



Agenda Item 13

<b>Meeting</b>	<b>Authority Meeting</b>
<b>Date</b>	<b>28 November 2024</b>
<b>Location</b>	<b>Merchants House, Glasgow</b>
<b>Title of Paper</b>	<b>Estates Plan</b>
<b>Presented By</b>	<b>James Gray, Chief Financial Officer</b>
<b>Recommendation to Members</b>	<b>For Discussion</b>
<b>Appendix Attached</b>	<b>Appendix 1 - Masterplan Engagement processes</b>

**PURPOSE**

The purpose of this report is to set out how the Police Scotland Estates Masterplan has been developed, the strategic priorities for the estate, and an outline 10-year capital programme of Estates modernisation to support the Police Scotland 2030 vision, revised model of policing and the 3-year business plan.

This paper is for discussion and is seeking **endorsement** from the Authority for the Estates Masterplan which supports both the master planning process and the high-level estates plan. This paper seeks further endorsement for the 10-year capital programme as part of ongoing budget negotiations with Scottish Government to invest in the policing estate over the next 10 years.

## EXECUTIVE SUMMARY

The Police Estate in Scotland has seen significant underinvestment over many years. As a result, in the first 11 years of Police Scotland, the estates approach has been to sell underutilised or excess buildings, and to patch up what has been retained with the limited funding available. This approach is not sustainable and is impacting upon the delivery of operational policing due to building failures and growing need for reactive repair.

The objective of the Estates Masterplan is to create a modern fit for purpose estate that best serves our communities and our workforce. It is not cost saving, nor is it the reduction of police station numbers and the withdrawal from communities. We know that the nature of policing has and will continue to change. Investment should of course see some opportunity costs as buildings become cheaper to maintain and run.

The Estates Masterplan has been developed to a strategic framework for the future development of the estate, to address the issue of sustainability, and has been built around the key following principles;

- **Maintaining community confidence** by having a visible presence in communities and appropriate public access to the police through the estate;
- Supporting a **thriving workforce** through developing a well-designed and maintained estate that is fit for the future;
- **Ensuring the safety of those in custody** by developing custody requirements that are effective and fit for purpose;
- Aligning with wider government policy in areas such as a **co-location first approach**, moving to a smaller modern estate in a move towards **Net Zero** goals, and freeing up brownfield sites for redevelopment opportunities.

Thus, the Estates Masterplan seeks to re-set the strategic approach to the management of the Police Estate, from a place of reduction and decline, to one of investment in our communities and our people.

In order to take the Masterplan forward, the initial estimate is that £500m of investment will be required over the next 10 years. The Scottish Police Authority and Police Scotland does not currently have sufficient resources to take this forward. Endorsement and advocacy of this approach from the Authority will support Police

Scotland in seeking a suitable investment or funding model with Scottish Government.

The starting point for the master planning process was to develop an evidence base of the current condition, costs and need for every building across Police Scotland. Understanding the condition, associated costs and operational need provided a platform for engagement and operational understanding of what a future estate might look like.

By engaging with professionals in estates management and development, looking at best practice from elsewhere and through a number of operational workshops and engagement exercises a future direction for the Police Scotland estate has been established.

While maintaining an important community presence, the future model for urban areas will see the introduction of a hub and spoke model. As the population becomes more remote and rural then the estates delivery will be similar to that seen today, where significant refurbishments and maintenance investment is needed.

The hub and spoke model allows policing to stay connected to communities while supporting collaboration across teams and optimising flexible resource deployment. Our 'spoke' system supports ongoing community engagement and the delivery of localised policing services.

Whilst detailed planning and design work has not been taken at this stage, the condition of our buildings and immediate need for investment would support the following priority areas;

- Glasgow and other parts of West Central Scotland such as Greenock;
- Tayside, with a particular focus on Dundee and re-locating from West Bell Street with the priority being a new custody solution;
- Relocating from Fettes in Edinburgh;
- Replacing Oban police station; and
- Undertaking whole building refurbishments in the properties that are still fit for purpose and are therefore planned to be retained.

