

Executive Decision Report

Transforming Neighbourhood Services – West Area

Decision to be taken by: Assistant Mayor for
Neighbourhoods

Decision to be taken on: 23rd September 2014

Lead director: Liz Blyth



City Mayor

Useful information

- Ward(s) affected: Braunstone Park and Rowley Fields, Fosse, Westcotes, Western Park
- Report author: Liz Blyth
- Author contact details: 37 3501
- Report version number: First Draft

1. Summary

The purpose of this report is to:

- Provide an overview of progress to date of the Transforming Neighbourhood Services (TNS) Programme
- Present a summary of the results of engagement work and consultation carried out in the West area of the city
- Present a model for the West area of the city for approval to proceed into delivery phase
- Highlight potential staffing implications and ways forward

2. Recommendations

The City Mayor and Executive are asked to:

- 1) To agree the model as presented in the report into implementation
- 2) To note the activity that has taken place to date
- 3) To note the comments and recommendations of the Neighbourhoods and Community Involvement Scrutiny Commission
- 4) To note the release of £335k from the corporate Service Transformation Fund, being the indicative capital costs of the required building alterations and improvements
- 5) To reflect the anticipated savings in the approved budget and budget strategy, and to reduce the budgets accordingly (based on the option with the lower saving at this stage):
2014/15 £32,800;
2015/16: £65,700;
2016/17 and thereafter: £131,700 p.a.
- 6) To delegate authority to the Director of Finance to determine the specific budget ceilings affected
- 7) To provide a remit to progress the presented model into implementation upon completion of outstanding action points including consultation with affected staff

3. Supporting information including options considered:

3.1 Background

The TNS programme is scoped to identify different ways of organising how services are delivered within the neighbourhoods of the city of Leicester, with a view to reducing the costs of delivery by around 30% while maintaining the quality of our services.

The programme has identified an approach whereby the city is divided into 6 geographical areas and these are investigated sequentially to identify methods by which the service delivery model can be transformed through opportunities to co-locate services and make better use of the assets available.

The scope of the programme covers four service areas:

- Community Services
- Libraries
- Adult Skills & Learning
- Neighbourhood based customer services

It is recognised that other services within the council deliver services in the neighbourhoods and although these are not in scope directly (i.e. Housing, Children's Services etc.), they have been involved in the development of this model where they form a part of the future delivery, for example, by sharing locations.

This report, and supporting appendices, describes a model for the second area investigated, which is the West area of the city (currently equivalent to the area covered by the Braunstone Park & Rowley Fields, Fosse, Westcotes and Western Park wards prior to changes due to the Ward Boundary Commission Review).

The scope of the west area includes the following buildings:

- Braunstone Grove Youth Centre
- Braunstone Oak Community Centre
- Brite Centre
- Cort Crescent Community Centre
- Fosse Centre
- Manor House Community Centre
- Newfoundpool Community Centre
- Westcotes Library
- West End Neighbourhood Centre
- Winstanley Centre
- Woodgate Resources Centre

3.2 Development of the model

In order to develop a model the following activities have taken place:

- Data collection exercise to identify the buildings in scope, costs associated, services provided (both internally and commissioned through voluntary sector organisations), usage statistics, historical information
- An initial engagement exercise was carried out between April and July 2013 to raise awareness and gain an overview of the general views and attitudes of residents towards neighbourhood services
- A more in-depth and focussed engagement process was carried out in March and May 2014 within the West area specifically (although residents from other areas could contribute via an online form) through meetings with stakeholders, focus group sessions and a form for people to complete
- Analysis of the data collected and the responses received through the engagement exercises to construct a draft model, which was presented to the

City Mayor and Executive in June 2014.

- Consultation on the draft model in July and August 2014 (see section 3.2.1)
- Refinement of the model into that proposed in this report following results of consultation and further detailed design work surrounding the proposed projects

3.2.1 Engagement Activity

Details of the previous engagements between April – July 2013 and March - May 2014 have been previously reported. The main outcomes of these previous exercises were:

- Good support for the principle of retaining services over buildings
- Strong support for the co-location of services, providing busy places from which multiple services can be accessed
- Support for the retention and improvement of Westcotes Library, which was the only building specifically mentioned in this manner

A full report of the consultation carried out in July and August is attached to this document as Appendix A.

A full report of the consultation carried out between March and May is attached to this document as Appendix B.

Following the previous report in June 2014, a consultation exercise has been carried out on the draft proposals that were presented to the City Mayor and Executive at that time. Views were sought on the suitability and practicality of those proposals.

