Report No: **SLAB/2022/04**

 Agenda Item: **8**

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| **Report to:** | The Board |
| **Meeting Date:** | 21st March 2022 |
| **Report Title** | Property Asset management Plan - 2022 |
| **Report Category** | For Information |
| **Issue status:** | Business as usual |

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| **Written by:** | Colin McKinnell, Facilities Manager and Graeme Hill, Director of Corporate Services and Accounts |
| **Director responsible:** | Graeme Hill |
| **Presented by:** | Graeme Hill |
| **Contact details:** | hillgr@slab.org.uk |

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| **Delivery of Strategic Objectives** |
| Select the Strategic Objective(s) relevant to the issues  | 3. to ensure that our organisation has the culture and capability to be responsive to our customers, the justice system and developments in legal and advice sectors. |

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| **Link to Board or Committee Remit** |
| N/A |

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| **Publication of the Paper** |
| The Board has previously agreed that this paper should be published as a matter of routine. It will be published on our website in due course. |

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| **Executive Summary** |
| This paper is submitted in support of the attached updated Property Asset Management Plan for 2022. The plan sets out our approach to property matters, supporting the objectives of the new business plan over the course of the next year and beyond. |

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| **Previous Consideration** |
| **Meeting** | **Detail** |
| Board Meeting | September 2019 Update to Asset management Plan |

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| **Report** |

1. **BACKGROUND**

The attached paper is the Scottish Legal Aid Board’s updated Property Asset Management Plan. This plan provides a context for the annual Asset Management Strategy Review and is set out within a framework suggested by the Office for Government Commerce (OGC). The plan highlights the decisions made in respect of our main administration accommodation at Thistle House and all of the other properties that make up our Estate (CLAO and PDSO offices), which were supported by the Scottish Government’s Property Advice Division, Facilities and Estates Services {which includes the Scottish Futures Trust (SFT)} and our Sponsor Division.

We have established a clear direction of travel and priorities for property services. A continued focus will be placed on the delivery of best value in the provision of property assets. For our main administration headquarters at Thistle House, this will include optimising the utilisation of space, creating opportunities for future letting of available space where possible and practicable, and looking at smarter working to provide breakout and collaborative solutions for SLAB staff. For our PDSO and CLAO offices, a focus on bringing current facilities in line with the quality of our main administration office and ensuring that suitable relocation to new premises at lease breaks (where appropriate) meet that quality level and current accessibility requirements.

Further consideration in terms of longer term policies and utilisation of our buildings will be made in conjunction with our Designing a New Working Environment (DANWE) Project which is currently working towards developing a new policy on hybrid working following on from the Covid pandemic and latest Scottish Government Guidance.

**2.** **SUMMARY OF THE PLAN**

In summary, the key elements of the plan are:

* a description of SLAB’s main property asset holdings; including the size, locations, rental, tenure, and lease expiry;
* an exposition of SLAB’s plans in relation to each of its main property holdings, including:
	+ ongoing planning and smarter working for our offices at Thistle House, 91 Haymarket Terrace, Edinburgh
	+ ongoing review of how changing technology and working practices, impact on our property strategies and relocation plans for CLAO and PDSO
	+ a readiness to react with value for money solutions to any property implications as part of our ongoing review of our PDSO and CLAO property portfolio
	+ the underpinning of the plan with themes of accessibility, sustainability and biodiversity
* a description of the roles and responsibilities governing the use and management of property in SLAB; and
* ongoing review of the arrangements for the evaluation of the performance of the whole estate and of property management practices.
* SLAB’s carbon management plan which replaced the one based on Drumsheugh Gardens. We have now concluded the fifth year where we can compare with our established baseline.

Members should note that any new leases, or continuation of expired lease (tacit relocation) will be the subject of detailed business cases which require comprehensive analysis. The business case requires a chain of approval including Sponsor, SG Property (in conjunction with Scottish Futures Trust – SFT) then approval by SLAB’s Minister and finally approval by Minister for Public Finance, Planning and Community Wealth. This can be a lengthy process which requires significant advanced planning. The final decision on all leases or purchases of property rests with the Scottish Government.

1. **THISTLE HOUSE**

We have now been in Thistle House since January 2015. Our focus is firmly on how we continue to develop the property for the mutual benefit of both staff and the organisation. Thistle House running costs, and facilities costs in general is one of the largest outside of staffing numbers and therefore it is vital that these are managed both in terms of cost and environmental efficiencies and this should be reflected in policy decisions from the DANWE project.

