

The background of the slide is a large, light blue watermark of the City of Vancouver's coat of arms. It features a crown at the top with four maple leaves, a shield divided into four quadrants (a ship, a moose head, a sailing ship, and an eagle), and a banner at the bottom with the motto 'CITY OF VANCOUVER' and '1862'.

Agenda Item 5

Strategic Property Review – Stage 1 Report

FALKIRK COUNCIL

Title: Strategic Property Review – Stage 1 Report
Meeting: Falkirk Council
Date: 19 December 2016
Submitted By: Director of Development Services

1. Purpose of Report

- 1.1 This report provides the Council with an update on the work undertaken on stage 1 of the Strategic Property Review, agreed by the Executive at its 17 May meeting. It includes an update on the work that has taken place in regard to the Council headquarters project and seeks agreement on the next steps to be undertaken.

2. Recommendation(s)

It is recommended that the Council:

- a) note the contents of the report and agrees the principles set out for a corporate approach to the implementation of the Strategic Property Review, set out in para 4.4
- b) agrees in principle to the suggested Locality Model attached at Appendix 1 as a basis for further review of the property portfolio in relation to service needs
- c) agrees the next phase of work on the review to implement the Asset Rationalisation Programme contained in this report.
- d) agrees that, following consideration of budget proposals in February 2017, a list of properties be prepared for declaration as surplus and authorisation for disposal in 2017/18.
- e) agrees that further work be initiated on an options appraisal for the Council headquarters project at a maximum cost of £100,000, to include:
 - i) assessment of the refurbishment options for the Municipal Buildings
 - ii) assessment of the redesign of the new build headquarters project at the Municipal Buildings site to include provision of an arts centre
 - iii) the commissioning of a procurement exercise for alternative site options, reporting on the outcome of this work in 2017.
- f) agrees that a programme of interim arrangements be prepared for the office portfolio pending the results of the options appraisal
- g) agrees that a further report on the outcome of the next stages of work on the Strategic Property Review be provided to the Council during 2017

3. Background

- 3.1 The Council's Executive of 17 May agreed to appoint Hubco to help progress a Strategic Property Review. The need for this review arose as an outcome of the 2016/17 budget round and was initiated to help confirm those property assets that should be maintained by the Council as a base for service delivery, enabling savings to be identified from any surplus assets.
- 3.2 The Hubco team has worked alongside Council staff in the conduct of the review including representatives of each Council service and Falkirk Community Trust (FCT). Regular updates have been provided to the Corporate Management Team and Business Transformation Board. Connections with related strategic reviews, business transformation projects and the work of the Policy Development Panel on FCT were also made. The drive to modernise service delivery through e.g. the Council of the Future programme, the Digital strategy and the roll-out of mobile and flexible working is considered key to the success of the property review. It recognises that access to buildings is no longer of primary concern to the Council's service users as services can be increasingly be accessed through a variety of channels.
- 3.3 A report has been prepared, summarising the work that has taken place on the first phase of the review. It includes a report from Hubco on the Council's future asset requirements. This work involved an initial high level data capture of service needs and an analysis of asset performance. It has identified that the Council's portfolio is too large; is deteriorating; and that over time it may be subject to property and/or service failures.
- 3.4 Given current budget constraints, the Council cannot sustain the current number of buildings it has and the inefficiencies they present. It is imperative that it invests in a smaller number of buildings, which are utilised to a much greater extent. A programme to migrate towards the assets it needs for service delivery is required. This approach will provide greater efficiencies in cost and building use and can increase customer satisfaction.

4. Strategic Property Review - a Corporate Approach

- 4.1 The review examined:
- asset performance
 - patterns of service provision including front facing and back-office functions
 - anticipated service needs (taking into account demographic and land-use planning and deprivation related service pressures)
 - high level issues and challenges for the Council's portfolio.
 - requirements on a locality basis (in the East/Central/West areas, identified by the Council for a parallel exercise in locality planning) has taken place.
- 4.2 The scope to identify those assets necessary for the Council's future service delivery requirements has proven difficult due to a number of major service restructurings, reviews and initiatives that are taking place. Nonetheless the review enabled some initial findings to be given:

- the Council has 296 operational properties, extending to over 378,000 m²
- of the Council's total property assets, c80% are occupied by less than 10 full time equivalent staff (FTEs).
- in 2015/16 the Council spent on its operational portfolio:
 - £21.89m on revenue running costs (rents, rates, insurance, utility costs, cleaning, grounds maintenance, not including unitary charges for PPP/NPDO schools)
 - £1.036m, in leased in properties from the private sector (included in above and includes Abbotsford House)
 - £7.04m in 2015/16 on capital works to reinvest in its properties
- The estate accommodates 1936 non-school FTEs who require access to a desk for part of their working week and 1357 FTEs who are fully mobile. A further 252 FTE staff are accommodated in Falkirk Community Trust (FCT) properties
- the operational portfolio has a backlog of maintenance requirements in excess of £36m notwithstanding the expenditure described above.
- With only £2.74m being spent annually on maintenance, the portfolio is deteriorating
- Upgrading the estate to being fully compliant and suitable for modern day operational purposes basis needs investment by a factor of between 3-5 times estimates of the backlog maintenance requirements. **This suggests an investment requirement of up to £180m.**

4.3 The review confirms that the Council has too many assets; many of which are underutilised and are poorly performing. Continuing to operate from the current portfolio of operational properties is not sustainable. With a projected investment backlog of up to £180m and insufficient funds to meet the backlog requirement, substantial rationalisation of the property estate is needed.

