

## HAMPSHIRE COUNTY COUNCIL

<b>Committee/ Panel:</b>	Buildings, Land and Procurement Panel
<b>Date of Decision:</b>	4 January 2012
<b>Decision Title:</b>	Major Projects Update
<b>Decision Reference:</b>	3163
<b>Report From:</b>	Director of Culture, Communities and Business Services

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### 1. Executive Summary

1.1 This report provides an update on the major projects currently being progressed relating to:

- Adult Services Transformation
  - Learning Disability Services
  - Project Extra-Care
- Capital and Assets Pathfinder
- Eco-Schools Solar photovoltaic (PV) Programme
- Endeavour Community Primary School, Andover
- Hampshire Workstyle Programme – Office Hub
- Portchester Community Centre, Portchester
- Refurbishment of Hampshire Scientific Services Laboratory, Southsea.

1.2 This report also seeks approval to the works for three specific projects that are necessary as part of the Hampshire Workstyle Programme, in addition to the proposals to take a sublease of accommodation in an office hub in Totton. The procurement route and property proposals for these projects were reported to Cabinet on 28 November, and subsequently approved by the Executive Member for Policy and Resources on 8 December 2011. These projects will ensure that the new office hubs in Basingstoke, Farnborough and Totton can be fitted out for use by staff at the earliest opportunity and will deliver at least £600,000 of property-related annual revenue efficiencies together with other savings.

## **2. Adult Services Transformation – Learning Disability Services**

- 2.1 Members will be aware that Property Services officers have recently begun providing asset related support to Adult Services for the transformation of their Learning Disability Services. Accordingly, the asset implications and business case for the transformation of the Adult Services Learning Disability Services was approved at the Executive Member for Policy and Resources Decision Day on 27 October 2011.
- 2.2 Over the next 3 to 4 years, this programme of transformation will see the provision of up to 13 Community Links, 2 Keystone Services, 2 Residential Respite Units and a residential unit to support clients who need short-term accommodation as a result of an unexpected change in their circumstances. In support of this, a number of existing Learning Disability related property assets will be disposed of to provide capital finance to help fund the provision of the new transformed services.
- 2.3 Work continues to progress on the Community Link for Basingstoke, with a location now identified. Further work is also being progressed in Eastleigh to identify suitable opportunities to provide a Community Link, although negotiations to secure the original preferred site have been put on hold by the freeholder owner of the site, which has caused a delay in the early implementation programme. Despite this setback, it is intended that the services will be operational by mid to late 2012.
- 2.4 In addition, the two residential respite units and the Keystone Services are progressing through the early stage of project briefing with feasibility focusing on potential sites identified for the northern respite unit, with opportunities in the Totton area for provision of the Keystone Service.

## **3. Adult Services Transformation – Project Extra-Care**

- 3.1 At the Cabinet meeting on 24 October, Members approved the strategic business case for extending this alternative model of care for older persons. The programme, which is to be known as Project Extra-Care, will see the provision of individual housing units (1 or 2 bedroom flats) within a larger development (possibly as part of a form of “care village”), with support and care being available for residents, subject to need, for up to 24 hours a day, 7 days a week. Such schemes enable couples with differing levels of need to remain living together, whilst freeing up family housing. The units would be available on a mixed tenure basis providing residents the choice to rent, part own or buy out right, whilst still having access to the full range of care and support. As part of the business case, approval to an indicative capital budget of up to £45 million was given to support the overall programme, which it is recognised could take 5 or more years to deliver.
- 3.2 As part of the programme, £3 million has been allocated to address the immediate capacity issues identified in the Cabinet report that may require the extension of provision in some areas. Detailed project appraisals are currently being prepared for these potential schemes and planning applications for these extensions are likely to be submitted in the coming

months.

