

**REPORT TO:** East Lothian Council

**MEETING DATE:** 25 June 2024

**BY:** Executive Director for Place

**SUBJECT:** Property Asset Strategy and Management Plan 2024-2028

---

## **1 PURPOSE**

- 1.1 To seek approval for the proposed Property Asset Strategy & Management Plan 2024-2028.

## **2 RECOMMENDATIONS**

- 2.1 The Council is recommended to approve the Property Asset Strategy & Management Plan 2024-2028.

## **3 BACKGROUND**

- 3.1 The East Lothian Council Asset Strategy & Management Plan 2018-23 was approved by Cabinet in January 2019. The strategy acknowledged the significant role assets have in the delivery of the Council's long-term goals and aspirations. This new strategy, focusing specifically on property assets, covers the period 2024 to 2028 and has been developed recognising that the current position is radically different from that in 2018.

### **Property Asset Principles**

- 3.2 A set of proposed property asset principles have been developed and these have been used to guide this strategy and management plan. They are:
- Effectively manage property assets
  - Meet demographic need for services
  - Reduce greenhouse gas emissions
  - Meet immediate savings target and bridge future affordability gap
  - Generate income and encourage economic development

- Work with communities and partners to maximise shared opportunities.
- 3.3 East Lothian Council owns and manages a diverse property estate consisting of 677 land and building assets.

### **Operational Property Performance**

- 3.4 Operational property is used to directly support services delivered by the Council and includes the learning estate, community centres, offices, sports facilities, and care homes. The gross internal area (GIA) of operational property is set to increase by an estimated 9.2% over 2022/23 figures to meet the demands of an increasing population, particularly in relation to the learning estate.
- 3.5 The percentage of operational properties in good or satisfactory condition in 2022/23 was 87.98%. Condition surveys are underway to update condition information, but the maintenance need over the next five years is estimated to be in the region of £75m, which is more than current resources.

The revenue running costs of the operational property estate was £26.391m in 2022/23. Revenue savings targets totalling £4.618m were agreed as part of the budget setting process in February 2024.

### **Property Asset Management Strategy**

- 3.6 The Property Asset Management Strategy sets out our aims in relation to the management and investment in property. It recognises the challenges faced from a property estate that is increasing in size at a time when we need to reduce running costs, future maintenance need and greenhouse gas emissions.
- 3.7 Significant work has been done to embed property as a corporate resource. Implementation of the corporate landlord approach has started, and this has seen recent benefits such as consolidation of staff in John Muir House and the closure of Randall House. The asset governance model has supported this and has allowed consistent and transparent decisions on all property matters. However, there are some aspects of the corporate landlord model that have not yet been fully implemented that can bring further benefit such as the allocation and management of space, furniture, and other resources.
- 3.8 Reviewing property assets is a key part of the transformation programme and the need to deliver efficiency and meet climate change targets. The Place Making Project is underway and aims to develop a new holistic service delivery model putting service delivery ahead of buildings. Property data will be analysed to develop options and recommendations that will contribute to reducing greenhouse gas emissions and meeting efficiency targets through the potential rationalisation of the Council's operational property.

## **Property Asset Management Plan**

- 3.9 The Property Asset Management Plan sets out the actions required, and proposed monitoring arrangements, to deliver the key aspects of the strategy.

### **4 POLICY IMPLICATIONS**

- 4.1 The strategy objectives and action plan align with the East Lothian Council Plan 2022-27.
- 4.2 There are several policies that may be updated or developed as part of the delivery of the action plan such as corporate landlord property utilisation, community asset transfer and community lets.

### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

### **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – The strategy aligns with the agreed capital programme 2024/25 to 2028/29.
- 6.2 Personnel - None
- 6.3 Other - None

### **7 BACKGROUND PAPERS**

- 7.1 Appendix A: Property Asset Strategy & Management Plan 2024-2028
- 7.2 Cabinet – 22 January 2019 – Item 4 – Council Asset Strategy & Management Plan 2018 – 2023
- 7.3 Council – 20 February 2024 – Item 2 – Budget Development including the Setting of Council Tax and Council Housing Rent 2024-25

<b>AUTHOR'S NAME</b>	Mark Nelson/Ross Macdonald
<b>DESIGNATION</b>	Team Manager & Survey – Property Asset Review
<b>CONTACT INFO</b>	<a href="mailto:mnelson@eastlothian.gov.uk">mnelson@eastlothian.gov.uk</a> <a href="mailto:rmacdonald@eastlothian.gov.uk">rmacdonald@eastlothian.gov.uk</a>
<b>DATE</b>	12 June 2024

# PROPERTY ASSET STRATEGY & MANAGEMENT PLAN

## 2024 - 2028

### V1.9

1.0	29/6/2023	Initial draft version to MN
1.1	20/7/2023	Updated draft for discussion to MN/ER
1.2	10/10/2023	Updated version for Asset Board
1.3	24/10/2023	Draft for Asset Project Board
1.4	23/2/2024	Updated draft for discussion
1.5	25/3/2024	Circulated for comment
1.6	24/4/2024	Version updated for Asset Project Board 24/4/2024
1.7	2/5/2024	Includes comments from Asset Project Board 24/4/2024 and Revised Place Making Project appendix.
1.8	23/5/2024	Includes comments from EMT May 2024 & SFT
1.9	10/6/2024	Final Draft with all EMT feedback

<b>CONTENTS</b>		<b>PAGE</b>
<b>INTRODUCTION</b>		
<b>1.0</b>	<b>VISION, WIDER CONTEXT AND DRIVERS FOR CHANGE</b>	
1.1	Our Vision	3
1.2	East Lothian Council Plan Priorities	3
1.3	Current Financial Climate & Future Resources	4
1.4	Climate Change	5
1.5	Population Growth	5
1.6	Poverty, Inequality and SIMD Data	6
1.7	National Infrastructure Investment Plan	7
1.8	Digital Strategy	7
<b>2.0</b>	<b>PROPERTY ASSET PRINCIPLES &amp; FUTURE CHALLENGES</b>	<b>7</b>
<b>3.0</b>	<b>COUNCIL PROPERTY AND HOW IT IS PERFORMING</b>	<b>10</b>
3.1	Land & Buildings	10
3.2	Operational Property	10
3.3	Non-Operational Property	15
3.4	Common Good	16
<b>4.0</b>	<b>PROPERTY ASSET MANAGEMENT STRATEGY</b>	<b>16</b>
4.1	Corporate Landlord	16
4.2	Governance Arrangements	17
4.3	Property Information Systems	18
4.4	Asset Review	18
4.5	Place Making Project	19
4.6	Learning Estate Improvement Plan	19
4.7	Non-Operational Property Management	19
4.8	Capital Programme 2024/25 to 2028/29	20
4.9	Disposal & Capital Receipts	20
4.10	Climate Change Strategy 2020-2025	20
4.11	Community Wealth Building & Working with Partners	21
4.12	Area Partnerships	21
4.13	Community Asset Transfer	22
<b>5.0</b>	<b>ASSET MANAGEMENT PLAN</b>	<b>22</b>
<b>6.0</b>	<b>APPENDICES</b>	
	Appendix 1: Capital Programme 2024/25 to 2028/29	29
	Appendix 2: Place Making Project	35

## INTRODUCTION

This new Property Asset Strategy and Management Plan 2024 – 2028 builds upon the previously approved Council Asset Strategy & Management Plan 2018 – 2023. This new strategy is specific to property assets. Separate asset strategies have been, or are being developed, for Open Space, Roads & Street Lighting, Fleet, Housing, and ICT.

The Property Asset Strategy and Management Plan 2024 – 2028 sets out how the council manages its property estate to meet long-term goals and objectives. It outlines the key drivers that will shape the management approach and investment in properties. It is split into the following sections:

1. Vision, wider context and key drivers for change.
2. Asset principles and the challenges faced in delivering the vision.
3. Extent of properties held and how they are currently performing.
4. The Property Asset Management Strategy setting out our aspirations for the management of property assets.
5. The Property Asset Management Plan setting out the key activities required to deliver the strategy.

East Lothian Council is committed to ensuring that the assets that the council holds contribute to the creation of sustainable communities and the delivery of efficient and effective public services. The council manage property assets as a corporate resource to support the overall objectives and for the benefit of local communities.

We aim to hold property assets, which are fit for purpose, support the delivery of the Council Plan, provide value for money and are efficient, sustainable, and resilient.

The Asset Strategy and Management Plan will continue to drive change through good performance management and sustainable development. Collaboration with community planning partners has increased the activity around joint asset management to look for opportunities to maximize the use of combined assets.

### 1.0 VISION, CONTEXT AND KEY DRIVERS FOR CHANGE

The following section details the council vision for the future, and some of the key drivers that have been used to inform and guide the development of the Asset Strategy & Management Plan.