If the commitment of investment is made, it will allow detailed planning, consultation and community engagement to take place on individual developments within the framework of the Masterplan. No decisions have been taken at this time on exactly how a deployment

hub and community touch point model would work in urban areas. In addition, further work is required on the overall national custody and productions model, which would be taken forward if investment is available to address these long-standing issues.

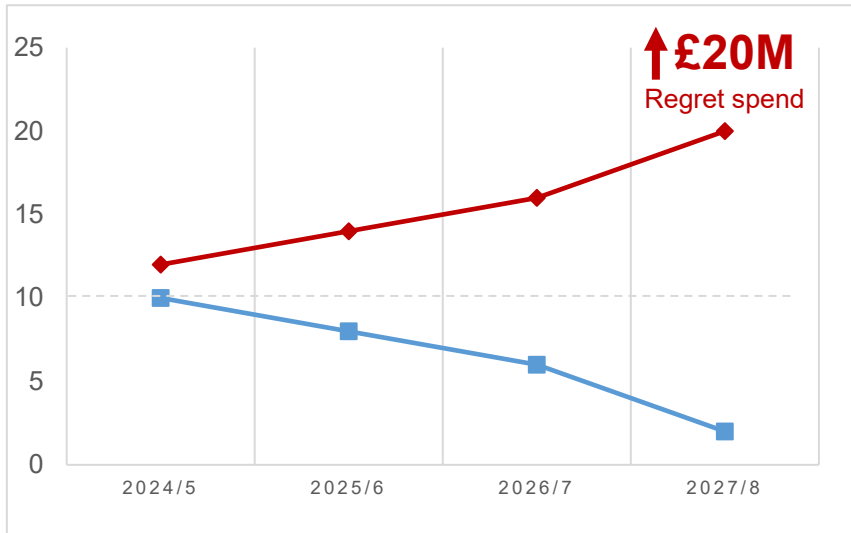
It is the intent of Police Scotland that the Masterplan will act as the framework for all future estates development, and all future business cases brought forward to the SPA for approval will be clearly linked to the principles of, and priorities within, the Masterplan. It therefore supersedes the Estates Strategy that was approved in 2019.

## BACKGROUND

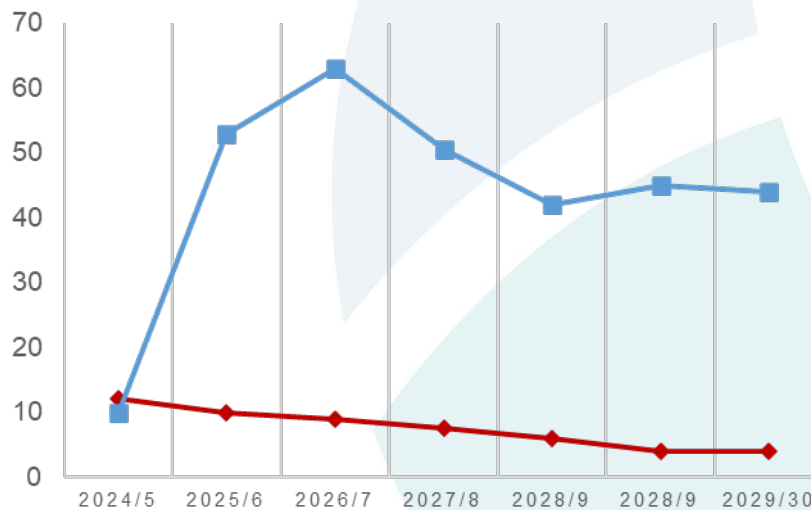
- 1.1 The Policing Estate in Scotland is unsustainable. A large proportion of the Estate is at the end of its useful economic life and was designed for how policing was delivered half a century ago. It is not designed or sufficiently flexible for how policing will be delivered in the future through the revised model of policing. As a result of long-term under-investment in the Estate, a backlog maintenance bill of £245 million has built up. 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 policing model.
- 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 keep buildings operational. There has been minimal investment in new and replacement buildings and Estates assets. 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 graphs below show the different trajectories of investment and 'regret spend' on the Estate between the proposed Masterplan investment and no increase in investment. The first graph shows the "no investment" scenario, the second the Masterplan. The red 'regret spend' line is spend on building maintenance in buildings that are not to be retained e.g. installing boilers with a 20-year lifespan in a building that is at the end of its economic life and will be closed in the short to medium term. Such spend is required to

keep buildings in operation and deliver policing services to the public due to a lack of alternative accommodation options. Regret spend will grow rapidly unless the investment is made.