A number of meetings with stakeholder groups, community groups who currently use the buildings and informal meetings and conversations have been held and an on-line consultation form was made available throughout the duration of the exercise.

A leaflet containing details of the proposals and a ‘tear-off’ response form was used to gather opinions on the proposals. These were widely distributed in the area, and a total of 2,000 leaflets were circulated.

The form was also available on-line to receive comments from 2nd July to the 13th August 2014.

Consultation Outcomes and Alterations to the Proposals

In total, at the closure of the consultation on the 13th August a total of 97 completed response forms have been received. The following points provide a summary of the outcomes of the consultation:

- There is a general concern that training, guidance and support is needed for groups to understand expectations and requirements placed upon groups when entering into asset transfer arrangements
- There is good support for elements of the proposals, improvements to Westcotes Library (although concerns raised that introducing self-service equipment has been interpreted as meaning reduction in staff), retention of Fosse Library and the Woodgate Resources Centre
- Concerns raised about the potential to conclude with no local community facility in the north area of Braunstone

- Concerns raised around the consequences for existing groups should centres be managed by outside organisations

Lessons Learned

The following are a summary of the lessons learned from the engagement and consultation process:

- The method of engagement with the groups has resulted in a high quality level of response, particularly given the ability to tailor conversations to answer specific concerns when meeting groups individually
- There has been a reduced response rate to the previous engagement in the West area of the city. This could be due to the quality of the earlier engagement period and having taken on board all messages received
- The overall approach of involving stakeholders and members of the public early has been good as it helps to ensure that all concerns are heard, and provides sufficient time to respond to these concerns on an evidence basis
- The process undertaken has led to good co-operation between stakeholder individuals and groups, as well as other services
- A similar model of engagement will be used for the other areas of the city
- The process has highlighted the potential staffing impact on staff whose primary base is one of the sites proposed for closure and/or asset transfer and the need to commence an appropriate change consultation process

Impact of Consultation on Model

Following the consultation the following amendments have been made to the proposed model for the west area:

- The proposals have been amended to ensure that **good access to** youth and community provisions in the north area of the city are retained following implementation
- Inclusion of community space provision to the alterations already proposed within the Westcotes library
- An intention to commence discussion with Council cleaning staff and unions within this area of the City on the potential impact for cleaning staff where changes are proposed, leading to formal consultation where required

3.3 Proposed model for the West area

This section describes a summary of the overall model for the West area.

3.3.1 Principles of the model

The following principles have been used to develop this model:

- Retention of locality based services are a higher priority than the retention of specific buildings
- A key principle of shared buildings providing multiple services
- A reduction of around 30% of current spend is to be achieved
- The services provided should remain and where possible be enhanced

- At this stage the model is based around the use of the buildings only. The programme now intends to commence consultation with relevant staff with regards to the potential for a review of staffing at a suitable later stage. This may take place in stages dependent on the job roles and potential effect of any proposals.
- Opportunities for alternative use should be investigated for buildings identified as surplus to requirements

3.3.2 Model summary

The overall model is to retain the Brite centre, retain and invest in alterations to the Fosse centre and Westcotes Library, and reduce the number of other, smaller buildings by combining the services provided into fewer, multi-purpose centres. The process of reducing the number of buildings will be facilitated by enabling assets to be transferred under the council's asset transfer policy. The principle of the proposals is that services or activities provided are maintained wherever possible.

In order to meet the required financial savings for the area, a total of 5 buildings will need to be transferred (including the already transferred West End Neighbourhood Centre see below), and if no suitable proposals for transferring ownership of the buildings are received then assets will be either sold on the open market or demolished to allow the construction of affordable housing where appropriate.

In evaluating bids to take over the running of the buildings, consideration will be given to the suitability of the groups and the impact they may have on the wider community and community cohesion. Terms and conditions of asset transfers will vary depending on the type of organisation involved and the services they intend to provide. The terms and conditions will also determine staffing implications for the cleaning staff associated with a building.

During the engagement a number of groups expressed interest both formally and informally in taking over the operation of buildings as community centres.

The following section describes the proposed model in relation to each building in the area.

Westcotes Library

(The initial proposal to alter and retain this building received strong support during the consultation phase)

- Install self-service library equipment
- Invest in the building to:
 - improve the flexible use of space, enabling community groups to meet and facilitate adult education
 - increase the IT provision
 - reduce the counter space to encourage self-service usage.