#### 1.1 Our Vision

The 2022-27 Council Plan outlines the vision of:

***An even more prosperous, safe, and sustainable East Lothian, with a dynamic and thriving economy, that enables our people and communities to flourish.***

#### 1.2 East Lothian Council Plan Priorities

The 2022-2027 Council Plan was adopted in August 2022. The country was still in the throes of the COVID-19 pandemic at that time and since then, the context and key factors that influenced its objectives have changed. Consequently, one of the three over-arching objectives set out in the Plan was Recovery and Renewal from COVID however, this has become 'business as usual' with 'building back better' now embedded with the Council Plan and other key strategies. The long-term economic

impacts of inflation and the cost-of-living crisis has placed significant pressures on budgets. As a result, the council has adopted three new priorities in response to the challenges we face.

- Ensure the financial sustainability of the council through the delivery of approved savings and transforming the way we deliver services.
- Target resources on statutory services and focus on the highest risks and those most in need.
- Deliver key infrastructure, economic development and environmentally sustainable projects within available council resources and maximising external funding.

In addition to these three priorities, we continue to face systemic, long-term challenges. In response the 2022-2027 Council Plan also sets out four thematic objectives.

- Grow our Economy – increase sustainable and inclusive growth as the basis for a more prosperous East Lothian.
- Grow our People – give our children the best start in life and protect vulnerable and older people.
- Grow our Communities – give people a real say in the decisions that matter most and provide communities with the services, infrastructure and environment that will allow them to flourish.
- Grow our Capacity – deliver excellent services as effectively and efficiently as possible within our limited resources.

The following sections set out some of the other factors that influenced the need to review the Council Plan.

### **1.3 Current Financial Climate & Future Resources**

The council is now facing the most extreme financial challenge it has ever faced, with an estimated recurring funding gap which will require the council to deliver financial savings equivalent to just under a quarter of its annual running cost over the next 5 years.

The scale of the financial challenge is significant with external pressures resulting in a future estimated recurring gap more than £55m from the period 2024/25 to 2028/29.

This is now placing the council in a very serious situation, where this is now a very significant risk that the council will not have sufficient resources to be able to sustain critical service delivery over the short to medium term. This is a key driver for reviewing our assets to ensure that the assets we hold, retain, and develop are fit for purpose to serve our communities in a sustainable and affordable way.

## 1.4 Climate Change

East Lothian Council declared a climate emergency in 2019. As a result, the council will take urgent action to make all services Net Zero as soon as reasonably practicable or in any case by 2045 and will lobby, support and work with government, all relevant agencies, partners, and communities to fulfil this commitment. The council will also work with communities and partners towards making East Lothian a carbon neutral county, enabling the county to deliver its part of wider national and international commitments, and to prepare for the impacts of climate change.

Climate change is also going to have a dramatic effect on the way that East Lothian looks and works. Coastal erosion is predicted to reshape our coastline, and we are going to experience longer and more intense extreme weather events which will increase the chances of flooding and drought. Our buildings must be adapted to these extreme weather events while restoring nature.

## 1.5 Population Growth

East Lothian continues to be one of the fastest growing areas in Scotland. The census in 2022 shows the county's population was 112,300. East Lothian's population has increased from 99,717 in 2011 to 112,300 in 2022, a rise of 12.6%. The population is estimated to increase to over 120,000 by 2028 based on the additional housing approved in the Local Development Plan. This is a rise of 14% from the 2022 population census.

	<b>Mid 2016 Population Estimate</b>	<b>Mid 2022 Population Estimate</b>	<b>Potential Future Population 2028</b>
East Lothian	104,037	112,300	120,000

Significant growth is projected across all age groups but particularly among children and older people – the age groups that have traditionally relied most heavily on council services.

The table below shows the current population in each age range recorded in the 2022 Census.

<b>Age Range</b>	<b>East Lothian Population</b>	<b>% East Lothian Population</b>	<b>% Scottish Average</b>
0-19 years	25,000	22.2%	20.8%
20-64 years	63,500	56.6%	59.1%
Over 65	23,800	21.2%	20.1%

The existing capital programme contains investment in a range of additional facilities including new schools and extensions to existing schools to cope with additional demand for school places. Revenue running costs associated with this increased asset base will exacerbate the financial pressures faced and the ability to deliver balance budgets in the future.



## 1.6 Poverty, Inequality and SIMD Data

East Lothian is made up of 132 data zones, 8 of which fall within the most deprived 20% of areas in the whole of Scotland and 2 in the 10% of most deprived areas.

Higher levels of deprivation concentrated in the western part of East Lothian (around Musselburgh, Wallyford, Tranent and Prestonpans) although there are also pockets of deprivation in Haddington and Dunbar.

The COVID pandemic has exacerbated inequality and poverty. The pandemic has had/ is still having a disproportionate impact on disadvantaged families, children, and young people. This has led to increases in mental health issues, drug and alcohol issues, domestic abuse, and referrals to children's services.

## 1.7 National Infrastructure Investment Plan

The Scottish Government Infrastructure Investment Plan (IIP), A National Mission with Local Impact: Infrastructure Investment Plan for Scotland 2021-22 to 2025-26, is a strategic plan taking a whole of government approach to how resources are invested based on three themes shown below. This Property Asset Strategy & Management Plan contributes to the IIP's three themes and aligns with Scottish Government's policy on prioritising investments that deliver positive outcomes across more than one theme.



The IIP has an investment hierarchy which sets out how public authorities should demonstrate future need, maximise the life of existing assets as far as possible, seek opportunities to co-locate, and then decide on whether to use existing assets or replace and build new after considering the suitability and condition of current assets.

The figure below illustrates the IIP's investment hierarchy and how this maps across to property asset options.



This Property Asset Strategy & Management Plan has been developed in accordance with these themes and associated guidance developed by Scottish Futures Trust.

## 1.8 Digital Strategy

East Lothian Councils Digital Strategy sets out the approach to the provision of citizen centric services for a modern efficient local authority operating in the digital age.

Technology is a key enabler for change and improvement. The strategy sets out the innovative technical solutions to meet rapidly evolving and changing business needs, respond to the changing shape of the organisation, provide value for money, and enable the council to respond to opportunities.

## 2.0 PROPERTY ASSET PRINCIPLES & FUTURE CHALLENGES

A set of guiding principles has been developed by an officer working group and approved by the Asset Project Board that sets out the ambitions for our property estate. They will guide our asset strategy, management, and investment plans in what will be a difficult period as we strive to deliver council priorities.

The following section sets out each of the principles and some of the challenges we expect to face in the future. The Property Asset Management Plan in section 5.0 sets out some the key activities to be undertaken in meeting these challenges.

### Effectively Manage Property Assets

Future Challenges:

- The council is responsible for 677 property assets over a large geographical area. The council has an ageing estate that requires to support changing service delivery needs as East Lothian grows.

- Lack of complete property data impedes decision making, particularly around property running costs and how well buildings are being used.

### **Meet Immediate Savings Targets and Bridge Future Affordability Gap**

#### Future Challenges:

- We will work to ensure the property assets we hold, retain, and develop are fit for purpose to service our communities.
- Property running cost expenditure was £26.391m in 2022/23. Target savings in property running costs of £4.618m were agreed in February 2024.
- The overall floor area of operational properties is projected to increase by 9.2% over the next 5 years based on new schools and extensions required to meet demographic need.
- Maintenance investment required in operational property over the next 5 years based on condition surveys is estimated to be in the region of £75m which is in excess of available resources. We will continuously review our property assets with a view to reducing the estate to help bridge the affordability gap and reduce the risk of unplanned building closures and disruption to service delivery.
- 81.6% of operational properties have been assessed as suitable for current use. Agreed capital programme investment along with Asset Review using a place-based approach could contribute to reducing the number of unsuitable property assets.

### **Meet Demographic Need for Services**

#### Future Challenges:

- East Lothian has had the largest population rise of any Scottish local authority since 2001. The population is projected to continue to rise at approximately 1% per annum based on development agreed in the current 2018 Local Development Plan and the housing requirements in NPF4.
- Significant growth is expected among children and older people. This will place pressure on already stretched council services.
- We must ensure that the property assets we retain, develop and build are done so through a place-based approach and that they provide for our growing communities in a sustainable and affordable way.

### **Generate Income & Encourage Economic Development**

#### Future Challenges:

- The target for capital receipts through the sale of land and buildings is £18m over the next 5 years.
- The East Lothian Local Economy Strategy has set out ambitious goals to ensure East Lothian is an increasingly thriving, sustainable and inclusive economy.
- Existing non-operational property budgets have focused on reactive maintenance, statutory landlord obligations and void costs. The value of backlog maintenance for these properties is not known and condition surveys will be required to identify this.
- The non-operational portfolio is performing well with an occupancy rate of 96%. This portfolio comprises properties held on the Trading Account, General Services, Housing Revenue Account, Common Good and Trusts,

and generates rental income of around £2.5m per annum. Whilst this is positive, there is a risk that the backlog maintenance and need for investment will negatively impact on this and a considered approach to retention and disposal will be required.