CURRENT SPEND FORECAST (£M)



MASTERPLAN SPEND FORECAST (£M)



1.4 The Estates Masterplan has followed best practice asset management processes and has built up the organisation's requirements. The Masterplan 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

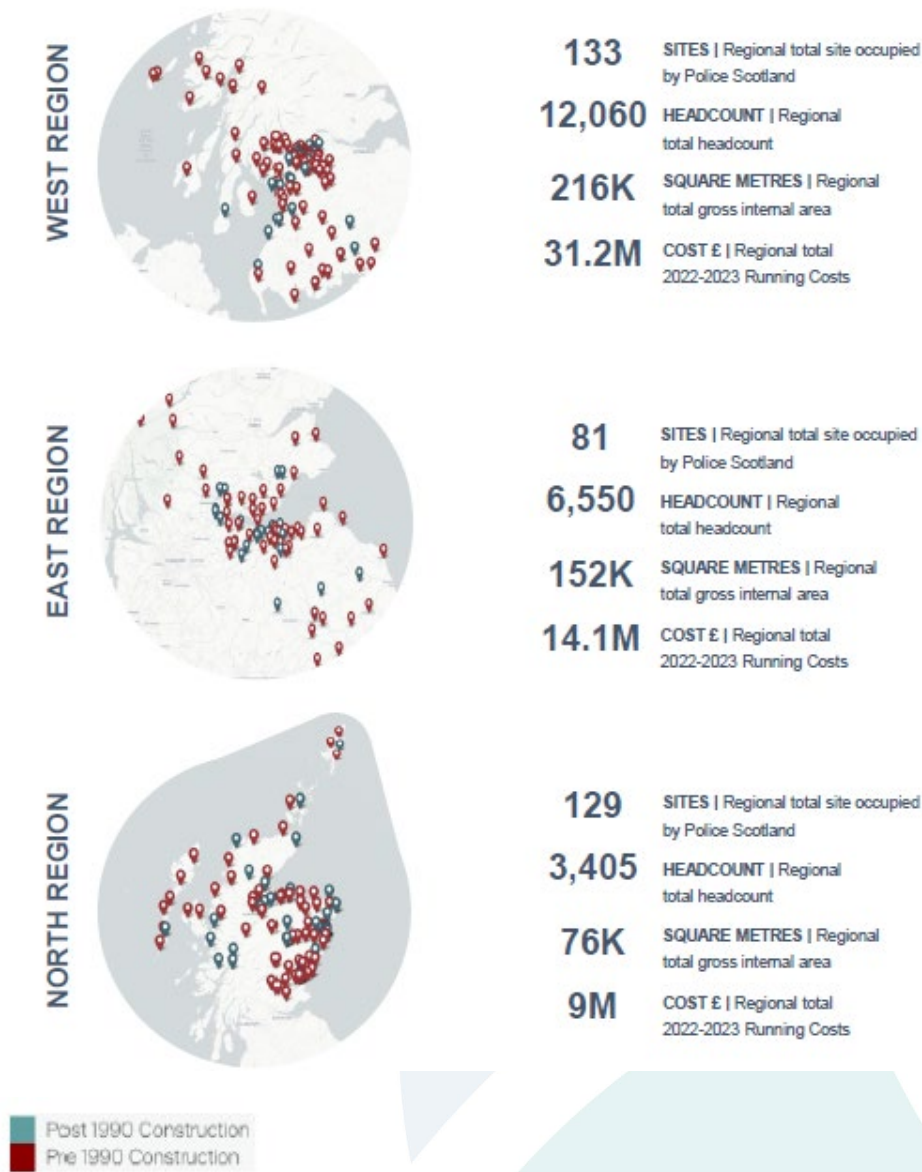
### Property baseline

- 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. Disposing of a building that is not for purpose does not of course mean a withdrawal from that community, but that a new solution is required by replacing that building or delivering services from another suitable location. Either way the principles of sustained community and public access will apply. 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 may not be located to suit demand and needs.