**Key Developments / issues from mid-2019 to date**

* A significant amount of time resource and cost has gone into the continued upgrading and maintenance of Thistle House since the last plan and report was issued. As highlighted in previous plans, many of the issues had stemmed from poor installation and maintenance; however with the further work undertaken prior to the covid lockdown the building is in a more stable condition; however due to ongoing Health and Safety issues there was a need to improve toilet facilities which were completed along with the earlier refurbishment of our “restroom” facilities. Also commenced prior to lockdown but completed during lockdown was the refurbishment of our lifts. Following the appointment of a consultant, the lifts were replaced including new cars and all the gear to operate the lifts. Final signage, braille information and final detailing was completed in 2020. Finally, our showers were dated and insufficient for the numbers of staff and tenants requirements. Showers have been replaced and the addition of a disabled shower added. Again these were completed during the 2020 lockdown. Our Solicitor Contact Line (SCL) vacated their basement office and are now currently all working from home allowing the opportunity to let the space out to a new or existing tenant. We let the space out in 2021 to Environmental Standards Scotland (ESS) adding further income to our overall budget position.
* With the event of the pandemic, Flexible homeworking has now been put on a business as usual footing by the introduction of laptops, other equipment including folding desks, office chairs and headsets all delivered out and arranged by Facilities and IS, providing an excellent basis for long term homeworking. This was further enabled by the introduction of Microsoft Teams and the telephony solutions all rolled out in 2021. This now allows the Executive Team time to consider and develop a hybrid working policy which is being developed and managed through the DANWE Project Board which during the pandemic has been a key project in earlier phases to ensuring that SLAB achieved all health and safety requirements, applied Scottish Government guidance and provided a safe environment for staff who had to attend offices all across our network.
* Many temporary changes were introduced across all offices to meet covid restrictions and guidance including signage, floor markings and full health and Safety risk assessments. Facilities have also commenced changes to the 2nd floor to incorporate sit / stand desking, removing pedestals and procuring lockers to accommodate a return to the office for a limited number of staff. This work continues and will aim to support the outcomes of hybrid working and a move away from the traditional desking to a more flexible approach to attending the office for such things as collaborative working.
* We continue to work with our tenants, and in April 2022, as part of our ongoing work to manage our accommodation in line with Scottish Government guidance and continue the journey towards hybrid working we have vacated the HR office on the second floor, repurposed the former Director of Corporate Services and Accounts Office into an HR confidential meeting space and have let out the space to Environmental Standards Scotland (ESS). We will continue to look at opportunities in the coming months as we work towards our Hybrid working policy and development of our buildings.
* There are further opportunities within our PDSO and CLAO offices to move towards shared accommodation in the future.

Thistle House remains a model building as viewed by Scottish Government Property and is a Public Sector mini-hub in its own right and will be an integral part of Scottish Governments future plans.

**4. PDSO/CLAO OFFICES**

We currently have 9 offices, Thistle House plus 8 other local offices around Scotland which are used to house the PDSO and CLAO. As aforementioned, we are currently undertaking a review of our property portfolio to ensure that we can provide suitable premises for the future, and whilst we will continue to seek opportunities to reduce these costs where we can, we are looking to ensure that across the locations where we have PDSO and CLAO offices, we can consider a standardisation of quality, value for money and meet the operational requirements. We will also consider the option for using single premises for CLAO and PDSO where this is practicable and appropriate. This has successfully been achieved in Inverness where PDSO and CLAO now share a significantly higher quality office.

The general approach to the provision of property for PDSO had been to lease office accommodation of a standard similar to that utilised by a typical private practice solicitor firm: however we have now agreed that the existing and any new accommodation should be of a minimum corporate standard, which should be similar in a number of aspects to our main administration office at Thistle House. To support this facilities management have continued a programme of work to bring the existing offices up to that standard where possible.

The Edinburgh PDSO office was the first to relocate to new higher quality premises in York Place. The quality of this office has set the benchmark for future office relocations; however is a standalone office for PDSO with the planned move of the Solicitors Contact Line (SCL) not taking place due to the pandemic and now deemed no longer a requirement. The new Inverness office has set a benchmark standard for PDSO and CLAO sharing accommodation and was achieved during difficult times with covid lockdowns. The CLAO Argyle and Bute Office which was on a short term MOTO from the Council has now been closed and is no longer required.

1. **CARBON MANAGEMENT PLAN**

SLAB developed a new Carbon Management Plan which targets its asset use and was produced in conjunction with the Carbon Trust, Resource Efficient Scotland, Keep Scotland Beautiful and the Sustainable Scotland Network. In November 2016 the Board approved the new Carbon Management Plan that set out how we aimed to meet reductions in SLAB’s carbon emissions by 2022. Our aim is that by the end of 2022, SLAB will have reduced its carbon emissions by 10% on a baseline of 2015. This equates to a figure of 42.6 tonnes CO2e in 2015. Emissions recorded in 2020-21 demonstrate that we are currently 220 tonnes of CO2e or 52% below the baseline recorded in 2015 and have therefore achieved this target. The 2020-21 figures were, of course, our emissions during a period when the office was largely closed to the majority of staff As the office has been opened to more staff during 2021-22, it is likely that emissions will increase slightly during this year.

This is therefore our last year of the plan. We await further clarification from Scottish Government as to the next steps in carbon management and reporting.

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|  | **Governance Links**  |
| 1 | **Finance and Resources**The Plan sets out the financial position and necessary financial management concerning our property estate. |
| 2 | **Risk** This plan mitigates the Corporate risks as set out in risk 16 re buildings failure and risk 13 – non-compliance with a range of statutory obligations. |
| 3 | **Legal and Compliance**This highlights our statutory obligations to annually report on Bio Diversity and our Carbon Management Plan, and SLAB’s Property Asset Management Plan is prepared annually as set out within a framework suggested by the Office for Government Commerce (OGC). |
| 4 | **Performance**Nothing additional to note. |
| 5 | **Equalities Impact**An Equality Impact Assessment is not required for this paper. |
| 6 | **Privacy Impact and Data Protection**No privacy or data protection issues identified. |
| 7 | **Communications and Engagement**It has previously been agreed that his paper could be published.  |

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| **Appendices/Further Reading** |
| Appendix 1 Property Asset management plan 21st March 2022 |

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| **Conclusion and next steps** |
| This year will bring further changes with the likelihood of further relaxations in guidance in relation to the pandemic, DANWE project outcomes and Policy, designing a new physical working environment with impacts of letting our more space and utilising SLAB space differently along with new standards for PDSO and CLAO, resulting in better quality accommodation.  |

**SCOTTISH LEGAL AID BOARD**

**PROPERTY ASSET MANAGEMENT PLAN**

**MARCH 2022**

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| http://intraslab.slab.org.uk/wp-content/uploads/2019/09/SLAB-logo-changes-227x300.jpg |  |

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### **Foreword**

Property is the second most costly resource for the Scottish Legal Aid Board (SLAB) after its staff. Good quality, well-located accommodation is important to the effective running of the business of SLAB and it should serve and shape how we work as well as provide value for money. Of all resources property, due to its physical nature and tenure restrictions, can be the slowest to enable reaction to changes in business, IT, human resources, working methods and other external influences.