- When properties are declared surplus to council requirements, they are generally advertised for lease or for sale on the open market. The complexity around Community Asset Transfer process can make this process protracted.
- Energy Performance in commercial buildings will eventually impact the sale and lease of all commercial property. The Scottish Government has not set a date for these changes, but it is thought that properties below a certain grade, will require improvement before they can be leased. The non-operational portfolio properties are generally Grade E-G and will require significant investment to improve energy performance, if to be leased out. Condition surveys will provide details and costs of the improvements required.

## **Reduce Greenhouse Gas Emissions**

Future Challenges:

- East Lothian Council declared a climate emergency in 2019 and has committed to take urgent action to make all services net zero as soon as reasonably practical or in any case by 2045.
- Property related greenhouse gas emissions in 2022 were 9,489 tonnes. This equates to 64.6% of the total council emissions of 14,679 tonnes.
- The overall floor area of operational properties is projected to increase by 9.2%. The council will require to reduce greenhouse gas emissions while the property footprint gets larger.
- An initial indication of cost to upgrade the operational property portfolio to meet Net Zero for East Lothian Council is in the region of £850m. Available grant funding for decarbonisation works in 2023 totalled £20m for the whole of Scotland's public sector.
- The estimated cost of making the property portfolio resilient to climate change is unknown but it is likely to rival the cost of reaching net zero emissions. Implementing these adaptation measures is necessary to protect our assets, as it is estimated that £1 spent on climate adaptation will save £3 of climate damage. Projects to estimate the cost of adapting the region to climate change are underway.

## **Work with Communities and Partners to Maximise Shared Opportunities**

Future Challenges:

- Ongoing financial pressures for all public services and reduction in available grants for third sector organisations.
- Scotland is experiencing a cost-of-living crisis with a third of all Scots cutting back on spending on food and other essentials.
- Work with East Lothian Anchor Institutions as part of East Lothian Community Wealth Building Charter to identify opportunities for:
  - collaboration/co-location and the sharing of space
  - redirecting wealth back into the local economy
  - addressing inequalities
  - increasing control and benefits for local people
- East Lothian Council is committed to aiding communities to acquire, lease or acquire other rights in respect of assets for their advantage through community asset transfer. It is likely given the financial climate and savings

targets that more emphasis will be placed on Community Asset Transfer as a way of reducing council liabilities whilst still supporting local services.

### 3.0 COUNCIL PROPERTY AND HOW IT IS PERFORMING

#### 3.1 Land & Buildings

East Lothian Council owns and manages a diverse property estate consisting of 677 land and building assets. The estate is divided into three main portfolios:

##### Operational Property

Used directly to support services delivered by the council such as the learning estate, community centres, offices, sports facilities, and care homes.

##### Non-Operational Property

Used to generate rental income and/or support development and growth of the local economy and includes Industrial / business units, stores, shops, offices, ground leases, golf courses and caravan parks, allotments and agricultural land.

##### Common Good Property

Common Good properties are owned by the council but are administered separately for accounting purposes. Some are used to support services delivered by the council (Operational Property), some are used to generate income (Non-Operational).

#### 3.2 Operational Property

##### 3.2.1 Extent

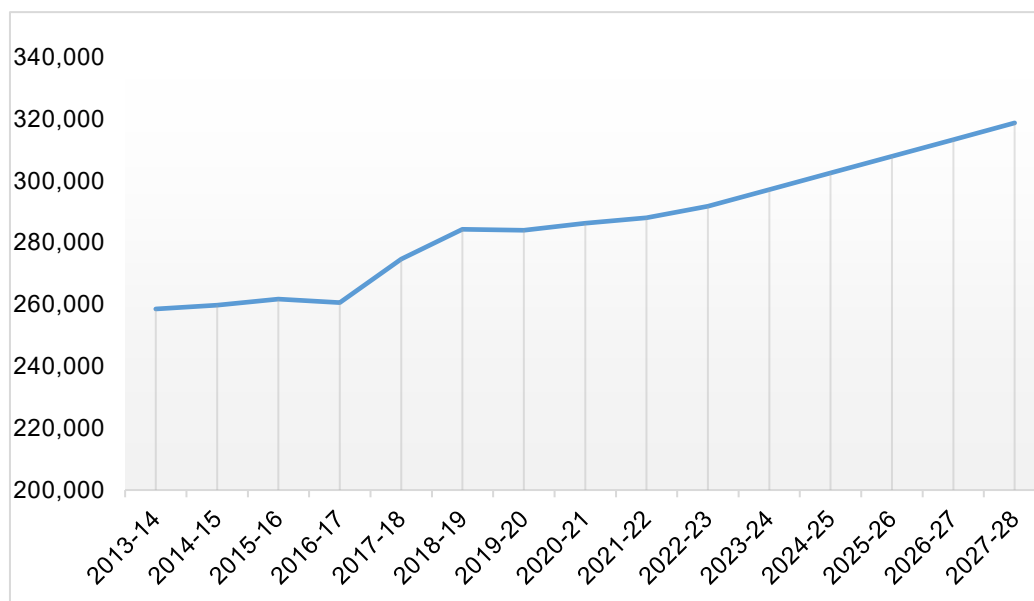
The following table shows the extent of the operational property portfolio at the end of 2022/23. It shows the gross internal floor area (GIA) for each of the property categories.

Category	GIA (m2)	Percentage GIA
Area Housing Offices	2,066	0.7%
Childrens Centres	1,750	0.6%
Community Centres	11,189	3.8%
Day Centres	2,652	0.9%
Depots	9,194	3.2%
Halls	5,445	1.9%
Libraries	4,358	1.5%
Outdoor Education Facilities	1,341	0.5%
Museums	2,411	0.8%
Offices	25,203	8.6%
Care Homes	7,584	2.6%
Pavilions	2,896	1.0%
Public Toilets	1,043	0.4%
Resource Centres	2,352	0.8%
Schools	190,156	65.2%
Sports Centres	20,964	7.2%
Town House	985	0.3%
Youth Centres	166	0.1%
<b>Total</b>	<b>291,755</b>	

The learning estate is by far the largest part of the council's operational property portfolio at over 65%. Significant house building in East Lothian will require additional schools and school extensions which will increase the size of the learning estate by a further 34,000m2 by the end of the current capital programme.

As a result, the operational property portfolio is estimated increase to increase by 9.2% over the next 5 years (23.3% estimated increase from the size of the estate from 2013/14 to 2027/28).

Total GIA (m2) Operational Property



### 3.2.2 Condition

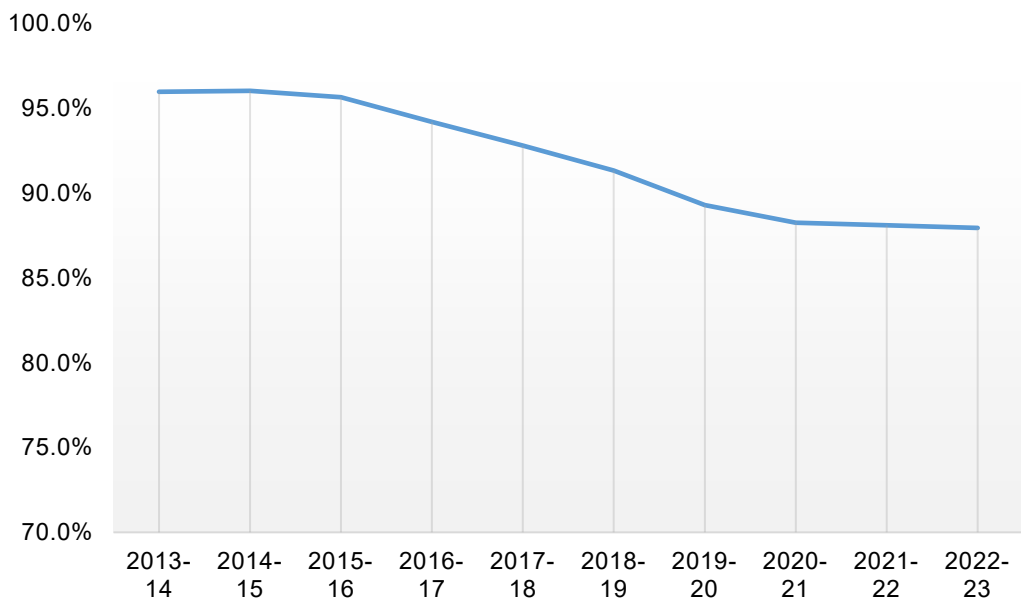
A programme of condition surveys is in place to assess the current condition of the property and the maintenance investment required to address condition issues. The table below shows the percentage of gross internal area (GIA) that is assessed as being either good or satisfactory condition in 2022/23.

<b>Category</b>	<b>Percentage GIA in Good or Satisfactory Condition 2022/23</b>
Area Housing Offices	66.9%
Childrens Centres	100.0%
Community Centres	93.7%
Day Centres	93.6%
Depots	100.0%
Halls	34.0%
Libraries	96.6%
Outdoor Education Facilities	100.0%
Museums	100.0%
Offices	83.2%
Old Peoples Homes	78.4%
Pavilions	98.3%

Public Toilets	98.1%
Resource Centres	100.0%
Schools	88.7%
Sports Centres	88.4%
Town House	100.0%
Youth Centres	100.0%
<b>Total</b>	<b>87.9%</b>

The percentage of properties in good or satisfactory condition has been reducing over the last ten years as can be seen in the graph below.