### Police Scotland Estate by building age – pre & post 1990

- 2.3 The aged nature of the Police Scotland Estate is shown by region below. Police buildings built and completed before 1990 are shown

in red, post-1990 sites in blue. Many of the post-1990 sites were constructed before the creation of Police Scotland and are 20-30 years old.



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

2.4 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. We have also engaged with other key stakeholders such as Local Authorities and other emergency services to ensure alignment and promote the principles of co-location and best value, where appropriate.

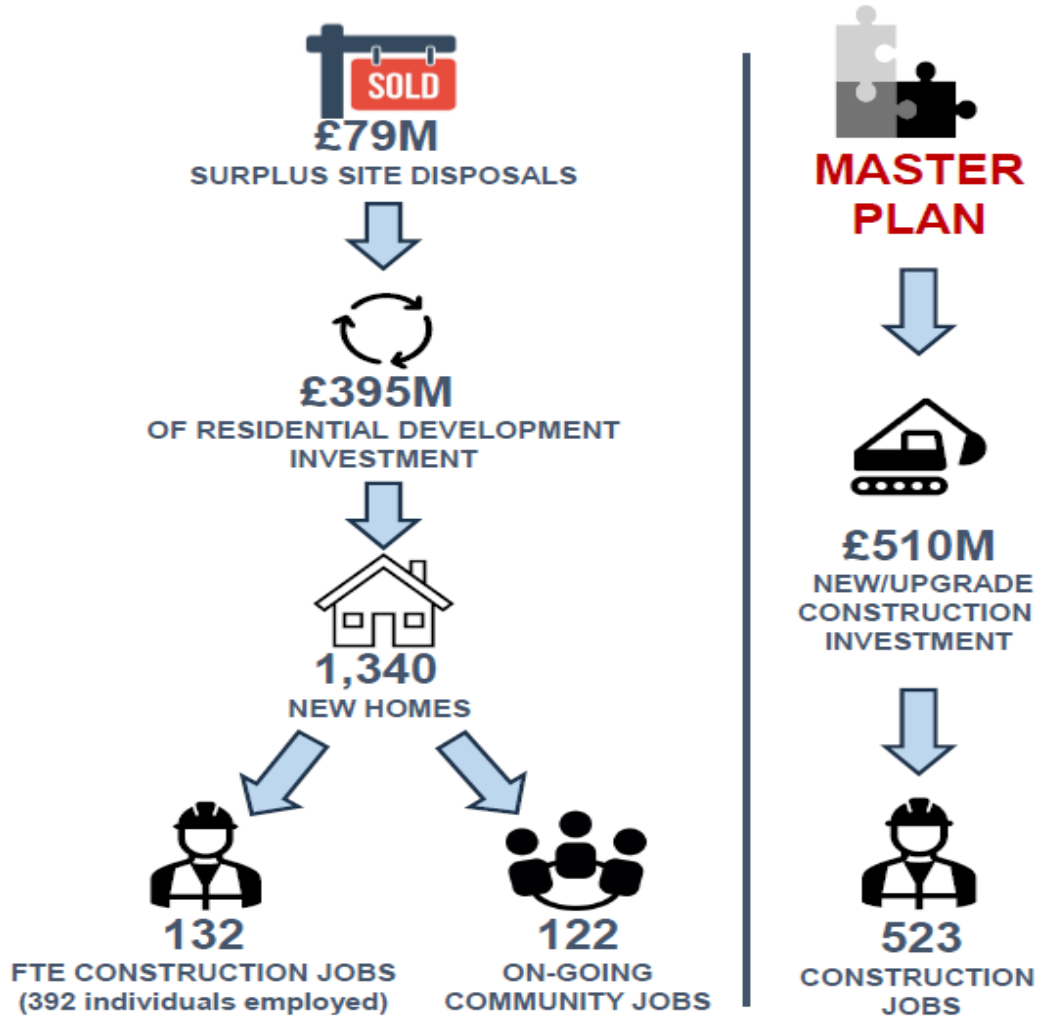
- 2.5 From that work a set of options was developed based upon these requirements, for the highest priority areas which have been identified through detailed Estates condition data. Further details of the engagement process are set out in **Appendix 1**.