Key principles for property asset management

4.4 The review recommends adopting a corporate approach to rationalise and modernise the Council's property estate. The following key principles of this approach are proposed:

- a) ***Services will be provided on a more integrated basis, sharing spaces and resources***
- b) ***Staff should be able to work flexibly from a range of locations***
- c) ***Increased use of online services (aligned to the Council's digital services model)***
- d) ***Less ad hoc customer access to services***
- e) ***Centralising back-office and HQ related functions***
- f) ***Localising front-facing service delivery via locality and community hubs (a suggested locality framework is attached at Appendix 1)***
- g) ***Non-specialist facilities should be shared wherever possible***
- h) ***Increase in shared use of space in schools***
- i) ***Invest in Council owned assets, minimising the use of leased in properties***
- j) ***Retain properties that are subject to recent investment, those in best condition and which offer greatest flexibility of use***
- k) ***Adaptations need to be funded from property savings/disposals***
- l) ***Early disposal of properties that do not meet the above considerations***
- m) ***Consideration of community asset transfer, aligned with the community empowerment model in development***
- n) ***Reinforcement of a corporate approach to asset management to achieve these changes.***

- 4.5 These key principles will be applied in confirming future property requirements and in the management of Council properties as corporate assets. Where appropriate, the Council's operational properties have been aligned to the three areas for locality planning purposes, giving an initial framework to assess the property needs in each area. This model will be refined in the next stage of the review.
- 4.6 An assessment of the overall property performance of each Council asset has been undertaken for the review. This aggregates a standard set of asset performance indicators to provide a ranking of the overall performance of the Council's assets (including schools). The list indicates those assets in poorest condition, usage etc. which might be targeted for closure and disposal.
- 4.7 Links to the capital planning process are important for the implementation of the review and work has been undertaken to input the findings from this initial stage of the review into the preparation of the capital programme for 2017-20. It is also important to consider the scope for shared use of assets involving other partners. This presents a number of opportunities for shared use of public buildings and rationalisation across the wider estate. It is proposed to approach community planning partners on the work undertaken to date on the review, identify some of the initial findings and consider opportunities to progress this work jointly.

5 Rationalising the Council's Property Portfolio

- 5.1 The performance assessment indicates those properties deemed as poorest performing in each locality. An examination has been initiated for the following categories of asset to take account of service demands:
- a) Offices
 - b) Public or Community assets
 - c) Specialist assets
 - d) School estate and the potential for increased/shared use
- 5.2 Work took place with Service representatives to identify initial space requirements for services in each locality and produce recommendations for each category of asset on the basis of:
- **Retain** – and re-invest where necessary for future service delivery, including introduction of new ways of working and increased shared use of space.
 - **Review** – to consider options for the use of a facility in the context of service need and asset performance with potential for continued use, re-use for a different purpose or closure and disposal
 - **Close/Disposal** – properties that are immediately considered surplus to requirements and are recommended for disposal via either open market or community asset transfer (recognising the implementation of new legislation under the Community Empowerment (Scotland) Act, 2015, coming into force in January 2017).
- 5.3 An initial appraisal of properties has taken place in relation to these categories and Appendix 2 outlines the properties that the Council should retain, review further or consider closure with a view to disposal or asset transfer. Some of the asset closures are contingent on decisions being made on service budget savings in February 2017. It is proposed that following budget decisions being taken, the assets

affected will be declared surplus and a programme of disposals initiated. Work will be undertaken to consider options for use by community planning partners; presentation to the open market or community asset transfer. Where necessary, buildings will be demolished to overcome risks of vandalism and empty business rates liabilities. In the case of leased in premises, allowances for dilapidations costs will require to be made.

- 5.4 For those properties that are being reviewed, the intention is to remove duplication of facilities and match service need and utilisation to supply. Reviews will consider use of the building for alternative priorities of the Council or its partners. The next stage of the review will firm up the recommendations for the Council's assets in each locality to address utilisation, demand and supply of assets.

a) Office Review

- 5.5 A review of the office estate has been made with a view to rationalising this accommodation while assisting in the implementation of modern ways of working. The Council's office estate:

- includes 28 offices in 10 geographic locations
- extends to c31,000 sq m Gross Internal Area (GIA)
- accommodates 1500 FTE staff
- costs £3.28m in 2015/16 (a cost per FTE of £2050 annually) including rates, energy, rent (where applicable), maintenance, cleaning and insurance costs etc.

- 5.6 An exercise is taking place to confirm the Council's office requirements, including those that can be centralised (principally HQ and back office functions) and those that require a locality presence e.g. associated with the advice hubs model. The review suggests that centralising back office/HQ functions can help deliver significant space and service efficiencies, resulting in a far smaller number of buildings being required. The existing office estate is fragmented, cellular, with much in poor condition and unsuitable for modern ways of working. Those office buildings retained by the Council will need investment to be sustainable for the future and to enable adoption of modern ways of working.

- 5.7 The review suggests that, of c31,000sqm of office floorspace that the Council currently occupies, through adoption of modern space standards, it requires around c13,000 sqm back office and up to 4000sq m for locality based office provision. This leaves c14,000 sqm (45%) of surplus office space. This surplus figure can be confirmed once locality and community hub requirements, including outreach operation from non-office buildings are identified.

- 5.8 The Council's future office provision requires investment to ensure it is sustainable for office use and enables mobile and flexible working solutions. Area based locality hubs are suggested in:

- Grangemouth - where work is underway on the creation of a new advice hub for c70 staff
- Denny - where Carronbank House offers space to accommodate additional staff and to work in partnership in service delivery with the NHS/IJB
- Falkirk - where the solution needs to be determined following consideration of the Council's office headquarters project.

The Grangemouth advice hub forms part of a pilot exercise which is to inform the roll-out of future locality based provision. Further work to refine the working model for the locality hubs will take place in the next stage of the review.