- 3.3 The envisaged delivery of Project Extra-Care will see the provision of Extra-Care Housing schemes, both new build and/or conversion of existing sheltered schemes in most Districts across Hampshire. The programme will seek to use appropriately located County Council owned sites wherever possible, together with land and buildings owned by other partners, for example Registered Providers, the district councils or in conjunction with developers as part of a market housing developments. As the County Council is not able to operate as a Housing Authority, it will be necessary (as with the 4 schemes delivered to date) to work closely with Registered Providers to develop and subsequently run the new Extra-Care facilities.

#### **4. Capital and Assets Pathfinder Programme**

- 4.1 In April 2011, the Panel received an update on the government's Capital and Asset Pathfinder Programme, which was initiated to test a customer-centric and place-based approach to asset management and capital investment. Hampshire is one of six intensive Pathfinders, led by the County Council under the Chief Executive's sponsorship, and supported by Chief Executives and senior officers from other public sector partners in Hampshire. Two business cases and a Long-term Strategy were prepared as part of the programme, which were outlined in the last report.
- 4.2 In November 2011, Cabinet considered a proposal to create an environment that would consider public assets under 'one public estate'. Cabinet endorsed moving towards the vision of a 'one public estate' and acknowledged the potential changes to County Council policy that this would require. This proposal is being taken to the Hampshire Senate next year, where the County Council will seek a declaration of commitment from the other Hampshire partners to this approach, and the exploration of potential governance arrangements to support it.
- 4.3 In adopting this approach, it requires the County Council and other public sector partners to agree to a fundamental shift in the way they consider the management of their collective assets, as the aims of the Place will need to come before the aims of the Council and individual partners. The benefits to the public purse become the over-arching driver
- 4.4 Already, the County Council is partnering with other public sector bodies in notable projects such as the Havant Public Service Plaza and the Ringwood Gateway project. These involve other local authorities and the third sector, but are based on a 'coalition of the willing'. Though the Capital and Asset approach goes beyond these projects, they do provide credible examples as incremental steps towards the 'one public estate'.
- 4.5 Notable projects and opportunities under the Pathfinder include:
- County Council discussions with Hart District Council on the potential for a public sector hub, which would include the Town Council, District Council, County Council and a number of third sector organisations. This would be part of a development agreement with a major retail

organisation and is subject to ongoing feasibility work.

- the ongoing area-wide review of public sector assets in Farnborough and Aldershot, which is exploring the potential for collaborative rationalisation opportunities, including office space and cultural facilities.

- 4.6 There are also initiatives in train and significant interest from other local authorities, including Fareham Borough Council, Gosport Borough Council and East Hampshire District Council.
- 4.7 For partners in Hampshire, it is proposed that a formal structure is established to help bind partners into delivering a shared vision for the public sector estate and to set out the objectives for the collective group to work towards.
- 4.8 The County Council is already leading the Asset Management Workstream on behalf of the South East 7 authorities. A further four local authorities (East Sussex, Kent, Surrey and West Sussex) in the South East 7 are Capital and Asset Pathfinders in the next wave of the programme, which will lead to further collaboration and the potential for shared services as they too start to adopt a 'one public estate' approach
- 4.9 The County Council's Capital and Assets team has participated on the Steering Group for a new national Government report (Leaner and Greener), published by the Westminster Sustainable Business Forum, on collaborative asset management in the public sector. The report demonstrates that the County Council is leading the way when it comes to efficient asset management and has Hampshire's Pathfinder and approach as one of its case studies.

## **5. Eco-Schools Solar photovoltaic (PV) Programme**

- 5.1 The Eco-Schools Solar Programme run by the 'Keep Britain Tidy' group provides free installations of solar PV panels in host schools and free use by the school of electricity generated by the PV panel. The Feed-In-Tariffs associated with the energy generated by the array, in addition to revenue arising from surplus generation over school needs will be retained by the installer/scheme promoter.
- 5.2 Schools were invited to apply for their free solar PV panel in a nationwide campaign over the summer and Members will be interested to know that fifteen schools in Hampshire made a successful application for an array.
- 5.3 The scheme is essentially a 'roof lease' arrangement, whereby the school allows the use of the roof for the solar panel. The Head of Legal Services has reviewed the terms and conditions in the Eco Schools agreement and has agreed a number of amendments with them.