Brite Centre

(The initial proposal to retain this building received support during the consultation phase)

- Transfer the STAR office currently located on Guthridge Crescent into the centre. The existing STAR offices will then be converted into housing.

- Work with individual groups to identify the best location for them to operate, based on individual needs, should relocation from other sites be required.
- Improvements to the building already being carried out through “New Deal” funding to build upon the existing successful multi-use arrangements the building provides.

Braunstone Grove and Braunstone Oak Centre

*(Initial proposal to explore community asset transfer amended following consultation feedback to ensure continued youth **and** community provision in the north of Braunstone. Also, during the consultation phase interest has been shown in both buildings by community groups in relation to potential asset transfers)*

- Children’s Services to move the existing early years’ provision from Braunstone Oak Centre to Braunstone Children’s Centre, as this will allow the service to be extended to 2 year olds
- Explore community asset transfer (this can range from a lease arrangement to full ownership) of the buildings that would enable continued community and youth provision. Should the transfer not be achievable then other disposal methods will be pursued
- Work with individual groups to identify the best location for them to operate, based on individual needs, should relocation be required

Cort Crescent Community Centre

- Make the building available for asset transfer, for community groups in the first instance. If this is unsuccessful then the building will be demolished to enable construction of affordable housing
- Work with the individual groups to identify the best location for them to operate, based on individual needs, should relocation be required

Winstanley Community Centre

- Make the building available for asset transfer, for community groups in the first instance. The current group using the centre have shown interest in this. Should the transfer not be achievable then other disposal methods will be pursued

Fosse Centre

- Invest in the building to improve access into the current library space and look at the rest of the layout of the building to maximise flexible, community space. Also to identify available space to allow services to be accommodated. Works required will be developed in conjunction with the council’s planning and conservation officers as this is a Grade II listed building, and as such will require formal consent to be gained.

Newfoundpool Community Centre

- Explore community asset transfer of the building that would enable continued community use. Should the transfer not be achievable then other disposal methods will be pursued
- Work with individual groups to identify the best location for them to operate, based on individual needs, should relocation be required.

West End Neighbourhood Centre

- This building has already been transferred to Leicestershire Centre for Integrated Living (LCIL) under a long-term lease agreement, from 1st April 2014.

Woodgate Resources Centre

- No proposed change.

Manor House Community Centre

- The centre is costly to operate and has constraints such as no disabled access to the first floor. The options that have been suggested through consultation so far do not present a solution; therefore, work will be carried out with property services and the Management Group to explore how the costs of running the centre can be reduced or other alternative options will be pursued.

The proposals stated above represent the best view of the project team at the time of writing this report. Should alternative combinations of transfers and disposals become apparent that would still achieve the required savings from the area, whilst retaining the intended buildings (Fosse, Westcotes, and Brite) then these will be considered.

It is also intended that a full staffing review of community services, front of house, and library services staff should commence at a later date across the whole City.

3.4 Costs and Benefits

3.4.1 Current Costs

The budgeted running costs (based on financial year 2012 / 13) for buildings in the West area are shown in the following table:

Building	Budgeted Building Running Cost
Braunstone Grove Youth Centre	£53,900
Braunstone Oak Community Centre	£33,300
Brite Centre	£84,600
Cort Crescent Community Centre	£10,700
Fosse Centre	£93,500
Manor House Community Centre	£43,500
Newfoundpool Community Centre	£26,900
West End Neighbourhood Centre	£43,700
Winstanley Centre	£17,100
Westcotes Library	£19,550
Sub Total	£426,750
Woodgate Resources Centre	£8,800
Grand Total	£435,550

Note: the figures in the table above relate to the running costs of the building only and do not include staffing costs.

The budget figures for 2012 / 13 have been used for consistency, as these were previously presented, and were used to calculate savings available. They are also used as an aid to avoid double counting of efficiencies that have already been earmarked.

3.4.2 One-off costs

For the implementation of this model initial visual building surveys have been carried out to estimate the costs required to carry out the alterations required. The following table shows indicative capital costs to carry out the work required:

Building	Estimated Costs
Fosse Centre	£130,000
Westcotes Library	£135,000
Client Contingency	£70,000
Grand Total	£335,000

The costs stated specifically do not include for:

- Decanting costs
- Demolition costs of buildings if required. It is suggested that a separate reserve fund is earmarked for potential call off should this be required i.e. buildings cannot be transferred.
- Fittings, furnishings and equipment (self-service kiosks are included)
- ICT and wireless points
- Professional fees – allowance of 15% included for feasibility costings
- Allowance for further investigation
- Asbestos removal and carrying out associated refurbishment and demolition
- Asbestos surveys
- Statutory fees for Planning and Conservation Area Consent require for external works
- Statutory fees for Local Authority Building Control Approval required for all works
- Legionella
- Access audits
- Fire Risk Assessment

In terms of funding the capital elements of the works required, monies have previously been set aside from the corporate Service Transformation Fund and this will be called upon.