Council headquarters facility

5.9 It is acknowledged that at its meeting on 11 May 2016, the Council continued consideration of proposals for the Council's office headquarters facility to await clarification of future local government funding and implications arising from an announcement on a review of Scottish local government structures. While proposals are anticipated on public sector reform there has been little clarity gained on these matters in recent months and therefore, to address the concerns over the condition of the existing buildings, a survey of the Municipal Buildings complex (including office accommodation, Civic Suite and Falkirk Town Hall) has been commissioned. Hubco appointed an external team to inspect and prepare reports on the physical condition of the buildings. The survey examined the main elements/services of the building and provides advice on the works necessary to address backlog maintenance requirements and options for upgrade to increase utilisation in the short term. It reports on the condition of the buildings and works necessary work to address current deficiencies, bringing it to:

- *'Condition B' standard* which is defined as bringing the building to a current acceptable standard. Building elements and services are upgraded to a good and operable condition, free from any significant defects although the building will not provide the convenience and comfort expected within modern office accommodation.
- *'Condition A' standard* which is defined as updating to modern standards but with no enhancement and limited betterment.

The draft report suggests that to bring the existing Municipal Buildings complex to a category B standard involves a cost of c£5.6m inclusive of allowances for asbestos removal, ICT, decant (1 year) etc. However it should be noted that this provides no discernible improvement in the standard of office accommodation and retains a number of significant risks to the fabric and its capacity for service operations.

5.10 Upgrade to a category A standard, would be more conducive to modern ways of working but should not be viewed as a major refurbishment as it merely replaces building elements and services for example single glazed windows with double glazed units. It will cost around £15.75m inclusive of asbestos removal (provisional sums), ICT and decant (2 years) costs. Category A would offer a 30 year building life, however it is important to note that the survey alerts that defects affecting the structural frame and slabs could have particularly severe consequences for either refurbishment package.

5.11 The survey assists in the consideration of the options available to the Council to meet its headquarters office requirement. Subject to measures taking place to mitigate any associated risk upgrading the building would allow for c450 workstations. The report does however note some immediate actions necessary to address cracked masonry cladding and loose coping stones. Although no evidence of ingress is noted at present, future failure of the roofing membrane could result in the deck requiring to be replaced. Should the Council wish to proceed with the upgrading of the existing Municipal Buildings complex, more detailed work on the extent of upgrade to either Condition B; A; or more significant refurbishment; would be required to confirm costs and investigate the risk elements further such as asbestos removal. This would involve further fee costs to the Council.

- 5.12 The condition survey work has considered the Falkirk Town Hall and suggests that to bring this up to a Condition A standard would incur a £1.4m capital cost to Condition B or £3m for Condition A. However this would merely upgrade the fabric and would not offer any of the service modernisation needed for an arts centre type facility. Further work needs to be undertaken with FCT to determine the business case for continuation in a refurbished existing building. If continuing with refurbishment proves unviable as a service delivery option, alternative proposals, and means of funding the project, would require to be found.
- 5.13 It is strongly emphasised that the above costs are indicative, based on a high level non-intrusive review, and are far less detailed than those produced for the new HQ where a full design and costing exercise had been undertaken. Many of the sums, such as roofing costs, asbestos removal and structural condition, cannot be fully quantified as the building is still occupied. Provisional sums are indicated at this juncture and are thought to be in the region of £2m across the complex – this is a significant area of risk to the Council.
- 5.14 The Council's original new build HQ scheme, involving completion of the project via Hubco remains available to be delivered should the Council be minded to proceed, although costs will require to be updated to take account of construction inflation. This scheme would require to be re-examined in the context of the decision that a solution for the provision of an arts centre facility be found at a suitable location in the town centre. Various options for the location and funding of the arts centre were previously considered. The potential for a re-design of the existing HQ scheme to accommodate the arts centre facility on the site could be considered but it should be noted that this would incur redesign fees and that changes to the Building Standards would likely add some additional costs to the proposed office building.
- 5.15 Since the Council's decision to defer work on the replacement office headquarters project and to consider options for location of the arts centre facility in the town centre, indications of interest in the project have been received from a number of private sector bodies. These indicate interest in the regeneration of parts of the town centre involving provision of the Council office HQ and arts centre facilities. Proceeding to consider these options would require the Council to confirm its specification for these new assets, the likely financial and asset contributions available to deliver the project and the regeneration and other benefits it would anticipate through delivery of a project. It would also require marketing of the opportunity openly in compliance with national and European procurement guidance. The procurement exercise would assess the financial, service and regeneration benefits of such proposals. Information on the opportunities arising from such an exercise would be presented as part of the wider option appraisal.
- 5.16 This suggests that the Council needs to confirm its future office requirements through the next stages of the review and that it should progress an appraisal of the following options for the headquarters and arts centre facility:
- a) *Refurbishment* – further analysis of the costs, service implications and risks associated with refurbishment of the existing buildings.
 - b) *Redesign* – examination of the design and cost implications of extending the Hubco new build scheme at the Municipal Buildings site to accommodate provision of the arts centre on the site
 - c) *Relocate* – conduct a procurement exercise to assess alternative town centre options for delivery of the office headquarters and arts centre facilities

- 5.17 It is proposed that this work be undertaken via Hubco, to a maximum fee cost of £100k. The exercise will take place over the early part of 2017, reporting back to the Council on the outcome of this option appraisal with recommendations on how to proceed. In the meantime a package of works at the existing building is being identified to address immediate requirements and enable some additional space to be provided to accommodate staff. The cost of this work will require to be sourced from the Accommodation budget in the capital programme.
- 5.18 Given the timescales for resolution of the way forward in the provision of accommodation, interim arrangements are necessary for the Council's office needs to be met. This involves clarifying arrangements for the future use of large buildings such as Abbotsford House, the Forum and Sealock House as well as identifying the office premises that are considered surplus to requirements in the short term and can be recommended for closure. A plan to address these interim needs is in preparation to identify requirements, together with investment needs, in order to accommodate staff. Those offices to be declared surplus for disposal can also be identified. Early progress on this work will allow us to maximise the achievement of revenue budget savings during 2017/18.

