

Northumbria Police

Estates Strategy

2015 - 2020



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INTRODUCTION

1. The overarching aim of the Estates Strategy is to provide a fit for purpose property asset portfolio that supports and enables the delivery of the Police and Crime Plan objectives.
2. Property assets have to be managed and used in the most efficient and effective way to ensure that there is the best possible fit between business strategy and estate provision. The Estates Strategy 2011-2017 set out a bold plan to radically change the way in which the estate is procured and managed to make a significant contribution to the achievement of the MTFS whilst continuing to meet operational policing needs.
3. Significant progress has been made in achieving the core objectives of the earlier strategy. The Estates Strategy 2015 – 2020 refreshes and builds upon the previously agreed strategies to provide an updated framework for estates management going forward.

GOVERNANCE

4. The Office of the PCC [OPCC] is responsible for the acquisition, management and disposal of all building and related assets. The Chief Constable remains responsible for determining the operational need and use for these assets.
5. The key elements of the governance model for the delivery of Estates advice and support functions to the PCC and Chief Constable are:
 - Strategic advice to be provided to the PCC and the Chief Constable by the Director of Asset Management.
 - The technical / specialist elements of any advice to be provided to the Director of Asset Management by the Estates Manager.
 - The Director of Asset Management will be the main contact with the OPCC and the Chief Officer Team.
 - The Chief Executive of the OPCC will be the Senior Responsible officer for the Estates Strategy within the OPCC.
 - External professional advice and support will be commissioned on a case by case basis by the OPCC and Director of Asset Management to meet any specific shortfall in either capacity or capability.

STRATEGIC OBJECTIVES

6. The primary objectives of the Estates function are to:
 - Develop and maintain a dynamic Estates Strategy
 - Plan for future estate development in line with OPCC strategic business objectives
 - Manage and lead estate change to ensure minimum disruption to operational business
 - Investigate the availability and suitability of options for premises and facilities
 - Undertake feasibility and development appraisal studies
 - Contribute to the achievement of the MTFS
 - Maintain and refurbish the estate to provide fit for purpose accommodation

DRIVERS FOR CHANGE

Medium Term Financial Strategy [MTFS]

7. The MTFS remains the primary driver for change over the next 4 years. There is greater uncertainty over police funding generally but the primary objective to make efficiency savings in order to meet the budget targets whilst maintaining effective front line policing remains.
8. The Estates contribution to the MTFS 2015-2018 is to achieve £3.25m revenue savings and to realise capital receipts of over £30m from the disposal of existing assets.

Force Operating Model

9. From April 2015, the Force moved to a new operating model based around the following core elements:
 - Reduce from 6 to 3 Area Commands
 - Create fewer, larger, 24/7 Response 'Hubs'
 - Base Neighbourhood Policing teams closer to their local communities
 - Crime resources to be based around 4 key operational sites
10. Since then further organisational changes have occurred which impact on the overall estate model, these include:
 - The creation of a standalone Operations Department
 - The creation of a dedicated Safeguarding Department
 - The planned recruitment of 600 new police officers over the next 3 years
11. Other known changes which are likely to impact on the estates model going forward include:
 - Review of Front Office provision;
 - Digitisation of the Criminal Justice process including Virtual Courts
 - Ongoing review of Custody provision and standards
 - ICT infrastructure issues e.g. Disaster Recovery provision; replacement storage provision for Block 69 & increased capacity as Byker is at capacity.
 - Development of specialist capabilities e.g. Cyber Crime
 - Development and implementation of the Force ICT Strategy needs to dovetail in with the Estates Strategy

Collaboration

12. Collaboration with other Forces, public sector and other partners has increased over the last few years. The Estates Strategy has spearheaded many of these developments. Of the 26 new NPT bases, 20 of these are with Fire, Local Authority or Community Groups.
13. Other examples include the co-location of Forensic Services functions to Durham, the co-location of kennelling facilities, the shared use of public order training facilities and the use of Peterlee as a dedicated archive storage centre. These developments have saved over £1.2m on capital expenditure which would otherwise have been required.