- 5.4 As part of the consent arrangements required by Eco Schools, each local authority school must obtain written approval from the Authority for the schools to proceed with the solar PV project.
- 5.5 Due to the significant reductions in Feed in Tariffs announced by Government on 31 October 2011, the agreements, consents and installation of the panels needed to be completed by 12 December 2011 to qualify for the current higher tariffs and be viable to the promoter.
- 5.6 Applications have been completed under general delegated powers to settle licences related to operational properties. This is in support of the original applications made by the Schools direct to the scheme.

## **6. Endeavour Community Primary School, Andover**

- 6.1 Members will be pleased to know that the building works stage of the project to form the new Endeavour Primary School in Andover were completed on time at the end of November 2011. The main building has been constructed to a very high standard and was delivered within the agreed programme and total cost of £6,345,863.
- 6.2 The new school accommodation includes the following:
  - 14 Classroom that have been designed to be as flexible as possible – the central partitions can be opened to allow larger group teaching.
  - main hall and adjacent music drama space
  - learning forum including CDT, Food Technology and Resource areas.
  - flexible one-to-one and small group rooms.
  - Discovery Centre including additional extended school facilities.
  - additional staff and toilet facilities.
- 6.3 The school decanted from the temporary buildings that are located on the site into their new school building, so that they were operational for the start of the spring term on 3 January 2012. The remaining external works will then be complete by April 2012.
- 6.4 The school is one of three primary schools that make up the Discovery Federation. The federation is made up of Knights Enham Junior School, Roman Way Primary School and Endeavour Primary School, with Anne Hughes as the federated Head Teacher.

## **7. Hampshire Workstyle Programme – Office Hubs Works**

- 7.1 In April 2010, Cabinet approved a report on the Workstyle Programme that recommended a series of new major office hubs be provided around the County to create a modern and flexible office infrastructure for staff. These hubs would enable the cross-County introduction of flexible working principles adopted in the occupation of the new Elizabeth II Court offices in

Winchester, as well as at the new office hubs now in use by staff and customers in Hampshire House, Eastleigh and the Havant Public Service Plaza. They would also support staff in making the most of the opportunity that the County Council's technology provides to work more efficiently.

7.2 Cabinet specifically agreed:

- that the new hub model (reducing the scale of the office portfolio from 53 buildings to just eight area office hubs across the County, and seven major offices in Winchester ) be approved, with the option to acquire the freehold of the new hub offices where advantageous.
- that the approach to further office rationalisation in Winchester be agreed.
- that a set of updated delivery targets be agreed, dependent on the staffing ratios and utilisation efficiencies that can be achieved.

7.3 At its recent meeting on 28 November 2011, Cabinet endorsed the taking of property interests in two buildings, in order to progress the Workstyle efficiency programme to the next stages and create new office hubs in Basingstoke and Farnborough. The proposals were formally approved by the Executive Member for Policy and Resources at his Decision Day on 8 December 2011. At the Cabinet meeting in November, further work was requested to ensure that local service delivery is not compromised in key areas and this is now being done, but the outcome is not thought to be prejudicial to the property decisions sought in this report.

7.4 In addition, further work was also requested to ensure that a set of proposals for a new office hub in Totton were still appropriate in view of the recent announcement that Test Valley Borough Council have been reviewing a number of issues relating to local service delivery in the Romsey and Test Valley south areas. This review has now been conducted, and it is recommended to proceed with the taking of a lease of a building in the Totton area. Together, these elements of the programme will create revenue savings in the order of approximately £600,000 per annum, excluding capital financing charges.