Percentage GIA in Good or Satisfactory Condition



Condition surveys completed on the learning estate have indicated a maintenance need of £40.0m over the next 5 years. Surveys are underway to update the maintenance need at non-school properties, but it is estimated to be in the region of £35.0m. The table below shows the overall estimated investment need over the next five years and the current approved capital budget. This is likely to have an impact on overall condition of the existing estate and may result in more properties slipping into the poor condition category unless action is taken.

<b>Estimated Maintenance Investment required to 2028/29 (excluding PPP)</b>	<b>Actual Property Renewals Budget 2024/25 to 2028/29</b>
£75m	£10m

The Property Renewals budget does not cover the required maintenance.

### 3.2.3 Suitability

The suitability of the operational portfolio is assessed regularly. Suitability questionnaires are completed by Service Managers that to provide an indication of

whether the property is considered suitable for current service delivery. The following criteria is used: -

- Location/Place
- Access
- Environment and facilities
- Functionality and operability
- Image
- Safety and security
- Functionality

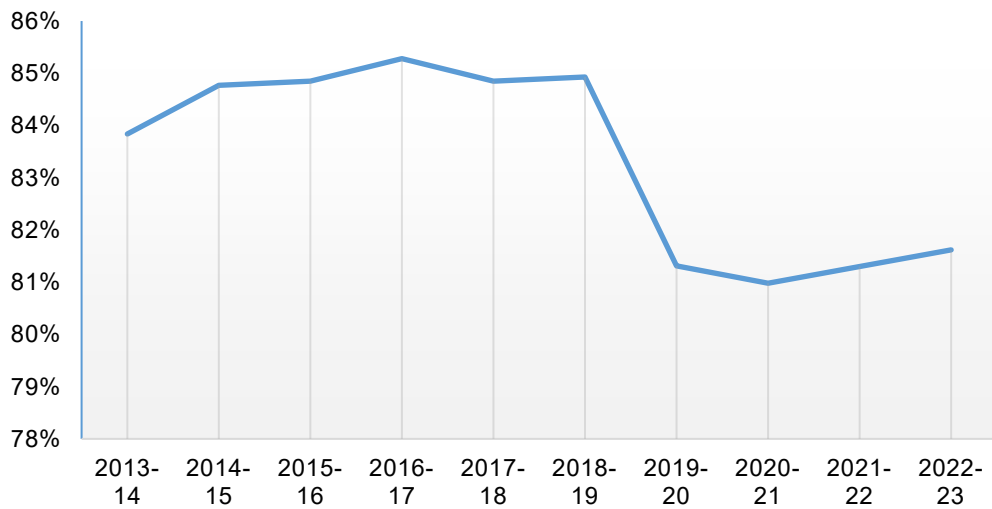
The table below shows the percentage of properties assessed as being suitable for current use in 2022/23.

Category	Percentage Suitable for Current Use 2022/23
Area Housing Offices	83.3%
Childrens Centres	100.0%
Community Centres	100.0%
Day Centres	100.0%
Depots	92.3%
Halls	60.0%
Libraries	100.0%
Outdoor Education Facilities	100.0%
Museums	100.0%
Offices	83.3%
Old Peoples Homes	100.0%
Pavilions	77.8%
Public Toilets	63.0%
Resource Centres	100.0%
Schools	70.5%
Sports Centres	87.5%
Town House	100.0%
Youth Centres	100.0%
<b>Total</b>	<b>81.2%</b>

The overall suitability of the estate has reduced over the last ten years as can be seen in the graph below.



Percentage of Properties Suitable for Current Service Delivery

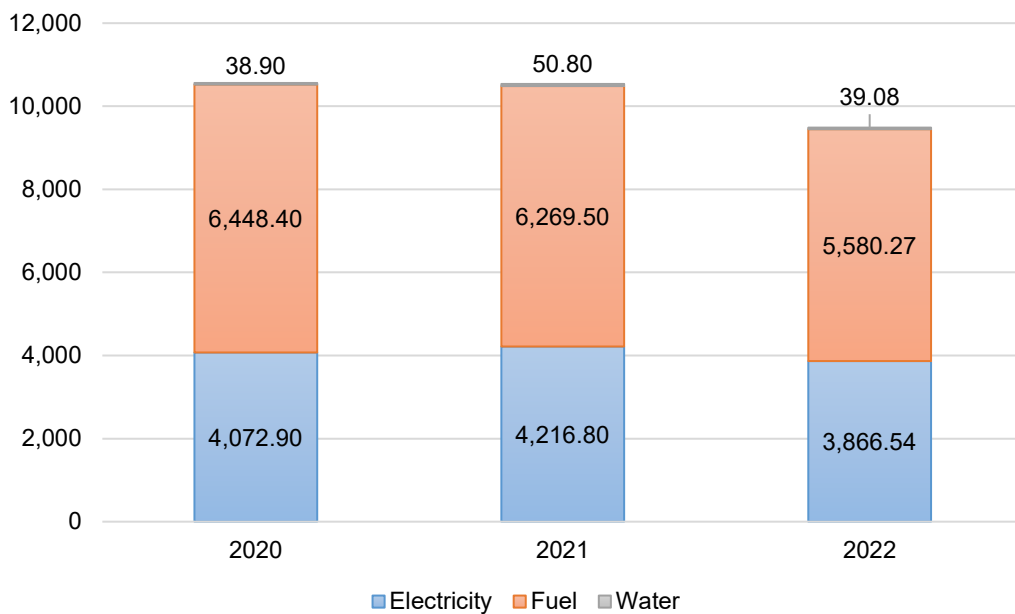


**3.2.4 Greenhouse Gas Emissions**

East Lothian Council has been measuring greenhouse gas emissions on an annual basis since 2014 as part of the public sector climate change duties under the Climate Change (Scotland) Act 2009.

Overall, greenhouse gas emissions have fallen by 29.3% since 2014/15. The last three years emissions related to the property estate are shown in the graph below: -

Property Greenhouse Gas Emissions (tCO2e)

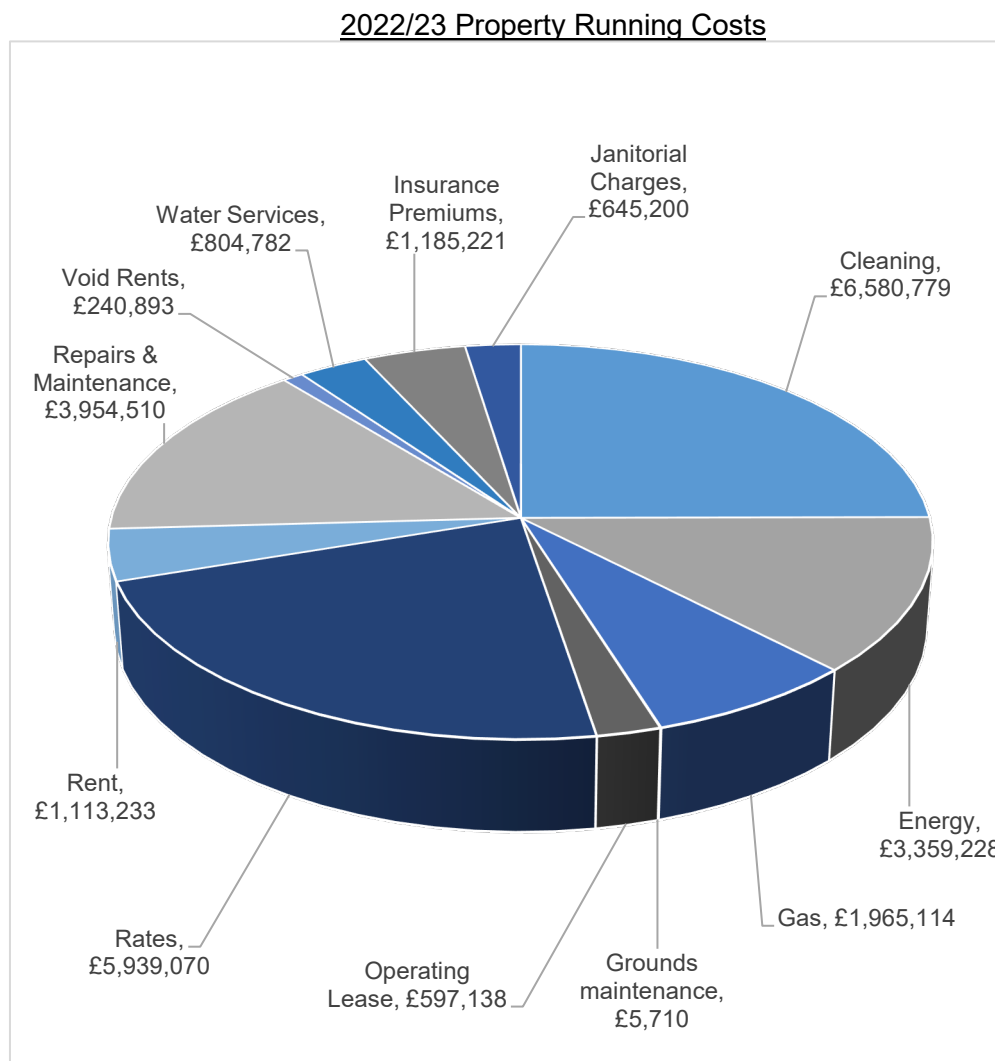


Property related emissions equate to over 70% of the councils' total emissions.