14. A Strategic Agreement between the Force and the two Fire Services within our area has been reached and this is supported by a senior management Collaboration Delivery Group. In addition, we are active members of the One Public Estate [OPE] Partnership which is also looking at ways of collaborating between public sector bodies. Some of the potential estates related projects being considered within this forum include:

- Multi-agency Communications Centre
- Shared Gold/Silver Command Centres
- Co-location of motor Patrols and Dogs Section
- The Berwick Project
- Back office collaboration

Estate Utilisation

15. The 2014-2017 Strategy set out to shift the balance between freehold and leasehold properties in order to release much needed capital receipts. This is well advanced and all of the surplus space within the freehold estate is now being used.

16. The further predicted significant staffing reductions have not materialised. The ongoing changes to the Force Operating model as set out above, are placing increasing pressure on the availability of existing space. There are an increasing number of requests for ad hoc changes to the internal estate which cannot be readily accommodated leading to frustration among end users. A more systematic approach to internal estate moves is required to enable better space planning.

17. The ICT Strategy includes the continued development of mobile devices for front line officers. Allied to this has been the introduction of a more flexible desk top solution for other staff. The technology is now such that proper consideration needs to be given to developing a home or agile working policy. This would have a number of organisational and personal benefits but from an estate point of view it would enable better use of existing space to help maximise its use in future.

18. Opportunities may exist through greater collaboration with partners to relieve some of the pressure as set out above.

PROPOSED ESTATES MODEL

19. **APPENDIX 1** summarises the progress to date against the 2014 -2017 Strategy and identifies the issues to be addressed going forward, taking account of the above analysis.

Planned Disposals

20. In relation to Police Stations/Offices, 13 sales have been completed with a further 3 well advanced. Offers have been accepted on a further 7 properties and these are being progressed and are expected to complete in 2016/17. **Appendix 2** sets out a detailed analysis of the capital receipts profile. The latest expected receipt is £34m against a target of £30m.

21. The key points to note regarding planned disposals are:

- **HQ Site Phase 1:** contracts exchange is expected to take place late September/early October. The Reserved Matters and Listed Building planning consents then need to be obtained by the developer.
- **Market Street:** Technical issues re. an easement in favour of HMCTS are now resolved. Final planning permission was granted by the City Council on 9 September 2016, subject to the S106 being agreed by the end of September 2016.
- **Farringdon Hall:** sale has been delayed due to a strip of land technically within the ownership of the local authority being identified in the buyer's search. This land belongs to the Sunderland City Council who, after negotiations, have agreed to transfer this to the PCC. This is with the Land Registry for agreement following which the sale should proceed as planned.
- **Morpeth:** sale has been delayed as a result of a TPO Application and a revised offer from the buyer. A full report on this was considered at JBM on 8 September where it was agreed to proceed on the original basis.
- **Viking Park** has been removed from the current disposal schedule subject to further review in 2019 pending the outcome of the agreed Business Plan for its continuation.
- **Whitley Bay and Westgate Road** have been moved into 2017/18 as a result of delays in opening of their respective new alternative NPT bases. Whitley Bay has now opened and the former Police Station will now be marketed. Westgate College is scheduled to open in January 2017 at which point the West Road will also be marketed.

22. **Prudhoe** remains the only planned site without an agreed alternative due to a lack of alternative options. Prudhoe is no longer just an NPT base but has some 24/7 officers as well as a Front Office. The ongoing Force wide review of Front Office provision suggests that the current 0800-Midnight Front Office service is far in excess of actual demand. On the basis that a reduced Front Office provision is needed, the only viable alternative is to co-locate with the local Fire Station. This will involve utilising a modular building for officers with the front office part of the Fire Station. NFRS are currently considering this proposal.

23. In relation to Police Houses, 13 have been completed with 1 in progress. A solution to Deer Park Way is expected in the near future. This will conclude the occupied police estate programme.

24. This leaves only the Fairfield Estate in Hexham to be resolved. **Appendix 3** sets out a report on the current position and further options to consider in the light of current market conditions.