b) Locality Review

- 5.19 As noted at para 4.4, a locality model is suggested in principle as a means of confirming future asset needs. Locality level reviews are underway to assess service delivery and asset needs in each of the East, Central and West localities. Work will consider the scope for rationalisation; intensifying the use of assets to be retained and identifying disposal programmes for other properties. It recognises that the Council has not yet confirmed a preferred locality framework and that this must be aligned with bodies such as the Integrated Joint Board, FCT and other community planning partners. However, the framework identified in Appendix 1 reflects decisions taken by Members thus far in relation to the emerging community planning agenda and is suggested as an 'in principle' means of examining future asset provision. Further work will take place to examine the following:-

- Location of office provision at central and locality level
- Provision of locality level advice hubs
- Review of day centre model of care and the potential for day centre provision on an outreach basis (programmes within other facilities)
- Community facility provision within the school estate; sports and leisure facilities or other community assets
- Properties to be retained that must achieve increased efficiency, cost reduction or income generation to aid sustainability
- Settlement reviews to understand service delivery requirements at community level
- Co-location opportunities with community planning partners
- Community asset transfer options for community halls or facilities.

This work can be revisited and refined once future decisions are made by the Council and partners and the specifics around localities crystallise.

5.20 These reviews will be progressed in the next stage of the review, reporting to the Council over the course of 2017/18.

c) Specialist Facilities

5.21 A review of the specialist facilities which the Council requires for service provision will be undertaken. This builds on the findings of recent work and includes programmes to:

- rationalise the use of depots, including the closure of Winchester Avenue and more intensive use of Earls Rd & Dalgrain depots
- implement the FCT Business Plan, including, where agreed, proposals to rationalise assets
- review asset needs for social care and day care
- review Council requirements for training accommodation
- review Council storage requirements in the light of mobile and flexible working and the digital strategy

5.22 In relation to FCT, a breakdown has been identified for its assets in terms of:

- assets offering capacity for income generation
- Community infrastructure - making a significant contribution to meeting local needs with scope to review service demands and connections with other services
- Community Engagement properties – offering potential for community based management (FCT propose a dedicated model for use of these facilities including development of volunteering capacity to sustain operations)

5.23 Further work to examine these options and identify the scope for rationalisation will take place at the next stage.

d) School estate

5.24 The review suggests that future service delivery and asset provision in some communities must rely on use of accommodation within the school estate. In several communities the local school is the principal community asset and the scope for greater intensity of use (within and outwith school hours) may be possible. Failing to address this point adds to the financial and space pressures on the non-school estate. Further work will assess the implications of such measures, addressing matters of security, curricular demands, caretaking cover and facility management. The implications of changes arising from the introduction of the Scottish Government's targets for the provision of nursery accommodation and consequent demands for accommodation will also need to be examined. Completion of this work will allow these assets to be considered in the context of locality provisioning.

Community Asset Transfer

5.25 Part 5 of the Community Empowerment (Scotland) Act 2015 is due to be brought into force in January 2017 and, where properties are identified as surplus, it is possible that the Council will receive requests for community asset transfer. A corporate approach has commenced and Children's Services are in dialogue with several management committees for community halls to ascertain their appetite for transfer of these facilities. The current position of these discussions is reflected in appendix 2.

5.26 Work is underway to establish a clear policy and procedure for community asset transfer e.g. ensuring that groups are properly constituted, that they have a sustainable business case.

6. Asset Rationalisation Programme

- 6.1 To progress the next steps of the review, an asset rationalisation and disposal programme has been identified for implementation in 2017-18, with reviews taking place over the longer term (Appendix 2). This programme is based principally on the review to date of assets which has identified those under-performing properties. It is subject to further work with Services to agree future delivery models and space requirements. The programme identifies the suggested approach for each of these assets i.e. retain, review, or close/dispose including community asset transfer, and forms the means of progressing the next stage of review activity.
- 6.2 The rationalisation programme will require some dedicated ring fencing of funds towards meeting the costs of relocation for services, upgrade of facilities to be retained and disposal of properties no longer deemed fit for use. Provision for this will require to be sought from the capital programme. In some instances, demolition will be required as this will assist in reducing any future empty rates liability. Dilapidations costs for leased properties will also need to be met. Options for re-use of assets will be considered and the Council's development planning team are being consulted in relation to future use of the properties/sites.
- 6.3 The programme identifies a series of early actions for asset rationalisation and this suggests that up to £148,000 of savings are possible in 2017-18. It is emphasised that several of these savings are already contained in Service savings proposals. Following decisions by the Council on 2017/18 savings options any assets identified in relation to these savings will be presented to the Council to consider as being surplus to requirements to allow disposals to be progressed as quickly as possible.
- 6.4 The next stages of the review, to be undertaken during 2017, will:
- examine the portfolio to assess the in-depth service requirements of each locality
 - determine a larger scale and more detailed short, medium and longer term programme of works relating to the whole asset estate.
 - initiate joint work with partner agencies to consider their requirements alongside those of the Council.
 - commence discussions with local community organisations regarding asset needs and the scope for asset transfer
 - assess the savings potential and resource implications involved in delivery

Hubco has indicated that a financial contribution of £50k towards the cost of this work is available. This work will conclude the review and will be used to contribute to a revised version of the Council's Corporate Asset Management Strategy and Property Asset Management Plan for publication next year.

7 Consultation

- 7.1 A seminar with elected members on the outcome of this stage of the review took place on 8 December. Consultation is to take place at the next stage of the review with community planning partners and local community groups concerning the prospects for asset transfer.