7.5 In Totton an office has now been found that would support the objectives previously approved to enable the disposal of the County Council's existing offices in Romsey and Hythe. It should be noted that service delivery in these two locations will not be adversely affected, and suitable arrangements will be made to support clients in these towns. Visits to the proposed new office have taken place with the relevant area directors and a number of their key colleagues, and overwhelmingly positive comments resulted. As at Eastleigh, Basingstoke and Havant, it will be possible to provide not just office space but also more flexible facilities for planned customer access. Also, as with the other hub offices that have already been approved, the identified building will need some investment to support intensive use and provide the necessary configuration to deliver services, which can be accommodated within the Workstyle Capital investment model. Overall in revenue terms, taking into account all of the potential savings opportunities that this part of

the Workstyle strategy would deliver, an annual revenue cost reduction of some £100,000 is anticipated.

- 7.6 The confidential appendix attached provides more detail relating to the specific proposals for the new office hub in Totton. In addition, the appendix provides summary project appraisals that outline the works that will be required to fit out the three new hub office buildings in Basingstoke, Totton and Farnborough in order to provide new efficient flexible accommodation for both staff (and a number of partners), and also to provide public access spaces for planned work with customers.

## **8. Portchester Community Centre, Portchester**

- 8.1 Members will recall that an allocation of funding for a partnership project between the County Council and Fareham Borough Council (FBC), in order to deliver a new Community Centre in Portchester, was approved at the Executive Member for Policy and Resources Decision Day on 28 October 2010 last year. The new Community Centre will be situated on land to the south of the existing community centre, with an estimated total cost of £2 million for the project.

- 8.2 The project is progressing well to date and was competitively tendered during November and December 2011. Tenders were then assessed and a recommendation was made to FBC's Task and Finish Panel on 20 December.

- 8.3 Approval will now be sought to form a contract at FBC's Executive Board meeting on 9 January 2012. It is anticipated that the project will then commence on site in February 2012, with the new building being ready for occupation in September 2012. The existing building will then be demolished.

## **9. Refurbishment of Hampshire Scientific Services Laboratory, Southsea**

- 9.1 Members will be aware that funding approval was given to the investment of £437,000 for works to the Scientific Services Laboratory in Southsea, in order to facilitate collaborative working with Hampshire Constabulary, at the Executive Member for Policy and Resources Decision Day on 26 January 2011. To meet the requirements of the Hampshire Constabulary, works were swiftly defined and completed on time in September.

- 9.2 During the development of the project the opportunity was taken to incorporate a number of additional Landlord Maintenance items, which included replacing suspended ceilings and additional fire safety works. The Police Authority also added and funded additional requirements of their Forensic Team. The total additional investment in the Scientific Services Laboratory is £83,289.98 and was based on the competitively tendered rates in the contract. This was approved under the delegated authority of the Director of Culture, Communities and Business Services and was funded from within Landlord resources.

**10. Recommendations**

**10.1 That the Panel advises the Executive Member for Policy and Resources that:**

- a) Progress on each of the projects be noted.
- b) The proposals to take an appropriate interest in the identified building to establish an office hub in Totton, on the basis set out in the confidential appendix, be approved.
- c) The summary project appraisals for the implementation of the works necessary to prepare the new Hampshire Workstyle Programme office hubs in Basingstoke, Totton and Farnborough, as set out in the confidential appendix, be approved.

**CORPORATE OR LEGAL INFORMATION:**

**Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	No
Corporate Business plan link number (if appropriate):	
<b>Maximising well-being:</b>	Yes
Corporate Business plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	Yes
Corporate Business plan link number (if appropriate):	

**Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1 An equalities impact assessment has not been considered appropriate in the development of this report.

### **2. Impact on Crime and Disorder:**

- 2.1 The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

### **3. Climate Change:**

- 3.1 Positive impacts on climate change will be considered at the time each of the projects are reported for approval. This report generally gives an update on progress and it is not appropriate to set out the specific impacts on climate change.