This property asset management plan sets out an overarching vision for corporate property assets and property services across SLAB’s activities comprising our central headquarters and the networks of Public Defence Solicitors’ Offices (PDSO) and Civil Legal Assistance Offices (CLAO) across Scotland. Our objective is a property estate of an appropriate quality that supports SLAB in the delivery of its corporate objectives whilst at the same time delivering best value.

The plan reflects the need for our property assets to meet the needs of users. For the PDSO and CLAO a primary consideration will be how the location and function of property meets the needs of clients and the service. The physical environment will need to meet the needs of staff in delivering their services while the location has to facilitate effective and economic interaction with other services, including the courts.

We moved our central headquarters in 2015. The selection of Thistle House enabled us to maintain the location at the west end of Edinburgh with exceptionally good transport links, thus avoiding any significant disruption; however a number of years on, with the impact of the Covid pandemic, a number of our aims and vision may be transformed during the latter part of 2022 as the Designing a New Working Environment (DANWE) project shapes new policy and working requirements for the organisation along with certain change to office design, utilisation and use.

Prior to Covid, we had established clear priorities for property services. Continued focus was placed on the delivery of best value in the provision of property assets. For our central headquarters this included optimising the utilisation of space and creating opportunities for future letting of available space and looking at smarter working to provide breakout and collaborative solutions for staff. It is reasonable to assume that for now and in the future our focus on best value remains at the heart of our Asset Management Plan.

One of the benefits of continuing to rationalise our use of space is that we are able to offer more accommodation to the wider Scottish Government community. An example of this rationalisation was demonstrated with the Mental Welfare Commission for Scotland, an existing tenant on the 3rd floor of Thistle House, to rationalise and reduce the space they occupied, thereby allowing us to accommodate Children’s Hearing Scotland in 2019. This resulted in a shared but separate space for two organisations that moved the design of the workplace into the modern collaborative space that SLAB will look to achieve as part of our journey with the DANWE Project.

### **Introduction**

This document is SLAB’s eighth Asset Management Plan. It is set out within a framework suggested by the Office for Government Commerce (OGC). We view this plan as a strategy document to be used for an ongoing asset management strategy review.

In April 2019 the Scottish Government issued an Estate Strategy for the central estate. It includes key objectives, underlying principles and measures of success and is intended to provide clarity on what is expected of organisations and their future property needs. SLAB continues to base the Strategy around this; however many short term changes due to Covid have been implemented and there is an anticipated development of a new Scottish Government Strategy following the reduction and likely end to Covid restrictions and impending removal of the best practice of 1 meter social distancing in public offices.

The central estate supports Scottish Government and its public body network in delivering public services across Scotland.

Physical assets can also support the outcomes embedded in our National Performance Framework, contributing to local economic impact and provide the opportunity to connect and interact with the communities that we serve. Planning ahead will ensure we have the right property and services in the right location, with the opportunity for a sustainable and well-managed estate.

The Scottish Government estate strategy builds on changes already achieved across central estate offices:

• A reduction in the total estate size of 25% between 2012/13 and 2017/18.

• A reduction in running costs of 27% over that period.

• A transition by many organisations to ‘smart working’ practices.

However, many organisations including Scottish Government are in a state of transition awaiting and developing new strategies to support the longer term changes in office working practices.

At the core of our current arrangements, the strategy is key to ensuring a more corporate and collaborative approach to managing the Scottish Government’s assets, using them to create a transformative working environment to support a culture which underpins a great place to work. This strategy is through the ‘Property Controls’ arrangement in place under the Scottish Public Finance Manual and we work closely with colleagues in the Scottish Futures Trust, Smarter Workplaces Programme and the Scottish Government Property Division to deliver it.

Well established in Thistle House we were examining the most appropriate working environment for our staff. Having already achieved a low space/staff density we had been looking at better ways of utilising our space to support effective service delivery. These included informal meeting areas, collaborative space, break out space and sit / stand desking. As stated in the last plan significant further opportunities for improved space utilisation were identified within tenanted areas where density of staff remains much lower. The impacts of Covid over the last 24 months has resulted to an extent in a standstill; however many of the aforementioned improvements have been implemented as a direct result of having resource, time and effectively little or no utilisation (Facilities and some core requirements aside) of Thistle House until late 2021. We have in situ an excess of 48 sit stand / desks, created new space, let out more of the building to tenants and started to move away from traditional desks and pedestals to desking / tables and lockers for staff attending the office to keep essentials, a mouse, keyboard and headset. This rollout of lockers and removal of pedestals will continue to progress during 2022. In addition, the Board Room and other meeting facilities including PDSO Edinburgh have been supplied with meeting room equipment upgrades to allow for better hybrid meeting arrangements.

We have also been successful in developing and letting out more space in Thistle House with new tenants and will continue to look for opportunities with existing and other potential tenants who may be able to utilise any free space that becomes available as a result of our DANWE Project and new policies.

Although the issues are different in the dispersed estate occupied by PDSO and CLAO, our focus on best value is no less relentless. We will ensure best value in procurement decisions through robust options appraisal and will, like in our central headquarters, look for good and improving performance by measuring customer satisfaction and asset performance using metrics associated with space utilisation, ownership costs and energy efficiency. Our current focus is to concentrate on those properties with leases that are due to expire. This process is complex and time consuming due to the number of parties that are involved in the process and the impacts of the pandemic.