New Disposal Options

25. As noted above, the balance between freehold and leasehold properties has changed significantly over the last 2 years. **Appendix 4** summarises the remaining freehold estate and provides a brief commentary on the potential for further disposal if this becomes a necessity.
26. The future of the remaining **HQ Site Phase 2** relates to the possible disposal of Blocks 67/69 together with the remaining green belt land. Formal representations to the County Council to include the green belt land as part of their Core Planning Strategy consultation process have not been actioned.
27. Notwithstanding this, it would be worthwhile undertaking some work on the potential of the remaining HQ site, including the green belt elements, for outline planning consent as residential development.
28. Decisions on the future of HQ Phase 2 need to take account of the proposed alternatives for NPICCS and Communications. A Business Case and Project Plan for the future of HQ Phase 2 is needed. HQ site will shortly house the Northern Communications Centre, Corporate Development Department, Learning & Development Centre as well as the Force's main ICT server room.

Leases /Tenancies/Acquisitions

29. Leases and tenancies are kept under regular review in line with the agreed Protocol. The number of leases has increased in line with the revised estates strategy. We now have an almost equal split between freehold and leasehold operational bases and premises.
30. **Appendix 1** summarises the main leases and tenancies which need to be reviewed in the near future. The key points to highlight in relation to leases and tenancies going forward are:
 - **Sanctuary North and South:** these leases were taken out on a short term basis due to Innovation Funding. The funding expires in March 2017. An early decision is required on the future of these bases.
 - **NERSOU:** although Durham are the estates lead for NERSOU, there is potential significant impact if a suitable alternative premise to Windsor Court cannot be procured and agreed.
 - **Cobalt Business XChange (CBX):** the current lease expires in May 2019. Cobalt is increasingly unfit for purpose. ICT Department are the main occupiers along with the new IMU and VFN. Options for relocating these functions need to be considered, especially the ICT Department as they have other storage requirements currently housed at HQ and Byker which need to be considered in any review. An options paper for the relocation of these and potentially other back office functions will be developed.
 - **Kirkley Stables:** a revised break clause was negotiated earlier this year but a decision on the longer term future of the stables is required by early 2017.

- **Stonehills:** this remains a potential risk as it currently stands. Decisions on the future of uniform stores and printing are needed to enable this to be resolved.
- **SARCS:** the organisation of SARCS is under review by Health England. This may affect both the Ellis Fraser Centre and the Rhona Cross Centre. Meanwhile, negotiations are ongoing to formalise the current arrangements at Ellis Fraser Centre.
- **The Berwick Project:** a funding bid for feasibility study work has been submitted via One Public Estate.

CAPITAL WORKS

31. Estates Capital budgets have been significantly reduced over recent years. The current 3 year plan is attached at **Appendix 5**. The main ongoing issue relates to the maintenance and up keep of the Force Custody Suites and further estates moves.
32. Maintenance budgets are only sufficient to respond to minimum statutory requirements or issues. The lack of any planned maintenance on the remainder of the freehold estate is beginning to show in the general condition of many properties. This has H&S and energy efficiency issues as well as affecting overall staff morale. .
33. A programme of planned refurbishment for each freehold building is required which can be prioritised and phased over a number of years to address identified issues. An outline plan will developed and be presented for consideration in time for the MTFS.

Environmental Management

34. The Force acknowledges that as a major employer and provider of services to the community, its activities and operations will inevitably have an impact on the environment. Embedded within the endeavour for environmental responsibility is the consideration for carbon reduction and energy management within the assets held by the Authority.
35. There are a number of key factors which are driving the Force & Authority to improve environmental management across the organisation and reduce emissions:
 - Climate change
 - Carbon Reduction Commitment (CRC) Energy Efficiency Scheme
 - Display Energy Certificates (DECs) on all buildings >1000m²
36. The Force agreed a Sustainable Development Strategy [SDS] covering 2012 -2014 which sets out how it will manage performance to reduce their environmental impact and demonstrate the organisation's commitment to continual environmental improvement which incorporates improved building management. The Sustainable Development Strategy is due for review over the next year.

RISK MANAGEMENT

37. The development and implementation of this strategy mitigates the risk of failure to manage an effective estates function which would impact on operational efficiency, financial planning, optimum use of resources and sustainability. It is the nature of this strategy that on occasion positive risks will be taken to maximise successful outcomes. The implementation of this strategy will give rise to positive risk benefits whereby rationalisation and efficient use of the estate will result in a reduction of capital and revenue costs associated with estate management.

APPENDICES

Appendix 1: Outline Strategy 2015-2020

Appendix 2: Capital Receipt Schedule

Appendix 3: Fairfield Options

Appendix 4: Freehold Estate

Appendix 5: Capital Programme