Implications

Financial

- 7.1 The initial package of assets suggested for disposal anticipated c£148,000 of savings for 2017/18. Most of these savings are already identified in service related savings proposals. It is suggested that additional savings will be possible once the next stage of work is completed on the review. Savings from these properties will contribute towards the budget savings required in future years. Capital receipts and dilapidations costs will also be factored into the budget for the rationalisation programme.

There is a requirement for financial support to be made available for the commissioning of works for the relocation of services and, where needed, for the demolition and disposal of properties. An allocation of funds has been sought from the capital programme being prepared for 2017/18. Hubco has indicated that a financial contribution of £50k is available for the conduct of the next stages of work on the review.

In order to progress with the options appraisal for the consideration of the Council's headquarter office and arts centre requirements it is suggested that a budget of up to £100k, drawn from the accommodation budget in the capital programme for 2017/18 be provided to allow comparison of the options available to the Council alongside any submissions received from the private sector for sites elsewhere in the town centre and enable a decision later in 2017.

Resources

- 7.2 The review provides an assessment of the Council's property asset resources and will enable update of the Council's Corporate Asset Management Strategy and Property Asset Management Plan in 2017.

Legal

- 7.3 Any disposals arising from the outcome of the review, including any community asset transfers, will be subject to conclusion of all necessary legal agreements.

Risk

- 7.4 A risk matrix will be prepared to assist delivery of the Asset Rationalisation Programme .

Equalities

- 7.5 The implementation of the review will include measures to ensure that the scope for the Council to meet the needs of protected groups is addressed fully in the rationalisation and modernisation of the properties used by the Council for service delivery.

Sustainability/Environmental Impact

- 7.6 A key outcome of the review will be to achieve a rationalisation of the Council's property assets to provide a more sustainable base for service delivery with consequent reduction in energy costs and carbon emissions.

8. Conclusions

- 8.1 The Strategic Property Review has reached the conclusion of its initial phase of work. It demonstrates that the Council's current asset portfolio cannot be sustained in its present form given changing service demands, citizen expectations, the extensive backlog repair requirement of the portfolio; and the financial pressures facing the Council.
- 8.2 The review suggests that the corporate approach proposed should drive significant benefits from co-location and shared use of assets and can accommodate the changes in public service that are demanded by citizens and Services alike. The next stage of the review, to be undertaken in 2017, will focus on the needs of localities and customers, matching service delivery demand to the best suited properties. This work will take place with the Integrated Joint Board, FCT and other community planning partners.
- 8.3 Work will also progress on the asset rationalisation programme to help produce financial savings over the short, medium and longer term, commencing in 2017-18, and approval is sought from the Council in order for this to proceed. The appraisal of options available to the Council for its headquarter office and re-provision of the Falkirk Town Hall will also need to take place. Interim arrangements to meet the Council's office needs are required until a decision is reached on the outcome of this appraisal. This work has already begun and Members will receive reports from time to time as decisions require to be made. There will also be reports to the Council on progress in relation to the overall strategy and production of a new Corporate Asset Management Strategy/Property Asset Management Plan in 2017.

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APPENDICES

Appendix 1 – Suggested Locality Framework

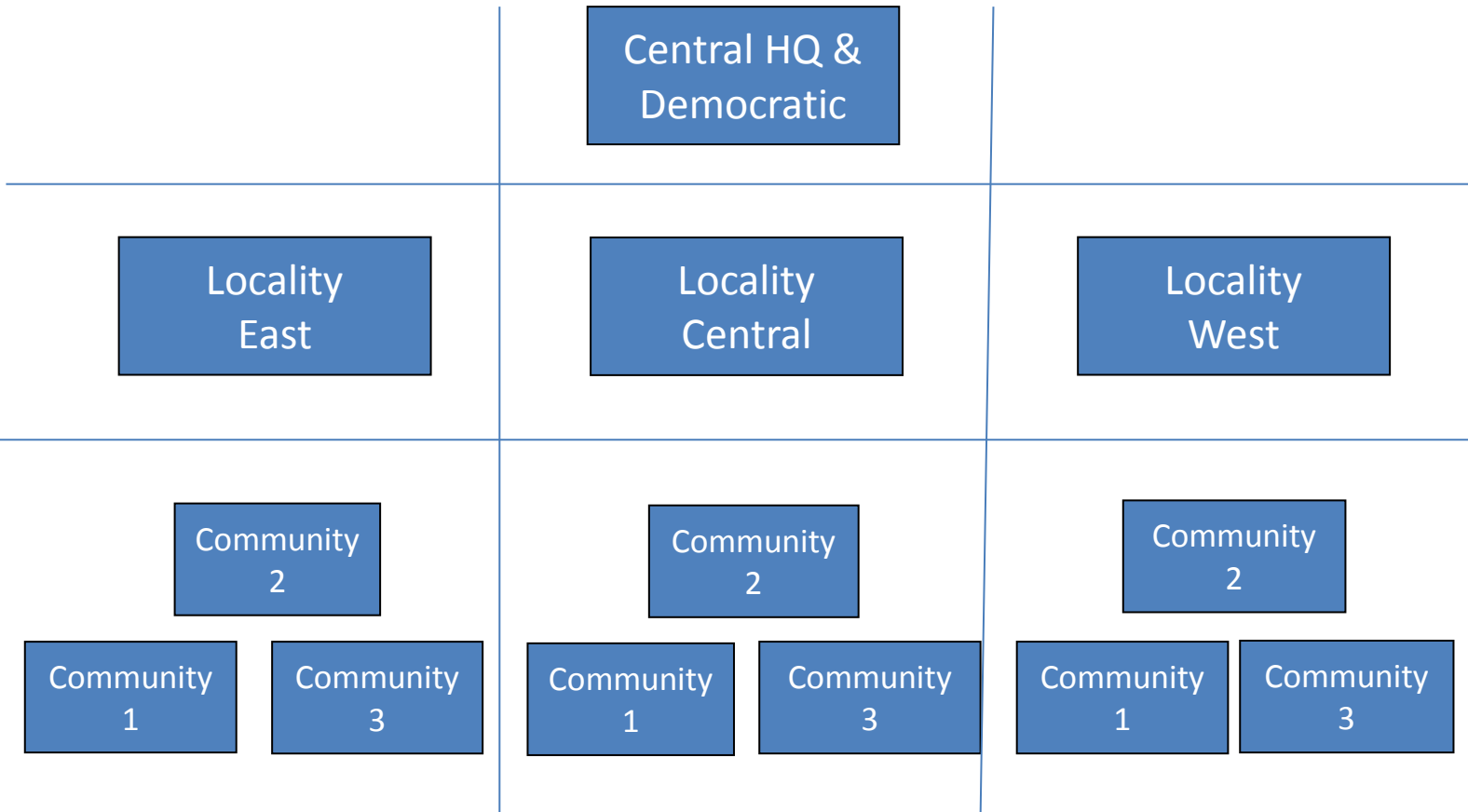
Appendix 2 – Asset Rationalisation Programme