The council has approved a draft Local Heat & Energy Efficiency Strategy (LHEES) and is aiming to have a finalised version of the strategy approved in 2024. The finalised strategy will set out the long-term plan for improving energy efficiency and decarbonising heat across East Lothian.

### 3.2.5 Finance

The running cost of the property estate in 2022/23 was £26.391m and is split into the main categories below: -



East Lothian Council is facing significant financial pressures and as a result agreed to savings totalling £4.618m from the running cost of the property estate. A range of transformation projects are underway, but the scale of savings required means that the council must try to reduce the extent of the operational property portfolio as much as possible.

### 3.2.6 Utilisation

Accurate measurement of how well buildings are being used has been challenging with limited performance information available at this stage. As a result, a project workstream is underway to implement a new room and desk booking system which will be capable of providing much greater detail on how well our buildings, meeting rooms and office space is used.

### 3.3 Non-Operational Property

Estates is responsible for all non-operational land and building the council owns or has an interest in - for example shops, offices, industrial units, agricultural land, caravan sites, surplus buildings etc.

In total, Estates manage and lease out over 500 properties and land creating revenue for the council.

The non-operational portfolio was valued at March 2020 at circa £25m.

The rental income breakdown of main categories for 2022/23 is shown below:

Category	Rental Income 2022/23 (£'000)
Industrial Units/Stores	730
Retail Units	333
Offices	290
Industrial Land	240
Other	858
<b>Total</b>	<b>2,451</b>

### 3.4 Common Good

Common Good properties are historic assets held and managed by the council. They can be either Operational or Non-Operational Assets

East Lothian Council have Common Good accounts for the former Burghs of Dunbar, Haddington, Musselburgh, North Berwick and Cockenzie, Port Seton and Tranent. The funds are used to further the common good of the residents of these areas.

Common Good property, plant and equipment was valued at £8.775m in 2022.

## 4.0 PROPERTY ASSET MANAGEMENT STRATEGY

East Lothian Council relies on a large and complex portfolio of property assets to deliver services. The following sections set out our strategy to develop and implement arrangements to help us manage and invest in our estate.

### 4.1 Corporate Landlord

East Lothian Council have embraced the Corporate Landlord approach to the management of the property estate. This ensures that all property assets are managed as corporate resources and decisions are made in the context of the councils' overall objectives. Good progress has been made setting out the Corporate Landlord responsibilities and putting in place a robust governance structure, However, there are still some aspects of the Corporate Landlord model that require to be fully implemented.

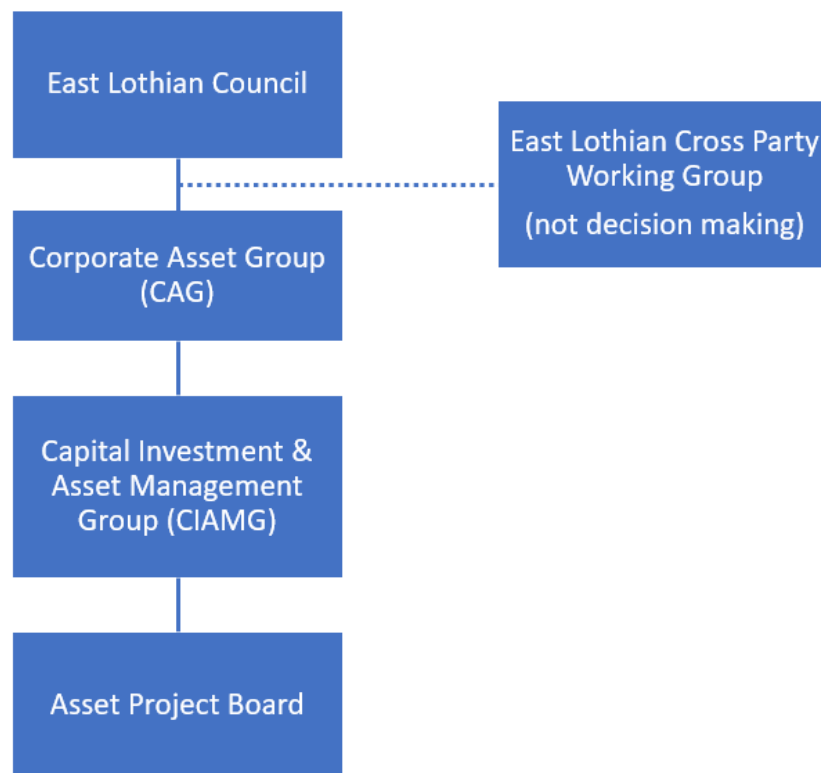
Infrastructure Services act as the Corporate Landlord and are responsible for the following activities: -

- Building design and project management

- Property repairs and maintenance
- Estates and valuation services
- Strategic property asset planning
- Facilities management
- Energy management
- Commercial property development

## 4.2 Governance Arrangements

In order to support the Corporate Landlord approach, a property governance regime has been developed that allows consistent and transparent decisions on all property matters.



### Corporate Asset Group (CAG)

The Corporate Asset Group is the strategic body for asset management and capital investment decisions and projects. It is responsible for effective and efficient asset management at a corporate level. The Corporate Asset Group sets the direction and provides leadership in relation to how the council manages and develops its assets.

### Capital Investment & Asset Management Group (CIAMG)

The Capital Investment and Asset Management Group (CIAMG) is the senior officer governance body with remit as the council's advisory body regarding asset management and related activities. The CIAMG oversees the management of each asset category to achieve an effective and efficient overall estate and makes recommendations to the Corporate Asset Group. It includes all Asset Lead Officers and representatives from a range of council services. The role of the CIAMG is to:

- ensure a culture and practice of corporate management of assets across the council.
- ensure all decisions that relate to land and buildings are considered corporately.
- consider and assess proposals and business cases for new capital investment and make recommendations to the Corporate Asset Group
- manage and monitor the capital plan programme delivery.
- ensure asset management planning is compliant with statutory requirements, including performance monitoring and demonstrating best value.
- establish opportunities for partnership asset planning and collaboration with other public sector organisations to deliver value for money.
- consider and evaluate requests from community bodies for asset transfer by sale or lease.
- consider and evaluate requests for community organisations for projects which impact on council land or buildings.
- review the monthly monitoring report of the general services capital investment plan.
- prepare an annual report to the Corporate Asset Group on asset management activity and performance.

#### Asset Project Board

East Lothian Council have adopted a consistent approach to project management based on the principles of PRINCE2. The Asset Project Board coordinates several property projects as part of the council's wider transformation programme such as Asset Review and the Place Making Project.

#### Cross-Party Working Group

The Cross-Party Working Group has been established by Council and includes cross party councillors who work together to provide advice and support in the development of council wide proposals. It is not a decision-making forum but provides scrutiny and challenge.

### **4.3 Property Information Systems**

East Lothian Council use the CIPFA Property Manager software as the corporate property information system. It currently holds the Property Asset Register, the Asbestos Register and condition survey information. An upgrade programme is underway to transfer wider estates data into the system.

Earthlight GIS is used for property mapping, and this includes graphical information on land ownership, leases in place and historical sales.

### **4.4 Asset Review**

East Lothian is changing, and we must adapt as a council. The population is growing and ageing and placing significant demand on services. In delivering transformational change within asset management, we will start to address some of the property challenges we face.

We aim to transform services to meet the changing needs of East Lothian's residents, communities, and businesses, while responding to financial challenges we face. The council needs to deliver an enhanced programme of change and transformation to

maximise the efficiency, effectiveness sustainability and resilience of services provided to the public.

Reviewing property assets is a key part of the transformation programme and the council has already realised savings and service improvements through New Ways of Working and the relocation of staff from Randall House to John Muir House.

#### **4.5 Place Making Project**

The purpose of this project is to develop a new holistic service delivery model for communities and the property assets required to support this. It is currently at an early stage with the Asset Review Team gathering data but has the potential to contribute to future efficiencies and savings targets. The project will have the following key work streams: -

- Establish the current position in relation to council services delivered to communities, the assets they are delivered from, how the assets are managed and how much they cost to operate.
- Identify other assets that can be used by the community for complementary services.
- Understand the needs of local communities.
- Consider the asset strategies and investment plans of partners to establish opportunities for collocated facilities and joined up service delivery.
- Develop a new service delivery model and proposals for the property assets required to support this, all in the context of the asset rationalisation revenue savings and capital receipts targets set.
- Engage with communities and staff on these proposals.