The plan also reflects SLAB’s objective of reducing the environmental impact of its activities; including our efforts to reduce our carbon footprint through better use of assets and helping staff travel to work by public or active transport; and through development of sustainable procurement and biodiversity strategies. It is anticipated that the end of restrictions and the progress of new working policies will support many options to further reduce our carbon footprint.

This Asset Management Plan sets out our approach for our combined estates across the whole of SLAB’s activity, the current nature of the estate and the direction of travel we propose to take and the arrangements we have put in place to enable this.

The main aim of our Asset Management Plan is to ensure that appropriate property assets are held and property services provided meet SLAB’s Business Plan and its objectives.

This Property Asset Management Plan is intended to be a dynamic framework for the improvement of the property estate and services and this plan will be reviewed annually to ensure effective progress is being made, especially with the DANWE project interactions.

### **Current Property Asset Base**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | ***Net internal Area m2*** | ***Annual rental*** | ***Tenure*** | ***Lease break*** | ***Lease expiry*** | ***Location*** |
| **Scottish Legal Aid Board, Thistle House** |
| SLAB HQ | 2,1523,575+ | n/a | SLAB | n/a | n/a | Haymarket Terrace, Edinburgh |

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| **PDSO** |
| Glasgow | 111 | £13,000 | Leasehold\* | - | Jan 2023 | Saltmarket, Glasgow |
| Edinburgh | 266.17 | £88,041 (to Jan 2025) | Leasehold | Jan 2025 | Jan 2030 | York Place, Edinburgh |
| Ayr | 60.7 | £6,500 | Leasehold\* | - | Apr 2022 | Wellington Square, Ayr |
| Dundee | Temporary accommodation, awaiting the outcome of a permanent business case | £13,986 (for the 9 months)  | 9 months | - |  | Units 5&9 152 West MarketgaitDundee |
| Falkirk | 98.8 | £8,500 | Leasehold\* | - | May 2022 | West Bridge Street, Falkirk |
|  |  |  |  |  |  |  |
| **CLAO** |
| Edinburgh | 100 | n/a | MOTU | MOTU | MOTU | Haymarket Terrace, Edinburgh |
| Aberdeen | 147.7 | £14,500 | Leasehold | - | Feb 2023 | Union Street, Aberdeen |
| **PDSO & CLAO** |
| Highlands and Islands | 462 | £35,400 | Leasehold | - | May 2026 | Castlewynd, Inverness |

\* These leases are currently being extended on tacit relocation.

+ Whole Building 3,575, SLAB 2,152m2

### **Scottish Legal Aid Board Administrative Offices**

**Thistle House** was previously within the Scottish Government portfolio and is a modern open plan office environment. The total Net Internal Area (NIA) is 3,575m2 (SLAB 2,152 m2) and there are 31 rooms in the Scottish Legal Aid Board’s areas. This is made up of 5 open plan rooms, 5 individual offices and twelve meeting rooms, the rest being stores and other ancillary rooms. Following the pandemic most of the individual rooms have been repurposed into meeting space.

The building benefits from a modern heating / cooling system, lighting and services to be expected of an office built in the last 30 years. Since the last plan, further work undertaken includes the refurbishment of our “restroom” facilities following the replacement of the vinyl on the staircases in previous year. This has proven to provide a long term maintenance benefit, not to mention a significant improvement to our facilities. Over the last 2 years since we published our Asset Management Plan, we have modernised our lifts, replacing the gear and carriages, enhanced and increased our shower facilities including repurposing a storage area into a disabled shower, and replaced the boiler flue.

The Solicitor Contact Line was located on the Ground floor which allowed it to operate 24 hours 7 days a week with its own entrance / exit, kitchen and toilets; however due to covid this is no longer required for the SCL and we have now let this out to Environmental Standards Scotland, a new tenant.

### **Accessibility**

Accessibility & Equalities are key measures in assessing any existing or proposed premises. When sourcing new offices they must be considered from the outset. Where practical, ground floor accommodation will be sought which is easily accessible using public transport.

The Scottish Government Estate Strategy has three objectives one of which is to be accessible, open to change and in the right locations, maximising co-location opportunities. Offices and other sites are to be easy to get to for all staff (including those with disability and mobility issues). Buildings should support engagement with local communities.

SLAB’s main premises at Thistle House have been assessed for accessibility and a disabled access ramp is in use to provide assisted access to the building’s entrance and reception area. Disabled access provision is also included in the premises inspection checklist for PDSO and CLAO premises. Where disabled access is not practicable, alternative meeting points are arranged.

We carried out Accessibility Audits on all properties in 2016. Action plans were developed and have been implemented by Facilities staff and remote office managers. Improvements have been made to the disabled parking provisions, reception area and signage in Thistle House during our occupation.

Accessibility is one of the key measures we use when assessing new property. In line with the Scottish Government Estate Strategy we must ensure that any new acquisition is suitable for all with disability and mobility issues. Government property control approval will not be achieved without this. To further progress this Facilities are preparing a Buildings standards policy and EQIA to ensure that all future maintenance, developments, building changes and new leasehold premises are of a certain standard.

### **Asset Data Management**

In response to a Modernising Government White Paper initiative, the Office of Government Commerce (OGC) developed an electronic Property Information Mapping Service (ePIMS) of government’s civil estate occupations.

SLAB stores all of its core basic property data (such as location, type, age, ownership, covenants, occupancy, valuation, and listed building status) on ePIMS. Entries on the system must be kept up to date as required and reviewed annually under both the ePIMS licensing agreement and the responsibilities of accountable officers under the SPFM.

Through ePIMS, SLAB has online access to the government-wide property database. This enables SLAB to both update their own property information and to view the central civil estate as a whole on an electronic map, including vacant space and demand information.