### **Development of a high-level capital programme**

- 2.6 By bringing together the Estates baseline data with the operational requirements, an outline 10-year capital programme has been developed.
- 2.7 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.
- 2.8 Scenario planning with Estates professionals, supported by operational input has supported our high-level Masterplan. This plan has indicative numbers of the buildings that could be invested in. This would however be the subject of detailed design following approved investment. If this investment funding is available, it could support the upgrade of 122 existing buildings to an improved condition, the construction of several new “deployment hubs”, and the rollout of 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 to replace a large number of existing custody suites that are no longer fit for purpose.
- 2.9 At this stage, the purpose of the high-level 10-year capital programme is to provide Police Scotland, the SPA and Scottish Government with an evidence-based indication of the level of investment required to modernise the Estate.
- 2.10 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 of which will be dependent upon levels of investment available.
- 2.11 The investment will also provide a wider national benefit by making sites available for housing and redevelopment, create jobs and



investment in the construction sector across the country. In addition to the direct economic benefit of the Masterplan investment, the disposal of redundant buildings and sites, with an estimated value of £79m, will create residential and commercial development opportunities across Scotland.



### Principles of Masterplan Implementation

2.12 The masterplan provides an opportunity to support wider operational transformation and Vision 2030 with a hub and spoke model in urban areas being the operating model for local policing. This means new deployment hubs supporting smaller community policing points maintaining or enhancing the presence in the communities, whilst separating out Custody, Productions and Operational Support into pan divisional hubs.

- 2.13 Some elements of the model can also be applied to more rural areas, and will be adapted to meet local needs, including potential cross-border/divisional facilities. The model means police officers start a shift at the deployment hub where they have equipment, office support and welfare facilities, but spend most of their time in the community and are able to drop in and work, when necessary, at the local policing points. We recognise from the outset that the detailed design of this approach will need to be demand led and done in collaboration with our partners and our communities. In some areas of high harm, we recognise the importance of permanent smaller local community hubs.
- 2.14 Deployment Hub – a deployment hub is a building that provides a dedicated base location for Local Policing officers to start and finish their shifts, with all the required facilities such as lockers, welfare and digital facilities and police vehicle parking. Deployment hubs would usually host larger numbers of officers than is currently seen and allow officers to prepare for and return from their patrol areas and duties in a shared and fully equipped space. This model has been used by other police forces in the UK, with buildings ranging from new build warehouse units (with internal conversion and fitout) to refurbished and remodelled former police stations. Hubs may also contain other facilities such as divisional management, training or specialist units, however the primary use is frontline Local Policing officers. In less populated areas the hub may be co-located with other blue-light services or be part of a multi-functional police facility. Flexibility of the model and research into existing hub models will underpin the use of the hub concept.
- 2.15 A key principle for the Masterplan Implementation is the flexibility of the Estate model to be designed to fit the local needs of policing and the community we serve, reflecting the diverse geography of Scotland. Whilst hubs have clear benefits in densely populated urban areas, other options may be more appropriate in other areas. Working closely with operational teams, the efficiency and effectiveness of deployment/custody/productions hubs will be aligned with the new operating models, and also balanced against other factors such as travel time, co-location and co-working opportunities. Considerations around technical requirements to support the future needs of policing, for example in relation to digital requirements for Body Worn Video, will also be included and built into our future plans for the Estate. Hubs will be supported by

satellite locations where these are required to provide operational effectiveness, safety and efficiency for staff and detainees.