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- Strategic Property Review – Report by Director of Development Services/Hubco
- Corporate Asset Management Strategy
- Property Asset Management Plan

Appendix 1



Non-Locality Specific - Specialist Operational Facilities
Key Depots, Care Homes, Regional Sports Stadiums, Theatres, Museums,

Asset Rationalisation Programme

Asset Rationalisation Programme

Review Categories - C - Close, CSR - Close Subject to Re provision, CAT - Possible Community Asset Transfer, RE - Review. R - Retain & Invest

Locality Area	Property Name/Address	Property Review Type	Property Asset Ratings (A-D)	Review Category	Short Term 2016-18	Medium Term 2018 +	Running Cost Saving (£Amount)/Receipt	Comment
WEST	Airth							
West	Airth Community Hall	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
West	Banknock							
West	Sports Hall & CE Room, part of Bankier PS	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, possibility of school usage to address capacity issues
West	Bankier Sport Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West
West	Banknock Community Centre	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
	Bonnybridge							
West	Bonnybridge Library	Public Facing	B	R		✓		Retain subject to Trust Review of Services
West	Bonnybridge CE Unit	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Linkage to review of CLD
West	Bonnybridge Finance Office	FF Office	B	CSR	✓		£14K /plus Receipt	Review Office Requirement as Part of Locality Office Requirements, service can be delivered from other Council premises in Bonnybridge with payments via local shops
West	Denny							
West	Offices Denny Enterprise Centre (adj to Carronbank House)	Office	B	RE	✓			Review Office Requirement as Part of Back/Locality Requirements, Linkage to SW review of Day Services delivery model
West	Carronbank House (incl Denny OSS)	Office	B	RE	✓			Review to repurpose as Locality Hub and Office for staff serving West Locality, possible use for some back office uses
West	Denny Football Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Trust review of Service
West	Denny Sports Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Trust review of Service
West	Denny PS CE Unit	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Linkage to review of CLD, possibility of school usage to address capacity issues
West	Broompark Com Centre	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
West	Roughmure Refuse Depot	Specialist	C	R				
West	Dunipace Cemetery Store	Specialist	C	R				
West	Denny Temp Library/New Library	Public Facing	B	R		✓		
West	Denny Town House	Office	C	RE		✓	£36K/plus Receipt	Review Back Office Requirement, linked to repurposing of Carronbank & final position of Back Offices, including HQ function for IJB
West	28 Winchester Ave	Specialist	C	C	✓			Closed 16/17
West	Workshop & Store, Winchester	Specialist	C	RE		✓		Review as part of Storage Review
West	Larbert/Stenhousemuir							
West	Larbert Cemetery Store	Specialist	C	R				
West	Torwoodhall	Specialist	C	RE		✓		Part of Review of Residential Care Models
West	Tryst CE Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Linkage to review of CLD
West	Larbert Library	Public Facing	B	R		✓		Retain subject to Trust Review of Services