The Smarter Workplaces Programme also seeks opportunities to improve the efficiency of the Scottish Government’s core and wider public body estate. It also captured and reported on savings already being achieved by organisations.

### **Resource Consumption**

Resource consumption in terms of annual cost is shown in the table below which provides very clear picture of the cost benefits of the move to Thistle House. The business case determined savings of circa £600k per annum and savings have matched that expectation. Individual years ending 31 March 2015, 2016, 2017, 2018, 2019, 2020 & 2021 are set out in Appendix 2.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Years | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** | **Total****£000** |
| 2014-15 | 1,059 | 132 | 171 | 13 | 1,375 |
| 2015-16 | 296 | 133 | 183 | 9 | 621 |
| 2016-17 | 286 | 147 | 130 | 10 | 573 |
| 2017-18 | 4641 | 168 | 133 | 10 | 775 |
| 2018-19 | 3861 | 162 | 143 | 13 | 704 |
| 2019-20 | 4442 | 205 | 152 | 13 | 814 |
| 2020-21 | 823 | 2504 | 135 | 13 | 480 |

1This includes a one off increase split over two years for the toilet & staircase refurbishment costs.

22019-20 includes costs for lift refurbishment.

32020-21 has significantly reduced spend due to covid lockdowns and staff working from home.

4PDSO costs are increased due to relocation costs for Edinburgh and Inverness.

The following table shows the income derived from Thistle House which is netted off in terms of the total costs reflected in the table above. The significant increase in 2016-17 was a change to the capital charge, increasing following a revaluation of Thistle House.

|  |  |
| --- | --- |
| **Years** | **SLAB****£000** |
| 2014-15 | 367 |
| 2015-16 | 360 |
| 2016-17 | 419 |
| 2017-18 | 425 |
| 2018-19 | 499 |
| 2019-20 | 518 |
| 2020-21 | 541 |
| 2021-22 | 572 est. |

### **Alignment of Business Aims with Property Asset Plans**

SLAB’s standard practice and decision-making on assets is based on Best Value, informed by best practice and using net present value in economic appraisal of investment business cases. SLAB has developed a standardised approach to property procurement decisions (Appendix 1):

* to ensure consistency of approach and delivery in property investment;
* to ensure clear definition of responsibilities in the procurement process;
* to ensure needs are well aligned with property specification;
* to rationalise sourcing, including investigation of joint working opportunities;
* to support rigorous appraisal of investment decisions;
* to ensure consistency and rigour in the development of lease terms; and
* to integrate with the requirements of the Scottish Government to obtain the approval of Minister for Public Finance, Planning and Community Wealth for new or renewed leases.

### **Scottish Legal Aid Board Administrative Offices**

As stated in the previous Asset Plans there were no known plans regarding SLAB’s function, operation or location that suggested a major change to its likely property requirements; however, small reductions in WTE were expected. We were also aware that the Scottish Government could require SLAB to take on possible further duties or responsibilities. SLAB sought to extract best value from its use of property by seeking to continue to minimise its space requirements.

The Scottish Government, in recognition of our track record of successfully hosting other organisations, transferred ownership of Thistle House to us in July 2014. We are now managing the whole building and our tenants are;

* Mental Welfare Commission (MWC)
* Children's Hearings Scotland (CHS)
* Commissioner for Ethical Standards in Public Life in Scotland (CESPLS)
* Judicial Appointments Board for Scotland (JABS)
* Scottish Boundaries Commission (Boundaries)
* British-Irish Council (BIC)
* Scottish Government hot desking area (SG)
* Environmental Standards Scotland (ESS)

The current breakdown of space within the building is detailed below.

|  |  |  |
| --- | --- | --- |
|   | m2 | % |
| SLAB  | 1740.1 | 48.68% |
| Shared space |   322.1 | 9.01% |
| MWC |   371.7 | 10.40% |
| CHS | 304.3 | 8.51% |
| CESPLS |   231.5 | 6.48% |
| JABS |   187.4 | 5.24% |
| Boundaries |   116.6 | 3.26% |
| CLAO | 100.0 | 2.80% |
| BIC |     93.0 | 2.60% |
| ESS | 90.1 | 2.52% |
| SG |     18.0 | 0.50% |
| Vacant |       0.0 | 0.00% |

The major refurbishments on our third floor, paid by the tenants, have provided a modern, flexible working environment for both occupants and includes features such as

* Staff using laptops and docking stations with no owned desks
* Phone software removing the need for desk phones
* Sit / stand desks,
* Flexible conference room facilities
* Shared meeting space
* Break out areas, study booths, acoustic meeting pods and breakfast bar workspaces
* Less desks, paper and storage
* And a telephone box for private / personal calls

This modern facility is one that we can look to emulate at least in part for our SLAB floors as an aspect of our DANWE project and developing policy.

### **PDSO Network**

The general approach to the provision of property for PDSO has been to lease office accommodation of a standard similar to that utilised by a typical private practice solicitor firm; however following the recent change in Facilities Management responsibilities the existing and any new accommodation should be of a minimum Corporate standard which should be similar in a number of aspects to our main administration office at Thistle House. Facilities management introduced a programme of work to bring the offices up to that standard.

In identifying new locations and properties when required, we seek to minimise the need to bear costs of refurbishment or reconfiguration; and have generally sought out property with good proximity to the local court. Our search criteria have generally been driven by the need for cellular accommodation in which to meet clients. To maintain a degree of flexibility in our operational requirements, and meet Scottish Government expectations as set by their Property Team we have generally sought to negotiate leases of ten years, with a break point at year five.

The office in Saltmarket, Glasgow had historically provided a remote base for a small number of SLAB administrative staff; however due to space pressure this is no longer an option.