Alongside this there will be one-off revenue based costs to carry out moves of furniture and equipment, however, these are expected to be minor and will be paid for through existing service budgets.

3.4.3 Financial Benefits

At the point of releasing the buildings the following financial benefits will be available from reduced running costs and not including any staffing reductions (full year basis):

Building	Braunstone Grove Retained	Braunstone Oak Retained
West End Neighbourhood Centre	£43,700	£43,700
Winstanley Community Centre	£17,100	£17,100

Newfoundpool Community Centre	£26,900	£26,900
Cort Crescent Community Centre	£10,700	£10,700
Braunstone Oak Community Centre	£33,300	
Braunstone Grove Youth Centre		£53,900
Total	£131,700	£153,300

Comparing the total savings shown in the table above (£132k - £153k) with the total premises costs of the area (£435k) shows that this is in line with the principle of the programme of aiming to reduce costs by 30%.

A cost / benefit analysis shows that the payback period for the investment is expected to be 3 – 4 years (exclusive of staffing costs).

In terms of realising these savings, this can only happen once the building in question has been transferred, demolished or sold, depending on the action. The following table shows when it is expected that efficiencies will start to become available:

Building	Efficiency Commencement
West End Neighbourhood Centre	April 2014
Winstanley Community Centre	September 2015
Newfoundpool Community Centre	September 2015
Cort Crescent Community Centre	September 2015
Braunstone Oak Community Centre	September 2015
Braunstone Grove Youth Centre	September 2015

The table above is based upon the completion of the projects as shown in section 3.3.2 above, any changes to these projects may have an effect on the availability of the savings and the date from which it can be realised.

3.4.4 Non-financial benefits

There are a number of non-financial benefits that apply to this model as follows:

- The result would be protection of services while achieving a 30% reduction in spending
- A reduction in energy use of approximately 30% and associated carbon dioxide savings that will contribute towards achieving corporate environmental improvement objective to reduce the council's greenhouse gas emissions
- The model is in line with the majority views received from the engagement process i.e. retention of Westcotes Library, Woodgate Resource Centre, protection of services.
- Convenient, co-located services, new services and some longer opening hours
- Potential for additional services to be provided independently by community groups
- Multi-service centres improve the opportunities for communicating a wider amount of information surrounding community activity to a wider audience
- Using multi-service centres allows for longer opening hours, which enables more people to engage
- Enables a new model of operational management to be implemented, incorporating community groups and stakeholders into the planning and running of programmes of activity

- Multi-service centres will provide more opportunities for volunteers to get involved in a wider range of services
- Investment in multi-service sites ensures the longer-term viability of the services in the area
- The addition of a self-service library in the area will increase library usage, contributing to all of the benefits that are associated to this type of service (literacy etc.)
- Customer use of multi-service centres has proven to be higher than having individual services operating from single buildings from previous work carried out i.e. Aylestone Library, St Matthews Centre

3.5 Risks and Dependencies

The following list describes the risks and issues currently identified

- The overall model is dependent on the credibility, acceptability and quality of the offers made by other organisations to take over the costs and management of the buildings made available, as this will form the basis of the efficiencies available. Support sessions for community groups will be made available from an organisation called “Locality”, which are aimed at providing advice, guidance and support in relation to managing community asset transfers and the expectations and requirements made of the community groups.
- Potential implications relating to cleaning staff could financially impact on some community groups dependent on the service provision they intend to offer. This should be explored at the support sessions stage
- The projects included in the model are multi-faceted and will require the input, expertise and ownership from numerous different areas of the council
- For all improvement works the identification and remedial actions required arising from the presence of asbestos may increase the costs and delay completion of any works
- The efficiencies are predicated on the ability to dispose of / demolish the assets that will no longer be used.
- The Fosse Centre is Grade II listed and therefore the proposed improvements to the building are subject to gaining Listed Building Consent. Preliminary discussions have taken place with conservation and planning officers and whilst at this stage there are some issues which still require resolution, there is nothing to indicate that proposals will not be supported, however the risk of this not being gained is still recognised
- Capital costs are estimated at this stage based on the methodology described in section 3.4.2, these are currently being refined.