The Place Making project aligns with the aspiration for Local Living and 20-minute neighbourhoods. Local living means that people do not, ideally, have to go very far from their home or leave their settlement in order to meet their daily needs for service access. However, the geographical and rural nature of East Lothian means this could be challenging to achieve in some towns and villages.

Further information on the Place Making Project can be found in Appendix 2.

#### **4.6 Learning Estate Strategy & Improvement Plan**

East Lothian has approved a Learning Estate Strategy (LES) which sets out the councils' ambitions and continuous improvement priorities for the learning estate. The strategy is a high-level education specific strategic document which is underpinned by the Learning Estate Improvement Plan. Taken together, these documents support the oversight and management of the Learning Estate.

East Lothian's PPP Contract, for six of its secondary schools, will come to an end in 2035. The LEIP sets out the expectation that a 'PPP Hand Back Strategy' will be developed to ensure appropriate planning is in place in the ten years before hand back.

#### **4.7 Non-Operational Property Management**

Estates will continue to evaluate the non-operational portfolio, considering lease and sale opportunities as they arise, while following best value practice and maximising income. Energy Performance Legislation and Net Zero aspirations will continue to impact these decisions. Where significant improvements are required and the

leaseholder requires ownership to secure funding to carry out these improvements, Estates will consider sale and long lease opportunities. Estates will report these opportunities following negotiation, through CAG.

#### **4.8 Capital Programme 2024/25 to 2028/29**

The council has an ambitious capital programme and 5-year plan for 2024/25 to 2028/29 which was approved in February 2024. It represents the planned investment in all asset types, including property, to support the delivery of the councils' objectives and statutory obligations over the next 5 years.

Full details of the agreed capital programme 2024/25 to 2028/29 can be found in Appendix 1.

#### **4.9 Disposal & Capital Receipts**

The council's approach to asset disposal is that if an asset is no longer required for service delivery and does not meet the criteria for retention or for inclusion within the non-operational property portfolio, the asset will be declared surplus to the council's requirements and will be placed on the market for sale.

Where a market sale may not be achievable, for example if the market is depressed, retention and inclusion of the asset within the non-operational property portfolio may be considered, provided the following criteria are met:

- market demand – there is a good letting prospect.
- good revenue potential with minimal short to medium capital outlay.
- good potential for medium to long term capital growth.

Surplus assets are managed during the disposal process to minimize vacant property, maintenance, and security costs. All capital receipts are held corporately and used to fund future capital investments or off-set debt charges.

#### **4.10 Climate Change Strategy 2020-2025**

The council declared a climate emergency in 2019 and is committed to reaching net zero by 2045. Our Climate Change Strategy sets out the council's vision and overall aims for a Net Zero Council and a Carbon Neutral East Lothian. It sets out what we have done since 2020 to achieve these overall aims, and the specific targets and actions which have helped progress towards achieving net zero.

This Climate Change Strategy covers two major aspects of climate change:

- Climate Change Mitigation: this section of the strategy sets out how the council will reduce emissions to reach Net Zero as soon as reasonably practicable and by 2045, and help to mitigate against further global temperature rise; and
- Climate Change Adaptation: climate change is already impacting upon us, and we set out how we will adapt to and prepare for future changes in our climate. This will help to reduce inequalities and enable communities and businesses to be more resilient for the future.

The strategy contains 170 actions over 29 priority areas to help us reach net zero and become climate ready.

#### **4.11 Community Wealth Building and Working with Partners.**

East Lothian Council are working towards becoming a Community Wealth Building Council. Work with partners is underway to ensure wealth is locally owned and benefits local people. This focuses on the following.

- Goods that we buy.
- People that we employ.
- Assets we own.
- Powers we have that can bring about change to maximise local economic opportunities.

East Lothian Council are committed to the concept of socially just use of land and are working with partners to review land and asset ownership. It is hoped that this can unlock opportunity for the transfer of ownership to voluntary and community sector organisations for the benefit of the wider community. Partners include:

- NHS Lothian
- Police Scotland
- Scottish Fire & Rescue Service
- Scottish Enterprise
- Scottish Government & Government Agencies
- Volunteer Centre East Lothian
- Queen Margaret University
- Enjoy Leisure
- Scottish Water
- Historic Environment Scotland
- East Lothian Chamber of Commerce
- Visit Scotland

#### **4.12 Area Partnerships**

The council is committed to supporting communities to do things for themselves and to make their voices heard in the planning and delivery of services.

There are six Area Partnerships in East Lothian which are the local voice of community planning, and each has a delegated budget from East Lothian Council to deliver improvements in their area.





Each Area Partnership has an Area Plan which provides a profile of the main features of the local area and their priorities for improvement.

#### **4.13 Community Asset Transfer**

Community asset transfer involves the transfer of responsibility for an asset from the council to a voluntary or community organisation.

The council has prepared Policy and Guidance documents to provide a framework for considering requests for Community Asset Transfer under the terms of the Act. This will build on the council's on-going advice and support for community groups, many of whom already lease assets, and recognises the role which community ownership of assets can play in regenerating communities and enable well-run community organisations to deliver a range of benefits to their communities.

#### **5.0 ASSET MANAGEMENT PLAN**

The Property Asset Management Plan below sets out the actions required to deliver the key aspects of this strategy. Progress with the management plan will be regularly monitored and reported as per below.

Ref	Action	Reporting & Monitoring
<b>Principle 1: Effectively Manage Property Assets</b>		
	Fully implement the Corporate Landlord approach, in particular the allocation and management of space, furniture, and other resources in all council buildings.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	Report annually on property performance based on the current position set out in this strategy. <ul style="list-style-type: none"> <li>• Extent</li> <li>• Condition</li> <li>• Suitability</li> <li>• Energy Consumption/Greenhouse Gas Emissions</li> <li>• Property Running Costs</li> <li>• Utilisation</li> </ul>	
	Fully implement the Estates modules of the CIPFA Asset Manager software system to have a single corporate system for property information.	
	Review property budgets to improve transparency around running cost information.	
	Improve the measurement of property utilisation to make best use of available space.	
	Review current community lets, leases and ad-hoc use arrangements.	
	Develop a ten-year Strategic Asset Plan for the Learning Estate with the aspiration that all assets are maintained a condition B or above.	
	Develop a PPP Hand-back Strategy.	

Ref	Action	Reporting & Monitoring
<b>Principle 2: Meet Immediate Savings Targets and Address Future Affordability Gap</b>		
	Review property assets with the express intention to reduce the number of property assets held and make better use of what is retained.	Progress will be monitored and reported to the Asset Project Board
	Develop a Place Making strategy, options, and recommendations as a model for aligning service delivery with a reduced number of properties.	
	Deliver £4.618m property running cost savings.	Progress with agreed savings targets is reported to Council as part of the regular financial update and budget monitoring reports.
	Deliver agreed investment in the 2024/25 to 2028/29 capital programme to progress New Ways of Working and consider the best use of the former courts at John Muir House.	Progress with agreed investment is reported to Council as part of the regular financial update and budget monitoring reports.
	Continue to implement New Ways of Working and transformation programmes to support excellent service delivery and ensure best use of office accommodation and public buildings.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	Aim to improve marketing of the operational portfolio to increase potential income.	
	Develop a strategy for increasing the suitability of operational property.	

Ref	Action	Reporting & Monitoring
<b>Principle 3: Meet Demographic Need for Services</b>		
	Ensure ongoing monitoring of school capacities to help make strategic decisions pertaining to new residential development, to maximise existing capacity within existing learning estate and to ensure efficiency with regards to any additional education capacity that is required, because of planned growth.	Progress will be monitored by the Learning Estate Project Board and reported as part of the Learning Estate Improvement Plan
	Deliver agreed investment in the 2024/25 to 2028/29 capital programme to assist with addressing future demand in particular, new schools, school extensions, and sport and recreation facilities.	Progress with agreed investment is reported to Council as part of the regular financial update and budget monitoring reports.
	Prepare, consult, and then adopt Local Development Plan 2, considering Local Place Plans that communities bring forward.	Target date for adoption of LDP2 is 2025.
<b>Principle 4: Generate Income &amp; Encourage Economic Development</b>		
	Regularly review vacant and underutilised buildings to bring forward potential capital receipts or other income opportunities.	Progress will be monitored and reported to the Asset Project Board
	Review historical lease arrangements and develop a consistent and transparent approach to community benefit leases.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	A review should also be undertaken to identify land in East Lothian that is not owned by Anchor Institutions that has the potential to be utilised in more socially and environmentally responsible ways.	Progress will be monitored and reported as part of East Lothian Local Economy Strategy.
	Anchors Institutions should undertake a review of their assets that includes current ownership/use, agreed investment plans and future aspirations/needs to identify opportunities to support Community Wealth Building including the potential sustainable transfer to other organisations.	