Asset Rationalisation Programme

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Locality Area	Property Name/Address	Property Review Type	Property Asset Ratings (A-D)	Review Category	Short Term 2016-18	Medium Term 2018 +	Running Cost Saving (£Amount)/Receipt	Comment
West	Stenhousemuir Gym	Public Facing	B	R	✓			Trust looking to maximise income generation to ensure asset is sustainable
West	Stenhousemuir SW Office	Office	B	RE	✓			Review Office Requirement as Part of Locality Office Requirements, duplication with OSS , assumed one office is not required in short term in Stenhousemuir.
West	Stenhousemuir OSS	Office	C	RE	✓			Review Office Requirement as Part of Locality Office Requirements, duplication with SW Office, assumed one office is not required in short term in Stenhousemuir.
West	Stenhousemuir Sport Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in West, Trust review of Service
West	Dobbie Hall	Public Facing		CAT	✓			Exploring CAT to local Management Committee
	Carronshore							
West	Carronshore Community Centre	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Bo'ness							
East	Kinneil Museum	Specialist	C	R		✓		Trust looking to maximise income generation to ensure asset is sustainable and may look at CAT models
East	Hippodrome	Specialist	C	R		✓		Trust looking to maximise income generation to ensure asset is sustainable
East	Bo'ness Cemetery Store	Specialist	C	R		✓		
East	Bo'ness Library	Public Facing	B	R		✓		Retain subject to Trust Review of Services
East	Kinglass Centre Offices	FF Office	B	RE	✓			Review Office Requirement as Part of Locality Office Requirements, possible repurposing for community Hub services
East	Kinneil Nursery	Specialist	C	RE		✓		
East	Bo'ness Recreation Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, exploring School usage
East	Bo'ness OSS	FF Office	C	C	✓			Will close during 16/17. Incurs dilapidations costs.
East	Bo'ness Town Hall	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, Trust looking to increase income generation possibilities
East	Links Court Yard	Specialist	B	RE	✓			Review Storage Requirements
East	Cowdenhill Community Hall	Public Facing	C	CAT		✓		
	Grangemouth							
East	Kinneil Kerse Civic Amenity	Specialist	C	R				
East	Grangemouth Sports Stadium	Specialist	B	R		✓		Trust looking to maximise income generation to ensure asset is sustainable
East	Grangemouth Sports Complex & CE Unit	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, exploring School & other local facilities usage Linkage to review of CLD
East	Zetland Park Bothy, Kiosk	Specialist	C	R				
East	Grangemouth OSS	FF Office	C	R	✓			Alterations Underway to fit out as East Advice Hub
East	Kersiebank Community Project	Public Facing	C	RE/CSR		✓		Closure subject to uses being re provided in other buildings locally
East	Dundas Resource Centre	Public Facing	C	RE		✓		Review as part of reappraisal of day services
East	Grangemouth SWO	FF Office	B	RE		✓		Review Office Requirement as Part of Locality Office Requirements
East	Sealock House	Office	C	RE	✓			Review as part of Back office requirements
East	Oswald Ave Day Centre	Public Facing	C	RE	✓			Review as part of reappraisal of day services
East	Grangemouth Library	Public Facing	B	R		✓		Retain subject to Trust Review of Services

Asset Rationalisation Programme

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Locality Area	Property Name/Address	Property Review Type	Property Asset Ratings (A-D)	Review Category	Short Term 2016-18	Medium Term 2018 +	Running Cost Saving (£Amount)/Receipt	Comment
East	Grangemouth Town Hall	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, Trust looking to increase income generation possibilities
East	Municipal Chambers, Grangemouth	Office	C	RE		✓		Review Office Requirement as Part of Locality Office Requirements
East	Cunningham House	Specialist	B	RE		✓		Part of Review of Residential Care Models
East	Dalgrain Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Newlands Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Bowhouse Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Grangemouth Museum Store & Workshop	Specialist	C	RE		✓		Review as part of Storage Review
East	Earls Rd Car Park land	Specialist	B	RE		✓		Review as part of Depot requirements
East	Earls Rd Depot	Specialist	C	RE		✓		Review as part of Depot requirements
East	Willow House, Newhouse Rd, Grangemouth	Office	C	RE	✓		£41K	Closing 16/17
East	W 13, 14, 15 & 16 Newhouse Rd, Grangemouth	Specialist	C	RE		✓		Review as part of Storage Review
East	Grangemouth Golf Course, Compound, Clubhouse	Public Facing	C	RE		✓		
East	Dalgrain Depot	Specialist	C	R				
East	Unit 8 Inchyra Depot	Specialist	C	R				
East	Unit 10, Inchyra Depot	Specialist	C	R				
East	Joint Loans Equipment Store	Specialist	C	RE		✓		Review as part of storage review, linkages to ASD reviews
East	SW File Store, West Mains Ind Estate	Specialist	C	RE		✓		
East	Helix Store	Specialist	B	R				
East	Skinflats							
East	Bothkennar Community Hall	Public Facing	C	CAT	✓		Receipt	
East	Avonbridge							
East	Avonbridge Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Muiravonside							
East	Outdoor Learning Centre	Specialist	C	R				
East	Muiravonside Steading Stores, Café, Dovecot, Farm, Visitor Centre	Specialist	C	R		✓		Trust looking to maximise income generation to ensure asset is sustainable
East	Muiravonside Cemetery Store	Specialist	B	R				
East	Brightons/Maddiston							
East	Brightons Community Hall	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
East	Grange CE Centre	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, Linkage to review of CLD
East	Braes residential Unit	Specialist	B	R				
East	Maddiston Community Centre	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Shieldhill							
East	Shieldhill Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
East	Shieldhill CE Wing	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, Linkage to review of CLD
East	California							
East	California Community Centre	Public Facing	D	CAT	✓		Receipt	
East	Slamannan							

Asset Rationalisation Programme

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Locality Area	Property Name/Address	Property Review Type	Property Asset Ratings (A-D)	Review Category	Short Term 2016-18	Medium Term 2018 +	Running Cost Saving (£Amount)/Receipt	Comment
East	Slamannan CE Centre	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in East, Linkage to review of CLD
East	Slamannan Library	Public Facing	C	CSR		✓	£7K/plus Receipt	Closure subject to Service being reprovided in other buildings in Slamannan
East	Heathrigg Nursery	School	B	RE		✓		Review if Nursery can be accommodated within PS, needs Statutory Consultation
East	Tremanna Children's Home	Specialist	C	R				
East	Limerigg							
East	Limerigg Community Hall	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
Central	Bainsford							
Central	Bainsford Community Centre	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
Central	Excellence in Childcare Centre	Specialist	C	R				
Central	Bainsford Day Centre	Public Facing	C	RE		✓		Review of Day Care Services
Central	Abbotsford House	Office	C	RE	✓			Review Office Requirement as Part of Back Office Requirements
Central	Dawson Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in Central
Central	Grahamston House	Specialist	C	RE		✓		Part of Review of Residential Care Models
Central	Burnbank Depot	Specialist	C	RE		✓		
Central	Archive Store, Bankside	Specialist	C	RE		✓		Review as part of Storage Review
Central	Camelon							
Central	Mariner Leisure Centre	Specialist	B	R				
Central	Camelon Education Centre	Office/Public	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in Central, plus review of training/office requirements.
Central	Rossvail, JITB	Office	B	RE		✓		Review Office Requirement as Part of Back/Locality Office Requirements, Linkage to SW review of Day Services delivery model
Central	Lodge House	Public Facing	B	RE		✓		Review as part of reappraisal of day services
Central	Cemetery Office, Camelon	Office	B	R				
Central	Crematorium	Specialist	C	R				
Central	Camelon One Stop Shop	FF Office	B	CSR		✓		Close subject to review when lease end in Mar 18
Central	Tamfourhill							
Central	Tamfourhill Community Centre	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
Central	Units 7, 11 & 15 Tamfourhill Avenue	Specialist	C	CSR		✓		Close subject to Storage Review
Central	Summerford House	Specialist	C	RE		✓		Review as part of Review of Residential Care Models
Central	Falkirk							
Central	Thornhill Community Centre	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
Central	Westfield Community Centre	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
Central	Victoria Buildings	Vacant		C	✓		Receipt	Reviewing site to be sold. Queen St Nursery remaining on site.
Central	Outdoor Education office/store, Queen St	Specialist	B	CSR	✓			Close subject to alternative facility being found to allow Victoria Buildings to be sold
Central	Helix Visitor Centre & Café	Public Facing	B	R				
Central	Falkirk Stadium (Various Suites)	Office	B	RE		✓		Review Office Requirement as Part of Back Office Requirements
Central	Burnbrae Home	Specialist	B	RE		✓		Review as part of Review of Residential Care Models
Central	Dollar Park Nursery	Specialist	C	RE		✓		