We are currently reviewing all of our PDSO properties in terms of longer term suitability, and if there is a need to source and secure appropriate premises in relation to growth or location expansion, we would review the identified needs against current property holdings, with a view to seeking to maximise space utilisation in current premises at least until a convenient lease break or expiry. This would include the option to utilise existing CLAO offices including Aberdeen to provide accommodation. If these premises did not have scope for expanded occupation, we would seek to ensure best value from any alternatives, including identifying opportunities to rent premises nearby, or investigating opportunities that landlords may have to swap premises. In respect of new locations we would initially discuss the option of available Scottish Government premises and their suitability before commencing a search for commercial premises.

PDSO Edinburgh business case to relocate to York Place was successful and following negotiations on heads of terms, relocation was completed and dilapidations agreed on the former premises. This also allowed for moving the SCL which was part of the overall business case along with bringing in a new tenant to Thistle House to fill the vacated space by SCL moving; however SCL due to changes resulting from the pandemic no longer require the space in York Place. The SCL space in Thistle House has however been let out to a new tenant. PDSO and CLAO Inverness also vacated their individual premises and have moved to a joint location and this is the potential benchmark for the future where PDSO and CLAO are both located in a city.

### **CLAO Network**

The general approach to the provision of property for CLAO is almost identical to that for PDSO, i.e. to lease office accommodation of a standard as aforementioned, minimising the need to bear costs of refurbishment or reconfiguration; good proximity to the local court and cellular accommodation in which to meet clients. Again CLAO leases are generally ten years in length with a five year break point.

Similar to PDSO we are undertaking a review of our CLAO property portfolio to establish longer term suitability.

The Edinburgh office is located in Thistle House and is covered by a MOTU agreement. This not only provides the benefit of on-site corporate support but an overall reduction in external costs when compared to the previous private let.

**Applying to both networks** - Following the changes made in responsibility for facilities management of all properties a number of years ago, all future lease breaks are now managed by the Director of Corporate Services and Accounts and the Facilities Manager, in consultation with the Executive Team for both PDSO and CLAO.

### **Property Maintenance**

SLAB seeks to ensure all of the offices are adequately maintained. SLAB has a rolling planned programme of maintenance and redecoration to:

* meet the needs of the properties;
* fulfil all lease requirements;
* meet all Health and Safety and other statutory requirements; and
* avoid the need for extensive refurbishment at the expiry of the lease.

In relation to covid and the maintenance of the offices, the rolling programme of maintenance slipped in the remote offices as they were closed for a large part of the year, but these have been picked up as the offices began to re-open.

In Thistle House, there was a programme of work planned and Facilities took advantage of the fact staff weren’t in to get up to date with maintenance / decoration etc.

Internal Audit conducted a review of Health & Safety Management as part of their 21/22 Internal Audit Activity Plan. Overall for annual assurance purposes, the internal controls governing H&S and Covid-19 Changes to Working Practice are satisfactory.

### **Sustainability**

SLAB has a Carbon Management Plan which targets its asset use. This plan was produced in conjunction with the Carbon Trust, Resource Efficient Scotland, Keep Scotland Beautiful and the Sustainable Scotland Network. In November 2016 the Board approved the new Carbon Management Plan that sets out how we aim to meet reductions in SLAB’s carbon emissions by the end of 2022.

Specifically, the plan cites SLAB’s aims as to:

* Continually improve the energy efficiency of our premises, so as to reduce both energy consumption and emissions.
* Focus on waste minimisation by introducing techniques to recover and re-use office materials.
* Work with suppliers to eliminate packaging, materials and components which generate waste.
* Manage the disposal of waste to minimise environmental harm.
* Inform and educate all our employees on environmental issues relevant to SLAB.
* Continually improve our environmental standards, by setting objectives and targets and reviewing them annually.
* Allocate environmental responsibility at Director and Management level.

Prior to the pandemic, as part of an ongoing review of environmental management, we reviewed the work done so far to ensure our approach and measurements are in line with current practices and ensure that, in future, our approach is consistent with our obligations under the recently enacted Climate Change (Scotland) Act 2009. A change in term of office usage will need to be considered in the event of a longer term retention of hybrid working and what that means for our carbon emissions.

To encourage staff to travel to work using active transport, we have introduced a salary sacrifice scheme to support cycling to work. Staff can give up part of their salary in exchange for a bike and certain accessories, to be used for commuting and/or travelling between workplaces. This is in addition to the scheme we already have in place to enable staff to purchase annual season tickets with an advance for travel to work on public transport.

We will ensure that property related procurement is aligned with our obligations to develop a Sustainable Procurement Action Plan. A change due to Covid will likely result in a reduced footprint in the buildings. In 2020 no measurements were taken as a result of the pandemic and no return was made.

Under the Nature Conservation (Scotland) Act 2004 all public bodies have a responsibility to further the conservation of biodiversity. The size and nature of SLAB’s estate means that opportunities to contribute to biodiversity are limited; however we had planned to consider options with staff to see what could be achieved beyond the very limited boundaries of our own premises; however due to the pandemic this has been postponed.

A new baseline was created in Thistle House covering the period April 2015 to March 2016.