Ref	Action	Reporting & Monitoring
	Continue the redevelopment of the former Cockenzie Power Station to promote economic growth and employment opportunities.	Progress is regularly reported to Council.
	Continue to progress the Edinburgh Innovation Hub joint venture with Queen Margret University.	Progress is regularly reported to Council.
	Deliver capital receipts target of £18m over the next five years	Progress with agreed capital receipts targets is reported to Council as part of the regular financial update and budget monitoring reports.
	Undertake condition surveys on the non-operational estate.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	Meet annual income targets for the non-operational portfolio.	Progress with agreed income targets is reported to Council as part of the regular financial update and budget monitoring reports.
<b>Principle 5: Reduce Greenhouse Gas Emissions</b>		
	Implement the Climate Change Strategy, which includes 170 actions under 29 priority areas, within available budgets.	Progress will be monitored and reported as part of the annual update on the Climate Change Strategy.
	Develop the councils next Climate Change Strategy which will run from 2025.	
	Report greenhouse gas emissions and other required information to meet the Public Bodies Climate Change Duties Reporting requirements.	

Ref	Action	Reporting & Monitoring
	Progress the approval of the finalised East Lothian Local Heat & Energy Efficiency Strategy and delivery plan (LHEES).	Progress will be monitored and reported to the Energy Transformation Board as part of the Local Heat & Energy Efficiency Strategy
	Work with other Scottish local authorities to share best practice around Passihvaus and Retrofit solutions to reduce greenhouse gas emissions from new build and refurbishment projects.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	Aim to secure external funding from Scotland's Public Sector Heat Decarbonisation Fund to undertake energy efficiency works.	
	Develop building specific investment plans that sets out how greenhouse gas emissions can be reduced.	
<b>Principle 6: Work with Communities and Partners to Maximise Shared Opportunities</b>		
	Set up a Community Wealth Building Land & Property Group with other East Lothian Anchor Institutions to review our assets and identify potential opportunities for colocation and sharing assets.	Progress will be monitored and report to Corporate Asset Group (CAG) or Capital Investment and Asset Management Group (CIAMG)
	Encourage communities who wish to buy or lease East Lothian Council buildings using Community Asset Transfer legislation. Prepare updated Community Asset Transfer Policy and guidance documents to support this.	
	Work with East Lothian IJB to formalise arrangements for sharing accommodation.	
	Support Area Partnerships as the local voice of community planning. Each Area Partnership has an Area Plan which identified priorities for improvement.	

Ref	Action	Reporting & Monitoring
	Partners should develop an Asset Transfer Action Plan which focuses upon both voluntary, community and social enterprise (VCSE) organisations and small and medium enterprises (SME`s) and looks to provide support to Social Economy Organisations in the sustainable transfer of assets and supports the creation of business hubs for people who want to work remotely but not from home.	Progress will be monitored and reported as part of East Lothian Local Economy Strategy.

## APPENDIX 1: AGREED INVESTMENT PLAN (FEBRUARY 2024)

### Capital Programme 2024/25 to 2028/29

<b>Expenditure</b>	<b>Year 1 2024/25 £000</b>	<b>Year 2 2025/26 £000</b>	<b>Year 3 2026/27 £000</b>	<b>Year 4 2027/28 £000</b>	<b>Year 5 2028/29 £000</b>	<b>5 Year Total £000</b>
<b>Community Projects</b>						
Community Intervention	300	300	300	300	300	1,500
Community Intervention Fund - Pump Tracks	475	-	-	-	-	475
Community Public Art	160	-	-	-	-	160
Bleachingfield Centre Remodelling Works	100	3	-	-	-	103
Dunbar Conservation Area Regeneration Scheme (CARS)	355	112	20	-	-	487
East Saltoun Community Hall	-	-	-	-	-	-
North Berwick Skatepark	-	-	-	-	-	-
Support for Business	-	-	-	-	-	-
Fisherrow - spend to save project	225	-	-	-	-	225
CCTV	123	-	-	-	-	123
Town Centre Regeneration	514	325	425	-	-	1,264
<b>Total Community Projects</b>	<b>2,253</b>	<b>739</b>	<b>745</b>	<b>300</b>	<b>300</b>	<b>4,338</b>
<b>ICT</b>						
IT Programme & Digital Opportunities	2,200	2,200	2,200	2,300	2,325	11,225
						-
<b>Total ICT</b>	<b>2,200</b>	<b>2,200</b>	<b>2,200</b>	<b>2,300</b>	<b>2,325</b>	<b>11,225</b>



Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year
	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£000	£000	£000	£000	£000	£000
<b>Fleet</b>						
Amenities - Machinery & Equipment - replacement	200	200	200	200	200	1,000
Vehicles	4,611	5,774	2,081	1,943	3,708	18,117
						-
<b>Total Fleet</b>	<b>4,811</b>	<b>5,974</b>	<b>2,281</b>	<b>2,143</b>	<b>3,908</b>	<b>19,117</b>

<b>Open Space</b>						
Synthetic Pitch Replacement Programme	157	269	525	260	1,075	2,286
Cemeteries (Burial Grounds)	637	400	500	400	500	2,437
Cemeteries (Burial Grounds) LDP	-	-	-	-	-	-
River Tyne / Haddington Flood Protection scheme	-	-	-	-	-	-
Coastal / Flood Protection schemes - Musselburgh	2,050	6,350	29,250	38,000	34,000	109,650
Coastal Change Management	85	-	-	-	-	85
Coastal Car Park Toilets	256	6	-	-	-	263
Core Path Plan	50	50	50	50	50	250
Harbour Walls	600	-	-	-	-	600
Mains Farm Town Park & Pavilion	-	-	-	-	-	-
Nature Restoration	-	-	-	-	-	-
Polson Park	160	-	-	-	-	160
Replacement Play Equipment	327	545	-	-	-	872
Sports and Recreation LDP	3,026	1,603	153	2,695	227	7,704
- 3G Pitch at Wallyford Learning Campus	-	-	-	-	-	-
- 2 full-size grass pitches at Wallyford PS	-	-	-	-	-	-

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year
	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£000	£000	£000	£000	£000	£000
- Aberlady Sports & Play Capacity	-	-	-	-	-	-
- Aubigny Sports Centre Expansion	1,055	16	-	-	-	1,072
- Blindwells Allotments	-	-	-	-	-	-
- Blindwells Community Sports	-	-	-	2,280	-	2,280
- Blindwells Equipped Play	-	-	-	415	-	415
- Craighall Sports Pitches	277	-	-	-	-	277
- Craighall Allotments	-	-	22	-	-	22
- Craighall Pavilion	500	611	-	-	-	1,111
- Dirleton Play Equipment	-	-	23	-	-	23
- East Linton Memorial Park	63	-	-	-	-	63
- Elphinstone Pavilion	31	-	-	-	-	31
- Elphinstone Equipped Play	-	-	-	-	-	-
- Fa'side Path	169	-	-	-	-	169
- Gullane Pitches	112	53	-	-	-	166
- Gullane Play Equipment	126	25	-	-	-	151
- Gullane Recreation Park	-	-	-	-	-	-
- Hallhill Sports Pitch & Changing	120	239	-	-	-	358
- Heritage Impletation Plan	-	-	-	-	-	-
- Lambertton Court, (Lempockwells) Play Area	-	-	-	-	-	-
- Letham 7 a-side Pitch	-	-	108	-	-	108
- Letham Path Network	-	-	-	-	-	-
- Longniddry-Haddington Path Improvements	-	-	-	-	-	-
- Macmerry Sports Facilities	-	105	-	-	-	105
- Wallyford 4 Team Pavilion	400	501	-	-	-	901
- Whitecraig Pavilion & Pitch	-	-	-	-	227	227
- Windygoul Sports Pitch	165	53	-	-	-	219

Expenditure	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year
	2024/25	2025/26	2026/27	2027/28	2028/29	Total
	£000	£000	£000	£000	£000	£000
- Windygoul Allotments	8	-	-	-	-	8
Street litter bin replacement	40	40	40	40	40	200
Waste - New Bins and replacement machinery and equipment	200	200	200	200	200	1,000
<b>Total Open Space</b>	<b>7,588</b>	<b>9,464</b>	<b>30,718</b>	<b>41,645</b>	<b>36,092</b>	<b>125,507</b>

<b>Roads, Lighting, and related assets</b>						
Cycling Walking Safer Streets	478	478	478	478	478	2,390
East Linton Rail Stop / Infrastructure	-	-	-	-	-	-
Parking Improvements	330	1,135	1,084	5,070	-	7,619
Roads	5,500	5,500	5,500	5,500	5,500	27,500
Roads - externally funded projects	8,462	3,428	6,587	204	21	18,702
<b>Total Roads, Lighting, and related assets</b>	<b>14,770</b>	<b>10,541</b>	<b>13,649</b>	<b>11,252</b>	<b>5,999</b>	<b>56,211</b>