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Central	Arnotdale	Vacant		RE		✓		Review if current interest fails which is subject to funding bid
Central	Park Street Community Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in Central, link to CLD review
Central	Falkirk Library	Public Facing	C	R				
Central	Municipal Buildings, Falkirk	Office	D	RE		✓		Review Office Requirement as Part of Back Office Requirements
Central	Falkirk Town Hall	Public Facing	C	RE		✓		
Central	Brockville	Office	B	RE	✓			Review Office Requirement as Part of Back Office Requirements
Central	Falkirk Registrars	Office	C	RE	✓			Review as part of Back/front facing office requirements
Central	Callendar Park, House, Kiosk, Golf, Dovecot, Stable Blo	Public Facing	C	R				
Central	The Forum (2 Suites)	Office	B	RE	✓			Review Office Requirement as Part of Back Office Requirements
Central	Car Park Attendants Office	FF Office	C	RE		✓		
Central	Criminal Justice, 84 Grahams Rd	FF Office	B	CSR		✓		Close subject to review when lease end in Jun 18
Central	Intensive Family Support Team, 85 Grahams Road	Specialist	C	R				
Central	Printworks, Castle Place	Specialist	C	RE	✓			Review subject to clarity of Service direction
Central	Leaving Care Team, 1 Etna Road	FF Office	B	CSR		✓		Close subject to review when lease end in Dec 19
Central	Caledonia House	Specialist	B	RE		✓		Review for lease expiry in Aug 2019
Central	Callendar Square One Stop Shop	Office	C	CSR		✓		Review Office Requirement as Part of Back/Locality Office. Lease Expiry Jan 18.
Central	Falkirk Business Hub	Office	B	C	✓			License expires 2018
Central	The Steeple	Specialist	D	R		✓		New purpose required after refurbishment
Central	Social Work Unit at Hospital	FF Office	C	R				
Central	Woodlands Games Hall & Office	Public Facing	B	CAT		✓		Exploring CAT to local group
Central	Hallglen							
Central	Hallglen Sports Centre	Public Facing	C	RE		✓		Review as part of needs/demand analysis for public facing facilities in Central
Central	Ettrick/Dochart Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
Central	Garry Place Store	Specialist	C	CSR		✓		Close subject to Storage Review
Central	Laurieston							
Central	Laurieston SWO (joint with NHSFV)	FF Office	B	RE		✓		Review Office Requirements as Part of Locality Office Requirements, possible repurposing for community Hub services
Central	Laurieston Community Hall	Public Facing	C	CAT		✓		Exploring CAT to local Management Committee
Central	Polmont							
Central	Polmont Community Hall	Public Facing	B	CAT	✓		Receipt	
Central	Greenpark C.E. Centre	Public Facing	C	CAT		✓		Review as part of needs/demand analysis for public facing facilities in Central
Central	Meadowbank Library	Public Facing	B	R		✓		Retain subject to Trust Review of Services
Central	Meadowbank SWO (joint with NHSFV)	FF Office	B	RE		✓		Review Office Requirements as Part of Locality Office Requirements, possible repurposing for community Hub services
Central	Weedingshall	Vacant		C	✓		£50K /plus receipt	Reviewing site to be sold, Children's Services liaising with Scottish Govt re Statutory Closure Consultation.
Central	Polmont Sports Centre	Public Facing	B	RE		✓		Review as part of needs/demand analysis for public facing facilities in Central
Central	Polmont Ski Centre	Public Facing	C	RE		✓		
Central	Oakbank Home	Specialist	C	C	✓			Closure Planned. Options for reuse of site to be examined.
Central	Grandsable Cemetery Store (2)	Specialist	C	R				

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Central	Reddingmuirhead							
Central	Reddingmuir Community Centre	Public Facing	B	CAT		✓		
Central	Unit 6, Redding Industrial Est	Specialist	C	C	✓			Closing 2016/17
Central	Travelling People Site, Reddingmuirhead	Specialist	C	R				
Central	Westquarter							
Central	Westquarter Community Centre	Public Facing	B	CAT		✓		Exploring CAT to local Management Committee
Central	Redding Depot	Specialist	B	RE		✓		

Note - The Community Asset Transfer of all Community Halls would generate revenue savings of £169K to Children's Services

Total Property Revenue/Running Cost Savings from SPR £148,000