- 2.16 The detailed design of the Masterplan incorporates a wide range of engagement with internal and external stakeholders and is focused on delivering an Estate to meet the operational needs of Police Scotland. It is not a 'property led' process, but one that will provide an enhanced Estate that meets operational needs within the applicable parameters. It will incorporate policies such as co-location, where for example the new 'Asset Sharing Principles' for Police Scotland and local authorities (developed jointly with COSLA and SOLACE) will be applied.
- 2.17 In parallel the Masterplan will facilitate wider organisational change. With the development of new digital tools, the management of Productions can be streamlined to reduce physical storage and handling of items, reducing officer abstractions to deliver or collect items. New custody procedures and case disposal processes, combined with the enhanced efficiency, welfare and safety of custody hubs (supported by satellite facilities), will deliver a step change in custody management.
- 2.18 Within communities, the provision of new Local Policing hubs, linked to co-location and collaboration with partner agencies will maintain the policing presence and access in communities. A Local Policing touch point or hub could range from the retention of a smaller community police station through to a dedicated surgery or drop in within a community centre. More permanent police hubs will be created through collaboration with partners such as Local Authorities, in existing council buildings or through dedicated shop front premises.

### **Custody and Productions**

- 2.19 Custody plays a pivotal role in operational policing and the custody Estate will develop within the Masterplan in tandem with the Criminal Justice Transformation work. Capacity evaluation shows that Police Scotland has cell capacity that is more than double its day-to-day operational requirement (and significantly in excess of surge demand) across 62 locations nationally. Excess capacity can be reduced whilst improving the effectiveness of the custody

provision, support better delivery of criminal justice outcomes whilst ensuring the safety and wellbeing of detainees. As with deployment hubs, the precise mode of delivery and operation remains under development and will vary by location according to demand and needs. This work will also support alternative disposal methods for offences. The proposed future custody Estate is likely to comprise of custody hubs in urban areas and local custody centres in rural areas. Further work in the detailed design phase will see detailed demand driving the capacity and locations needed. This will include the development of policies around travel time which balance a professional custody provision with protecting front line services and service provision. We remain committed to a transparent approach with consultation with key stakeholders at each stage.

- 2.20 In parallel to the Custody Estate, the present production holding Estate is extensive and has not significantly altered from the legacy force era. Police Scotland has over 80 Production stores, with a significant number of 'Temporary Stores'. The standard and condition of the stores varies across the force area, however many are in poor state of repair and not fit for purpose. This issue is compounded by ongoing seizures of unnecessary productions, with challenges over the storage and transportation of hazardous substances, cash, and controlled drugs. Work is also ongoing with COPFS and Scottish Government around moving towards the 'Digitalisation' of productions. A review of the Production Estate is presently ongoing, including standardising national processes around retention, storage and disposal. This will work in tandem with the Masterplan to develop a revised and more efficient Productions Estate, with a reduction in the number of sites and the development of strategically located Production hubs on or near to the main arterial routes, supported by local spoke sites where required.

### **Impact & Consequences of Estate Investment**

- 2.21 The £500m investment will deliver significant reductions in the operating cost of the Estate, currently projected to be £130m over the life of the 10-year Masterplan programme period compared to current costs, along with a substantial improvement in energy efficiency and carbon reduction. However, the overall number of policing locations across Scotland will not change significantly, it is more that the size and layout of policing facilities will change to meet the modern needs of policing.

- 2.22 Critically the investment will also make a major contribution to the improvement of the wellbeing of the officers and staff through better and more suitable accommodation that supports them in their roles. Overall, the investment in the Estate is likely to provide a very positive impact on Police Scotland across all aspects of the organisation and its operations.
- 2.23 By investing for the long term in the Estate, and with the direct involvement of internal operational stakeholders in the Masterplan, this will allow the enabling function of Estates to facilitate and enhance the wider 2030 Vision and improve Police Scotland's ability to work with partner agencies and communities.
- 2.24 Should the investment funding not be available, then the Masterplan will become a process of 'managed decline' of the Estate. Available funding will be deployed to maintain the compliant operation of the existing Estate. Due to current conditions of buildings this will lead to the further building closures as buildings become uneconomic to repair or maintain in a compliant condition. In the medium term this creates a risk that the estate approaches a 'minimal viable' operational state, and capital and revenue may have to be diverted into the estate from other budget areas to prevent service failure due to building failure. The Estate supports critical functions such as custody and productions.
- 2.25 A lack of funding will also see Net Zero and related targets not being achieved, as the estate is a major contributor to the organisational footprint. It will also directly impact operational policing and staff wellbeing. The Masterplan investment is a key component of the Police Scotland response to the HMICS Wellbeing Inspection recommendations, so this will hold back the provision of a fit for purpose estate to support staff.

