. There are also a number of policies/legal obligations in place that impact surplus assets, for example, an obligation to obtain Best Value, Community Asset Transfer legislation and the default position that all sites suitable for affordable housing should be offered to the HRA in the first instance. A summary of the more immediate opportunities is provided in the table below.

Property	Summary of Opportunity
Fort (Office)	The remaining operational activity in the office area of this building can be located to other locations and the site occupied by the office building could be marketed for disposal and/or offered to the HRA for affordable housing.
Hermitage of Braid	There is limited operational activity in this building, and it is in poor condition and in need of significant investment. Opportunity to work with heritage interests to consider alternative and appropriate use.
Trinity Apse	Title restriction for disposal, therefore only real option is rental. Currently being used for storage so considered work with heritage interest to deliver a more active use.
Burgess Road Depot	Review of depot strategy underway which will result in the property being surplus to requirements. Use of site may be required as part of Queensferry Primary School/Early Years expansion.
Inverleith Depot	Review of depot strategy underway which will result in the property being surplus to requirements. Opportunity to consider an alternative use.
Russell Road Depot	Review of depot strategy underway which will result in the property being surplus to requirements. Transfer to HRA to be considered

4.17 It is recommended the initial opportunities in the table above and the community engagement required to determine longer term opportunities in specific areas are progressed, with further reports submitted to Committee as necessary when specific buildings are to be sold, leased or used for alternative purposes. Local elected members would be fully engaged in any place-based approach that has implications for a community in their area.

5. Next Steps

- 5.1 Committee agree the proposed joined-up engagement approach to develop place-based proposals.
- 5.2 Full business cases are developed for each project and are progressed through the Corporate Property governance structures and presented to Committee as necessary.
- 5.3 Properties which become surplus to requirements as the programme progresses will be marketed for disposal/leased/form a CAT to achieve best value.

6. Financial Impact

- 6.1 Capital funding which is not currently in the investment programme will often be required to deliver the best placed-based approach for a local community. Receipts for properties no longer operational can contribute to the investment requirement but can then not be double counted as savings opportunities.
- 6.2 In the long term, a more efficient operating model will be created. However, the growth of the city and the increase in footprint for some of the integrated operational properties that will be delivered will mean that actual reduction of revenue budgets associated with operational properties could be limited and eliminating future growth in budgets should therefore be justification for some of the business cases developed.
- 6.3 More work is required to determine the extent of savings from this first tranche of property changes to ensure that other existing commitments are deliverable, e.g. assumptions already in the Depots Strategy on savings will still require to be met from the depot which are declared surplus to requirements.
- 6.4 Notwithstanding the above, there is sufficient scope to assume a savings target of £1m per annum from financial year 2025/26 (which forms part of the Revenue Budget Framework and Medium-Term Financial Plan 2024/29 progress report elsewhere on the agenda for this Committee).

7. Equality and Poverty Impact

- 7.1 There are no specific equality or poverty implications associated with this report. Where required, Integrated Impact Assessments will be part of the place-based approach within local areas.

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.

- 8.3 As this programme is part of the Corporate Property Strategy the climate implications of any works will be considered, and specific property projects will contribute to the delivery of emissions reductions targets.

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

- 9.1 All of these issues will be addressed through the existing governance and reporting mechanisms already in place for the Corporate Property Strategy.
- 9.2 Extensive engagement with local communities, elected members, council services and strategic partners will be required to design projects which gain approval and can be implemented.

10. Background reading/external references

- 10.1 [Corporate Property Strategy.](#)
- 10.2 [Library Review.](#)
- 10.3 [Community Centres Review.](#)

11. Appendices

None