In November 2021 we made our fifth annual submission in line with the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015 which requires all public bodies classified as major players to publish annual climate change reports (N.B. no annual submission was required for 2019/20 due to Covid).

|  |  |  |  |
| --- | --- | --- | --- |
| **SLAB Emissions** |  |  |  |
| **Emission Source** | **Scope** | **Emissions**  | **Emissions**  |
| **Baseline 2015-16** | **2020-21** |
| **(tCO2e)** | **(tCO2e)** |
| Electricity (generation) | 2 | 248.8 |  61.7 |
| Natural Gas | 1 | 125.6 |  65.2 |
| Electricity (trans. & dist. losses) | 3 | 20.5 |  5.3 |
| Car - petrol (Medium car) | 3 | 15.2 |  1.8 |
| Car - Hybrid - (Medium) | 1 | 4.3 |  1.7 |
| Domestic flight | 3 | 3.8 |  0 |
| Refuse to Landfill | 3 | 2.5 |  1.3 |
| Rail | 3 | 1.7 |  0 |
| Water – Treatment | 3 | 1.4 |  0.02 |
| Water – Supply | 3 | 0.7 |  0.01 |
| Short-haul flights | 3 | 0.6 |  0 |
| Paper/Board recycling | 3 | 0.4 |  0 |
| Taxi (black Cab) | 3 | 0.3 |  0 |
| Batteries Recycling | 3 | 0.1 |  0 |
| Homeworking Emissions  | 3 | 0 | 68.9 |
|   | **TOTAL** | **425.9** | **205.93** |

Previous reporting did not include homeworking emissions

Our aim is that by the end of 2022, SLAB will have reduced its carbon emissions by 10% on a baseline of 2015. This equates to a figure of 42.6 tonnes CO2e in 2015. Emissions recorded in 2020-21 demonstrate that we are currently 220 tonnes of CO2e or 52% below the baseline recorded in 2015 and have therefore achieved this target. The 2020-21 figures were, of course, our emissions during a period when the office was largely closed to the majority of staff and it is likely that the emissions will increase slightly during 2021-22, with a more significant increase once building use rises during 2022.

### **Internal Audit verified the accuracy of figures submitted for the 2020-21 return.**

### 5. **Roles and Responsibilities**

SLAB is a Non-Departmental Public Body sponsored by the Scottish Government. The Board meets regularly and monitors operational and financial performance and considers the plans and strategic direction of SLAB.

The Chief Executive and Accountable Officer leads a Leadership Team made up of the directors responsible for the operational and administrative functions of SLAB. Within the Leadership Team, the Director of Corporate Services and Accounts has responsibility for property matters, which are managed on a day to day basis by a Facilities Manager, a property management professional, who deals with all property matters.

In line with the requirements of the Scottish Public Finance Manual, which include an options appraisal covering public estate options looking at Smarter Workplace principles in terms of space use and potential for co-location, all property purchases or leases must be approved at their inception or on renewal by the Cabinet Secretary for Finance, Economy and Fair Work. SLAB’s Director of Corporate Services is responsible for liaising with the Sponsor Division to secure the support of the Cabinet Secretary for Justice (on the basis of a properly constructed business plan) to recommend approval to the Cabinet Secretary for Finance, Economy and Fair Work.

Leases are signed by the Chief Executive on the basis of advice from the Director of Corporate Services and Accounts that:

* the business case is sound and that the lease represents best value, including in terms of the level of risk over property condition and dilapidation;
* the appropriate approvals have been gained from the Scottish Government;
* legal advice has been obtained that indicates that the terms and conditions of the lease seem appropriate, that appropriate property searches have been undertaken and that no unreasonable burdens exist over the property.

Long term planning is the responsibility of the Chief Executive, with the Accommodation Plan agreed by the Board, supported by Directors and implementation undertaken by the Facilities Manager.

### 6. **Review and Challenge**

A new and relatively modern open plan office (main administration office) gives us the opportunity to challenge the way we work. No longer constrained by cellular offices and the limitations imposed by Georgian townhouses we have been able to model the workplace to suit our needs both now and in the future. New technologies already in place in Thistle House will be examined and expanded upon where successful and we will use our knowledge gained to bring our own best practice to fruition.

We continue to work closely with Scottish Government Property Department who have been very supportive of our move to Thistle House, and have ongoing dialogue with the Scottish Futures Trust, (SFT).

The Scottish Futures Trust (SFT) is an independent company, established by the Scottish Government with a responsibility for delivering value for money across public sector infrastructure investment. SFT operates at arm's length from the Government but works closely with the public sector to seek and deliver improved value for taxpayers. SFT has a team of 70 professionals working to increase the efficiency and effectiveness of infrastructure investment in Scotland. The team, drawn from public and private sector backgrounds, have a range of technical, legal and financial skills, and bring extensive commercial expertise in infrastructure financing, procurement and delivery into the public sector. It is important to recognise the level of influence and input to Scottish Government that SFT has in respect of property asset management.

**Smarter Working -** The Way We Work (TW3 for short) is a Cabinet Office led cross-departmental programme designed to help realise the Civil Service Reform Plan’s aim of ‘Creating a decent working environment for all staff, with modern workplaces enabling flexible working, substantially improving IT tools and streamlining security requirements to be less burdensome for staff’.

All Government departments have now started **Smarter Working** strategies co-ordinated through the TW3 programme: a game changer for Civil Service Reform. This also impacts across all NDPBs, including SLAB.

This also corresponds with the new Scottish Government Estate Strategy where the Smarter Workplaces Programme, where the Property Division and the Scottish Futures Trust will support Scottish Government and its public body network to deliver the Estate Strategy through the following:

* Engagement.

Work with organisations on the emerging strategic opportunities to deliver a more efficient estate.

* Smart Working.

Continue to share best practice in how the workplace can enable changing ways of working and support staff wellbeing.

* Data.

Identify an approach which supports the efficient collection of estates data and will support organisations with their estate management planning.

* Estates and Facilities Management.

Identify a more collaborative way of managing our estate, seeking out opportunities to pilot a new approach.

Our Facilities Manager, who is a member of the British Institute of Facilities Management (BIFM), continues to use their resources which include site visits to other organisations.

The DANWE Project will have a significant impact on the future Asset Management plans and it is likely that a new strategy will need to be considered early in 2023 rather than an update of refresh of the existing plan.