### **Next Steps**

- 2.26 Upon endorsement of the Masterplan, work will immediately start on the detailed design of the Masterplan and its implementation. Work will continue to identify routes for the funding of the investment plans (see Financial Implications below). Given the scale of the investment and estates activity, Police Scotland will commence the scoping of the resource implications to support this work. The Masterplan will require additional resourcing in Estates and supporting functions including Procurement, Digital and Legal.
- 2.27 The scoping, design and resourcing activity will be progressed based on the agreed funding position. Estates and supporting functions will be stood up during FY25/26 to provide the required capacities and capabilities to deliver the Masterplan. This is to facilitate

Masterplan implementation from FY26/27 onwards, based upon the assumption that the additional Masterplan funding will be available from FY26/27 onwards.

- 2.28 Irrespective of the immediate funding parameters, in FY25/26 Police Scotland Estates will be prioritising investment in the refurbishment of those sites identified for retention under the Masterplan. This will provide an immediate benefit to the organisation and will minimise the risk of abortive or 'regret' spend. Should additional funding not be available for FY26/27 onwards, the Estate strategy will revert to a 'keep compliant' basis.

### **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 Police Scotland is not currently able to hold reserves or to borrow, as was the case in legacy Force arrangements. 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.
- 3.5 10 years is of course a long time, during which there will be many twists and turns in the local and global economy. Effective ongoing financial management and governance will support the estates transformation.

### **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. 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 and then detailed engagement sessions have taken place. These will continue during this evolving and iterative process.
- 4.4 We recognise that policing is a difficult but rewarding role. As we learn more about trauma in policing it becomes ever more important to have a suitable estate that supports the wellbeing of our workforce.

## **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 Police Scotland's Estate, and the legacy forces before its creation have long recognised the importance of police buildings and the connection to how safe communities feel. More broadly Police Scotland must ensure that there is suitable public access to police buildings.
- 8.2 We also recognise however that the way in which policing operates, and the way in which the public want to access our services is changing. As the Modernise Contact and Engagement Programme continues, we will improve our digital offering to the public.
- 8.3 The Estates Masterplan will continue to have a community focus and will involve communities in detailed design that impacts on their area and the police service provision.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no equality implications in this report.
- 9.2 An EQHRIA will be utilised as just one element that supports equality and inclusion during the design phase.

## **10. ENVIRONMENT IMPLICATIONS**

- 10.1 Substantial investment in the Police Scotland Estate as proposed in this paper will significantly improve the energy efficiency of the Estate and reduce Police Scotland's carbon footprint. In the current Police Estate 96% of buildings are below EPC level C and this needs to be improved. Whilst there are likely to be a small number of new build premises, the bulk of significant building works will be refurbishments and upgrades of existing buildings. These will be carried out to the appropriate environmental and other standards and in accordance with Police Scotland policies and contribute to the Net Zero goals.

### **RECOMMENDATIONS**

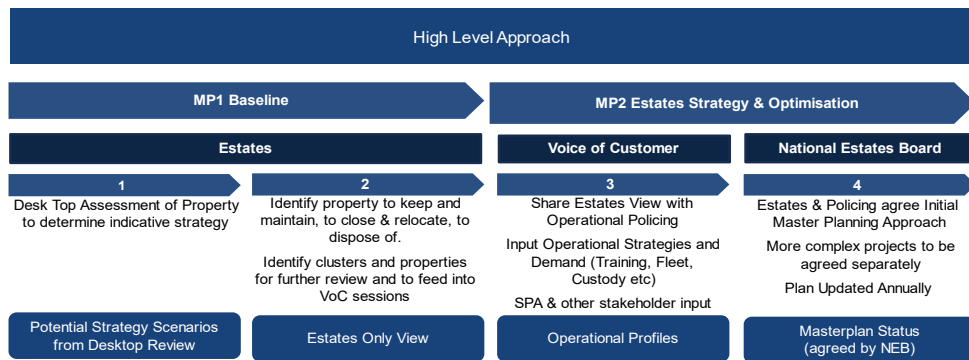
Members are asked to discuss and endorse the contents of this report.