<b>Property – Education</b>						
Aberlady Primary - extension	2,289	1,780	52	-	-	4,121
Blindwells Primary - new school	19,453	3,355	329	-	-	23,137
Blindwells Primary - new school (phase 2)	-	-	-	-	-	-
Craighall Primary - New School	19,217	3,605	329	-	-	23,152
Craighall Primary - New School (phase 2)	-	-	-	-	-	-
Dunbar Grammar - extension	-	-	-	-	-	-
East Linton Primary - new school	-	-	-	-	1,000	1,000
Elphinstone Primary - extension	-	-	-	-	-	-
Free School Meals Expansion to P6-7	-	-	-	-	-	-
Haddington School (Infants & St. Mary)	-	-	-	-	-	-
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>5 Year</b>

<b>Expenditure</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Knox Academy Extension	50	-	-	100	2,408	2,558
Law Primary - extension including Early Learning and 1140	67	-	-	-	-	67
Letham Primary - New School	-	-	-	-	-	-
Letham Primary - Extension	-	-	306	3,208	926	4,440
Longniddry Primary - extension	-	-	100	290	4,245	4,635
Macmerry Primary - extension	-	-	-	242	1,588	1,829
North Berwick High School - Extension	450	-	-	-	-	450
North Berwick High School - Extension (phase 2)	-	-	-	-	-	-
Ormiston Primary - extension	-	-	-	-	-	-
Pencaitland PS	-	-	-	759	-	759
Pinkie St Peter's Primary - sports hall extension	505	7	-	-	-	512
Pinkie St Peter's Primary - extension including Early Learning and 1140	279	3	-	-	-	282
Preston Lodge High School - extension (phase 1)	-	-	-	1,315	2,694	4,009
Prestonpans Primary - upgrades	243	7	-	-	-	250
Ross High School - extension	-	-	-	-	-	-
School Estate - Curriculum Upgrades	1,045	-	-	-	-	1,045
St Gabriel's Primary - extension including Early Learning and 1140	-	-	-	-	-	-
Wallyford Primary - New School	108	-	-	-	-	108
Wallyford Primary - New School - Phase 2	-	-	-	-	500	500
Wallyford Learning Campus	1,001	6	-	-	114	1,120
West Barns Primary - extension including Early Learning and 1140	46	-	-	-	-	46
Whitecraig Primary - new school including Early Learning and 1140	16,058	2,297	278	-	-	18,633
Windygoul Primary - Early learning and 1140 extension	150	-	-	-	-	150
Windygoul Primary - extension	-	-	-	100	519	619
<b>Total Property - Education</b>	<b>60,962</b>	<b>11,060</b>	<b>1,395</b>	<b>6,013</b>	<b>13,994</b>	<b>93,423</b>
<b>Expenditure</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>5 Year</b>
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>Total</b>

	£000	£000	£000	£000	£000	£000
<b>Property – Other</b>						
Accelerating Growth	14,853	5,114	85	-	-	20,053
- A1/QMU Junction	-	-	-	-	-	-
- Blindwells	-	-	-	-	-	-
- Cockenzie	-	4,000	-	-	-	4,000
- Innovation Hub	3,876	259	85	-	-	4,219
- Levelling Up Project Cockenzie	10,978	856	-	-	-	11,833
Brunton Hall - Improved Community Access (paused)	-	-	-	-	-	-
Court Accommodation	820	-	-	-	-	820
Loch Centre Tranent - Major Refurbishment Works	721	2,786	1,501	-	-	5,008
New ways of working Programme	988	9	-	-	-	997
Prestongrange Museum	1,599	25	-	-	-	1,624
Property Renewals	2,000	2,000	2,000	2,000	2,000	10,000
Replacement Childrens House	867	867	26	-	-	1,760
Provision of Social & Healthcare facilities across East Lothian to support population growth, aligned to wider strategic planning	-	-	-	-	-	-
Sports Centres	240	240	240	240	240	1,200
Whitecraig Community Centre	-	-	-	-	-	-
<b>Total Property - Other</b>	<b>22,088</b>	<b>11,042</b>	<b>3,853</b>	<b>2,240</b>	<b>2,240</b>	<b>41,462</b>
PPP Projects	-	-	-	-	-	-
Capital Plan Fees	2,524	2,590	2,640	2,692	2,746	13,192
<b>Total Gross Expenditure</b>	<b>117,196</b>	<b>53,610</b>	<b>57,480</b>	<b>68,585</b>	<b>67,605</b>	<b>364,475</b>

## **APPENDIX 2: PLACE MAKING PROJECT**

### **1.0 Background**

The purpose of the Place Making Project is to develop a new holistic service delivery model for communities and the property assets required to support this. The project will have the following key work streams: -

- Establish the current position in relation to council services delivered to communities, the assets they are delivered from, how the assets are managed and how much they cost to operate.
- Identify other assets that can be used by the community for complementary services.
- Understand the needs of local communities.
- Consider the asset strategies and investment plans of partners to establish opportunities for collocated facilities and joined up service delivery.
- Develop a new service delivery model and proposals for the property assets required to support this, all in the context of the asset rationalisation revenue savings and capital receipts targets set.
- Engage with communities and staff on these proposals.

### **2.0 Service Delivery Assessment**

The properties used to deliver the following service categories will be identified for each locality:

- Customer Services
- Libraries
- Youth
- Elderly
- Community Hubs/Meeting Places
- Sports Centre & Swimming Pools
- Sports Pitches & Pavilions
- Primary Schools (Community Use Only)
- Secondary Schools (Community Use Only)
- Public Toilets
- Museums
- Others

The assessment will consider the opportunity to increase our digital offering for some services to reduce the need to physically visit a building. It will also consider alternative methods of service delivery to achieve the same outcomes, but at lower property cost to the council.

### **3.0 Property Data Gathering**

Property data gathered to support the Place Making Project will be developed into a property scorecard that can be used to inform future proposals, options, and recommendations. The following information categories will be included:

#### **3.1 Condition**

Condition surveys reports will be used to assess the overall condition of the building and the cost of required maintenance, repair and replacement the next 5 years.

### 3.2 Suitability

Existing property suitability assessments will be reviewed and included in the property scorecard.

### 3.3 Energy Consumption

Actual energy consumption figures for property within the scope of the Place Making Project will be assessed against benchmark figures to identify potentially poorly performing buildings.

### 3.4 Running Costs

Property running cost information will be collated as part of the property scorecard. Ongoing property costs are significant, and this project will develop proposals, options and recommendations that could potentially reduce costs through property rationalisation.

### 3.5 Utilisation

Property utilisation will be used where available.

### 3.6 Population Analysis

Future populations will be prepared based on latest Mid-Year Population Estimate data from the National Record Scotland. This will be combined with additional housing agreed in the Local Development Plan 2018 to provide an estimate of the potential future population within the main settlements within East Lothian.

### 3.7 Scottish Index of Multiple Deprivation (SIMD) Data

SIMD ranking for each area will be included in the scorecard to enable comparison between areas and understand the potential impact of proposals.

### 3.8 Local Living & 20 Minute Neighbourhood Analysis

Local Community Hubs/Meeting Places are places where people can feel socially included and have opportunities for interaction with others. They are the places where people and groups can meet and are one of the twelve agreed criteria of Local Living and 20-minute Neighbourhoods.

Each Local Community Hub/Meeting Place within East Lothian will be identified. This will focus on community centres, village halls, church halls and community trust facilities. Commercial spaces such as Miners Welfare, Royal British Legion and Hotels/Public bars with function rooms will be excluded, but it is recognised that they would potentially contribute overall provision.

The routing functionality of the GIS software will be used to generate statistics including the percentage of the population that has access to a Community Hub/Meeting Place within a 10-minute walking round trip.

## **4.0 Needs of the Local Community**

### 4.1 LDP2 Evidence Gathering

A key part of the production of the Local Development Plan (LDP2) has been public consultation to gather the views of local communities. This included, place-based questionnaires, facilities sessions using the Place Standard Tool and general

consultation events. Whilst primarily for LDP2, relevant information from this evidence base will also be used to inform outcomes from the Place Making Project.

#### 4.2 Local Place Plans

Local Place Plans are community led proposals for the development and use of land. Several communities are in the process of developing plans, and these will be assessed and used to inform the place making strategy, options and recommendations place where possible.

#### 4.3 Area Partnership Area Plans

Each Area Partnership has prepared an Area Plan which provides a profile of the main features of the local area and their priorities for improvement. Most plans are due to be updated in 2024.

### **5.0 Working with Partners**

#### 5.1 CWB Land & Property Assets Group

A working group will be set up with representatives of East Lothian Council and other Anchor Institutions to review assets and land. It is hoped that this can be used as a forum to share the work undertaken as part of the councils Asset Review and Place Making Project with key partners.

### **6.0 Strategy, Options & Recommendations**

The outcome from the Service Delivery Assessment will be used along with the property data gathered to develop a strategy with options analysis, business cases and recommendations for the potential rationalisation of the council's operational property.