



Meeting	Authority Meeting
Date	26 September 2024
Location	COSLA, Edinburgh
Title of Paper	Estates Masterplan
Presented By	James Gray, Chief Financial Officer
Recommendation to Members	For Discussion
Appendix Attached	No

PURPOSE

The purpose of this report is to set out how the Estates Masterplan has been developed, the strategic priorities for the estate, and an outline 10-year capital programme of estates modernisation to support the revised model of policing, in line with the Business Plan, and Police Scotland 2030 vision.

This paper is for discussion.

1. BACKGROUND

- 1.1 The Policing Estate in Scotland is unsustainable. A large proportion of the estate is at the end of its useful economic life and was designed for how policing was delivered half a century ago, and not how it will be delivered into the future through the revised model of policing. As a result of long-term under-investment, the estate has built up a backlog maintenance bill of £245 million. Even if the £245 million was spent now, it would simply address the structural fabric of the buildings but not enhance them or make them fit for the future.
- 1.2 A lack of ongoing capital funding for the estate has meant that the approach taken to estates management in the first 11 years of Police Scotland has been to focus on reactive critical maintenance, primarily focused on compliance requirements in order to patch up buildings to keep them operational. The organisation spends millions of pounds each year on core systems such as boilers in buildings that are not fit for purpose and at the end of their economic life, simply because there is insufficient money to move to better accommodation.
- 1.3 The Estates Masterplan has followed best practice asset management processes and has built up the organisation's requirements and sets out what is required to be done over the next 10 years to modernise the policing estate to meet the needs of the future.

2. FURTHER INFORMATION ON TOPIC

Property baseline

- 2.1 A significant amount of work has been undertaken to develop a strong baseline of property data through the Masterplan Phase 1 work. This has provided an evidence base from an estates perspective to determine which buildings are worth retaining and which ones should be disposed of because they are at the end of their economic lives. This exercise has highlighted that the most acute problems with regards to the condition of the estate are in the West of Scotland as well as in Tayside, most notably, in Dundee.
- 2.2 For example, within the West cluster, almost all properties in Glasgow are at the end of their economic life – most of the largest police buildings were constructed for the creation of Strathclyde Police in 1975 meaning they will turn 50 years old in 2025. They are

large inefficient buildings that were designed for 1970s policing. It is conservatively estimated that over £40 million of investment would be required just to keep these buildings operational over the coming years, but that investment would not enhance the estate in Glasgow – it would still be 50 years old, not fit for purpose, and not located to suit demand and needs.

Building operational requirements through “Voice of the customer” interviews and workshops

- 2.3 Over the course of Summer 2024 there has been significant engagement with all core business areas in policing to understand their current and future requirements. This is an exercise that will be ongoing so that the Masterplan can continually be iterated in order that it continues to support the development and implementation of the revised model of policing. This focus will be on providing an estate that best meets operational requirements, and the needs of the communities that we serve.
- 2.4 From that work a set of options was developed based on these requirements, for the highest priority areas which have been identified through detailed estates condition data.

Development of a high-level capital programme

- 2.5 By bringing together the estates baseline data which shows the most urgent building issues with the operational requirements, an outline 10-year capital programme has been developed.
- 2.6 What it highlights is that in order to drive meaningful improvement in the estate, and to meet the developing future operational requirements, an investment of approximately **£500m** is required over the next 10 years.
- 2.7 If this investment was available, it would support the upgrade of 122 existing buildings to a good condition and the construction of a number of new “deployment hubs”, as well as new community policing bases and touch-down points, in the parts of the country where the estate is rated as having the lowest building condition scores. It would also support the construction of new custody hubs which would facilitate the closure of a large number of existing custody suites that are not fit for purpose.
- 2.8 At this stage, the purpose of the high-level 10-year capital programme is to provide Police Scotland and the SPA with an indication of the level of investment required to modernise the estate, as well as to provide an evidence base to Scottish Government for the need for additional funding.

Additionally, it is to set the strategic direction for the way in which we organisationally approach managing our estate. Through understanding the requirements to support the revised model of policing we are able to build estates implementation plans based on a single agreed strategy, the pace of delivery will be dependent upon levels of investment available.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no direct financial implications in this report.
- 3.2 However, the report sets out the need for of £500m of capital investment in the Police estate over the next 10 years. At current spending levels of £22m per year (£220m over 10 years), this would mean a funding shortfall of £280m over the 10 years.
- 3.3 The outline programme identifies potential capital receipts of £80m over the period which offset against the funding requirement, leads to a net capital requirement of £200m over 10 years.
- 3.4 If the SPA/Police Scotland were able to borrow £200m over the 10 years to meet the shortfall, it could be afforded through the reduced annual running costs of the estate resulting from a smaller more efficient estate that meets future needs.

4. PERSONNEL IMPLICATIONS

- 4.1 There are no direct personnel implications in this report.
- 4.2 Pending positive discussions in relation to the Masterplan strategy, an implementation programme will be developed in the autumn. Depending upon the levels of funding secured, this will dictate the shape and size of the implementation programme, and therefore the associated resource implications required to deliver this.
- 4.3 As part of the stakeholder engagement process in relation to the development of the Estates Masterplan, a series of initial engagement sessions to outline the high-level strategy either have, or are due to, take place during August – early October 2024. These include engagement sessions with senior leaders across Police Scotland, members of the Estates service, staff associations and trade unions, and representatives of COSLA etc.
- 4.4 As the Estates Masterplan implementation programme is developed through the autumn, these engagement sessions will continue, and

as specific projects are identified for delivery (subject to available funding) all appropriate specific officer, staff, and public consultations will take place in accordance with the relevant policies and procedures.

5. LEGAL IMPLICATIONS

5.1 There are no legal implications in this report.

6. REPUTATIONAL IMPLICATIONS

6.1 There are no reputational implications in this report.

7. SOCIAL IMPLICATIONS

7.1 There are no social implications in this report.

8. COMMUNITY IMPACT

8.1 There are no community implications in this report.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications in this report.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications in this report.

RECOMMENDATIONS

Members are asked to discuss and note the contents of this report.