**SLAB ACCOMMODATION PLAN – AGREED BY THE BOARD Appendix 1**

|  |  |
| --- | --- |
| **TASK** | **PRIMARY RESPONSIBILITY** |
| * Property need identified – either from Asset Management Strategy or as a new or emerging need (including need for additional space, lease break, lease termination etc).
 | Client/Facilities Manager |
| * Property specification developed.
 | Client/Facilities Manager |
| * Through the SG Estate Strategy ‘Property Controls’ arrangement in place make early contact with the Property Controls team either through Property Division or Smarter Workplaces.
 | Facilities Manager/Director of Corporate Services and Accounts |
| * Property sourcing undertaken.
* Consult with the SG Property Controls team about availability of other government accommodation.
* Consult with wider Public Sector (e.g. Local Authorities) about availability of accommodation.
* Failing which, search open property market for available accommodation.
 | Facilities Manager |
| * Develop options appraisal
* Financial appraisal of options on a net present value basis.
* Non-Financial appraisal to assess degree of fit with property specification and to identify non-financial benefits/dis-benefits.
* Identify recommended course of action.
* Appoint legal representation and develop / draft / review the lease for the preferred option.
 | Facilities Manager/Finance / Legal Representative |
| * Options appraisal presented to Executive team, with a view to approval of recommendation.
 | Client/ Facilities Manager/ Finance/ Director of Corporate Services and Accounts |
| • Present a business case to the sponsor team and liaise over securing from the Justice Secretary/Cabinet Secretary for Finance, Economy and Fair Work approval. | Facilities Manager/Director of Corporate Services and Accounts |
| * Negotiate lease with landlord.
 | Facilities Manager/Legal Representative/Director of Corporate Services and Accounts |
| * SLAB responsible officer / Chief Executive to sign lease after:
* Executive team to advise on a course of action.
* Legal clearance of lease.
* Legal clearance of property searches.
* Intimation from sponsor division of Minister for Public Finance, Planning and Community Wealth approval
 | SLAB responsible officer / Chief Executive |

**Full Cost Tables By Year Appendix 2**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2014-15 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
| Rent | 590 | 71 | 93 | 13 |
| Rent recovery from sub-let | (367) | (11) | - | - |
| Rates | 483 | 18 | 26 | - |
| Heat & light | 98 | 16 | 11 | - |
| Maintenance and repairs | 108 | 11 | 7 | - |
| Cleaning and office Consumables | 140 | 26 | 13 | - |
| Other | 7 | - | 21 | - |
| **TOTAL** | **1059** | **132** | **171** | **13** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2015-16 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
| Rent | 5 | 70 | 73 | 9 |
| Rent recovery from sub-let | (360) | (8) | - | - |
| Rates | 335 | 20 | 23 | - |
| Heat & light | 96 | 10 | 8 | - |
| Maintenance and repairs | 117 | 18 | 8 | - |
| Cleaning and office Consumables | 96 | 23 | 16 | - |
| Other | 7 | - | 53 | - |
| **TOTAL** | **296** | **133** | **183** | **9** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2016-17 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
|  |  |  |  |
| Rent | - | 71 | 79 | 10 |
| Rent recovery from sub-let | (419) | (10) | - | - |
| Rates | 367 | 21 | 20 | - |
| Heat & light | 97 | 12 | 13 | - |
| Maintenance and repairs | 140 | 27 | 4 | - |
| Cleaning and office Consumables | 94 | 24 | 13 | - |
| Other | 7 | 2 | 1 | - |
| **TOTAL** | **286** | **147** | **130** | **10** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2017-18 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
|  |  |  |  |
| Rent | - | 79 | 83 | 10 |
| Rent recovery from sub-let | (425) | - | - | - |
| Rates | 384 | 24 | 20 | - |
| Heat & light | 70 | 12 | 9 | - |
| Maintenance and repairs | 334\* | 22 | 8 | - |
| Cleaning and office Consumables | 94 | 28 | 12 | - |
| Other | 7 | 3 | 1 | - |
| **TOTAL** | **464** | **168** | **133** | **10** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2018-19 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
|  |  |  |  |
| Rent | - | 68 | 89 | 13 |
| Rent recovery from sub-let | (499) | - | - | - |
| Rates | 332 | 23 | 15 | - |
| Heat & light | 74 | 13 | 13 | - |
| Maintenance and repairs | 362 | 26 | 6 | - |
| Cleaning and office Consumables | 108 | 28 | 16 | - |
| Other | 9 | 4 | 4 | - |
| **TOTAL** | **386** | **162** | **143** | **13** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2019-20 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
|  |  |  |  |
| Rent | - | 82 | 92 | 13 |
| Rent recovery from sub-let | (518) | - | - | - |
| Rates | 316 | 23 | 17 | - |
| Heat & light | 103 | 15 | 12 | - |
| Maintenance and repairs | 428 | 21 | 2 | - |
| Cleaning and office Consumables | 106 | 29 | 17 | - |
| Other | 9 | 35 | 12 | - |
| **TOTAL** | **444** | **205** | **152** | **13** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 2020-21 | **SLAB****£000** | **PDSO****£000** | **CLAO****£000** | **SCL****£000** |
|  |  |  |  |
| Rent | - | 116 | 89 | 13 |
| Rent recovery from sub-let | (541) | - | - | - |
| Rates | 355 | 36 | 25 | - |
| Heat & light | 57 | 21 | 9 | - |
| Maintenance and repairs | 110 | 24 | 2 | - |
| Cleaning and office Consumables | 99 | 33 | 4 | - |
| Other | 2 | 20 | 6 | - |
| **TOTAL** | **82** | **250** | **135** | **13** |