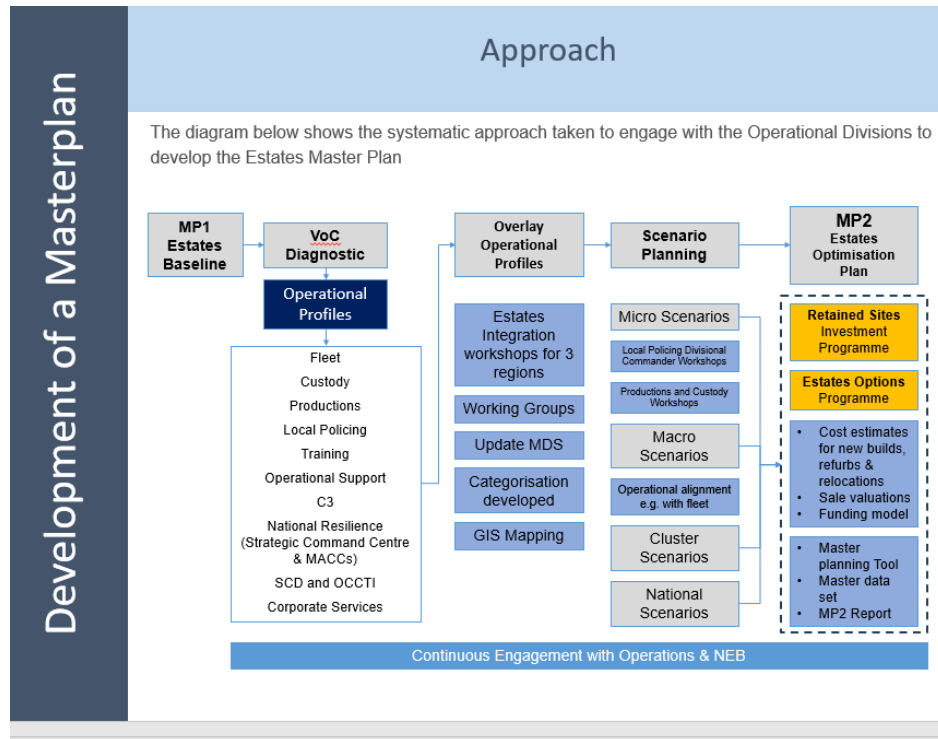
## Appendix 1 Masterplan Engagement Processes

1.1 The development of the Masterplan has involved detailed property analysis underpinning a wide-ranging integration with operational requirements across Police Scotland to provide an informed and robust plan. This started with baselining the Estate, followed by the alignment to operational demands and needs. The diagram below outlines the process.

### Estates Property Masterplan: Approach



- 1.2 The engagement with Operational Divisions during 2024 was through a workshop process called 'Voice of the Customer' (VoC). This process ensured that operational requirements were fully captured, tested and verified to ensure the Masterplan fits with the wider organisational requirements.
- 1.3 This process was undertaken through ongoing engagement between Estates and relevant business areas. There were also dedicated workshops that brought together internal stakeholders from areas including Local Policing, Operational Support, Criminal Justice and Corporate Services functions, for example Fleet, to look at Local Policing by region and separately at the Custody and Productions function.



- 1.4 Since the inception of this phase of the Masterplan in late summer 2024, extensive consultation has also been undertaken with a wide range of stakeholders. Internally the proposed Masterplan has been briefed to staff representative groups and unions, along with a series of internal briefings for Senior Leaders and relevant staff groups. Externally the Masterplan has been shared with COSLA, Solace, Scottish Futures Trust and representatives of local authorities and other agencies. Estates specific engagement has also commenced with Estates colleagues across the Scottish public sector to identify opportunities for collaborative working and co-location.
  
- 1.5 Endorsement of the Masterplan will facilitate a much broader engagement process to promote understanding of the programme and its benefits. This will move from the current national engagement to more localised engagement. The development of detailed cluster plans will involve considerable local stakeholder engagement and involvement. Those processes, currently under development, will build upon existing consultation and engagement processes to ensure Masterplan activity is aligned to operational and local need and opportunities.