The following list describes the dependencies that have identified to this point:

- Any changes to the Youth Service provision at Braunstone Grove could have an effect on the proposed usage of this building and an impact on the usage of buildings in direct scope where close proximity exists
- The move of the existing early years’ provision from Braunstone Oak Centre to Braunstone Children’s Centre, to be carried out by Children’s Services
- The completion of the projects will rely significantly on other support services within the council, particularly property, planning, and, housing.

4. Details of Scrutiny

The TNS programme has been regularly reporting to the Neighbourhoods and Community Involvement Scrutiny Commission, over the previous twelve months.

Several reports have been presented describing the approach and strategy of the TNS programme and specific reports describing proposals and decisions relating to the South area of the city.

The proposals made in this report were presented to the Neighbourhoods and Community Involvement Scrutiny Commission on the 8th September 2014.

5. Financial, legal and other implications

5.1 Financial implications

'On-going revenue savings of circa 30% of building running costs (excluding staff) are sought, which would be achieved by the proposals in this report for more efficient ways of working and better use of buildings, whilst protecting service quality. The capital costs of altering and improving the buildings as specified in the report would be financed from the corporate Service Transformation Fund. Capital receipts may be received from any sale of land and buildings that are released from their current use and not subject to a Community Asset Transfer, although these would be nominal if sold for affordable housing.

Colin Sharpe, Head of Finance, ext. 37 4081.'

5.2 HR and Legal implications

"Legal advice on consultation and decision making has been provided to Culture and Neighbourhoods Division. The recommendation in this Report to progress the presented model into implementation will follow the requirements to provide stakeholders with: sufficient reasons for the Council's proposal, to allow their informed consideration and response; and a proportionate and realistic timeframe to allow them a sufficient period of time to respond. The product of the consultation should then be conscientiously taken into account by the Council before a decision is taken concerning the proposals outlined.

Greg Surtees, Legal Services, ext. 37 1421 "

"This report recommends a remit to take decisions with regards to restructuring the delivery of community services and libraries and acknowledges that this has the potential to impact on staff. Therefore, it is recommended that legal/HR advice is taken with regards to commencing consultation with the workforce as appropriate to ensure employment law requirements are met.

Caroline Woodhouse, Supervisory Solicitor, Legal Services, Ext 454 1429
Nicola Graham, Human Resources Team Manager, Ext 454 4334"

5.3 Climate Change and Carbon Reduction implications

“The Council has a corporate carbon dioxide (CO2) reduction target of 50% of the 2008/09 level by 2025/26 and the consolidation of neighbourhood buildings and the co-location of services will contribute towards achieving this target. It is estimated that a 30% reduction in energy use and associated carbon dioxide emissions could be achieved through implementation of the proposed model. The corporate Energy Cost Reduction Fund should be considered as a source of funding for energy efficiency improvements in the retained buildings. Transferring assets to the community will displace CO2 emissions from the council’s carbon footprint but they will still remain within the City’s carbon footprint. The council should therefore provide energy management advice to any community group taking on responsibility for a building.”

Mark Jeffcote

5.4 Equality Impact Assessment

Guidance for meeting the Public Sector Equality Duty places emphasis on exercises such as this being transparent and open to change following ‘meaningful’ consultation with relevant stakeholders. The process described, the resident feedback and the resulting changes to the proposal detailed in the report fulfils this requirement.

The feedback describes some potential negative impacts of the proposed changes in that some residents may have further to travel to take up relocated services, but this is offset by the mitigating action, endorsed by all who participated in the consultation, of keeping services on offer to local people. The concern expressed was mostly in relation to age and disability.

Another area of concern was the unknown impact of different groups managing local centres and whether this would change community access to these facilities. The report states in para. 3.5 that support sessions will be offered for community groups aimed at providing advice, guidance and support in the management of community asset transfers, as well as ensure that in the evaluation process for bids, consideration will be given to the suitability of groups and the impact they may have on the wider community/social relations within the wider community. These actions will help in mitigating the unknown impact of the transfer of community assets. The consultation feedback captured the importance of and benefits received from the activities provided through these community centres to local residents.

Irene Kszyk, Corporate Equalities Lead, ext. 374147

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

None

6. Background information and other papers:

None

7. Summary of appendices:

Appendix A – Consultation Report – TNS West Area July / August 2014

Appendix B – Consultation Report – TNS West Area March / May 2014

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

Yes

10. If a key decision please explain reason

The decision is significant in terms of its effects on communities living or working in an area comprising two or more wards in the city