

Finance and Resources Committee

10am, Thursday, 26 November 2015

Co-location of partner agencies: Proposal for a strategic viability study for a new Partnership Centre for Leith

Item number	7.21
Report number	
Executive/routine	Executive
Wards	11, Leith Walk

Executive summary

The Council is working in collaboration with partner agencies to develop a shared, strategic approach to its asset base. Opportunities for redesign and co-location are being explored across the city, with examples of service improvement through co-location beginning to emerge. One of the key elements of this work is a focus on localities, with the Council's Strategic Asset Management team developing locality studies in association with partner agencies. This work aligns with the Council's Transformational Change Programme, and the way the change programme could manifest at local level, under the Citizens and Neighbourhoods workstream.

The locality study for Leith has identified a potential opportunity for a new partnership centre in Leith Walk, and demonstrates the potential future shape of neighbourhood offices under the Transformation Programme. It is proposed to develop this opportunity further by preparing a strategic viability study that identifies options for coordinating and co-locating public and community services more effectively. It is proposed to appoint Hub South East Scotland Ltd to coordinate and help deliver this study.

Links

Coalition pledges	P12 , P16 , P17 , P28 , P32 , P33 , P35 , P36
Council outcomes	CO7 , CO10 , CO11 , CO14 , CO23 , CO25 , CO26
Single Outcome Agreement	SO1 , SO2

Recommendations

- 1.1 That Committee:
- (i) Notes and supports the principle of co-location for the Council's asset base to facilitate service improvements and generate property savings;
 - (ii) Notes and supports the development of locality studies focussing on key strategic locations in the city;
 - (iii) Approves the appointment of Hub South East Scotland Ltd, under Strategic Support Partnering Services, to develop a strategic viability study for the potential to redevelop the Council owned former Leith depot site, at 165 Leith Walk, as a new partnership centre; and
 - (iv) Requests a further report on the outcome of the Leith Partnership Centre study in the second quarter 2016.

Background

- 2.1 The findings of the Christie Commission, in 2011, identified the benefits of collaborative working between partner agencies to improve service delivery. This has manifested itself, for public sector asset management, in the desire to create opportunities for co-location of services. This direction of travel has been reinforced with the enactment of the Communities Empowerment (Scotland) Act in July 2015, which makes collaborative working between public agencies a requirement. The benefit of collaborative working has been recognised by public agencies and sits at the heart of transformational change agendas.

Main report

Public Sector Collaboration

- 3.1 In September 2013, the Collaborative Asset Management Group (CAMG), comprising representatives from the Council, NHS Lothian and the Scottish Futures Trust (SFT), presented a paper to the Edinburgh Partnership Executive on the benefits of collaborative working and co-location. The paper, entitled 'the Edinburgh Blueprint' set out a series of strategic opportunities for the public sector to work together in considering its asset base across the city, and the benefits that could flow from this joint approach. The paper referenced two case studies that had informed the approach to date, at Muirhouse and Fountainbridge.
- 3.2 Over the past two years, the Strategic Asset Management Team in Corporate Property, reporting to CAMG and the Edinburgh Partnership, has built upon this collaborative approach through facilitating joint working with partner agencies such as NHS Lothian and Police Scotland. A key element of this work has been the development of locality studies. In tandem with this, the principles of collaborative working have emerged as a strong driver in the Council's

Transformational Change Programme, and the asset localities studies are closely aligned with the objectives of that Programme.

- 3.3 The objective of the localities studies is to redesign the point of service delivery to improve the experience for the customer. Co-location of differing services, often targeting the same client groups, will improve access and allow for better co-ordination of service delivery. The prevention agenda is at the heart of the principle of co-location and one of the objectives is to facilitate service savings associated with early intervention, as well as property savings. Examples of service improvements, and significant savings associated with this more joined-up delivery approach, are beginning to emerge, for example, through the co-location currently offered at Wester Hailes Healthy Living Centre. It is anticipated that the Transformation Programme will embed these benefits in a more systematic way through the localities.
- 3.4 To date, asset focussed workshops have been held with partner agencies in Leith, Wester Hailes and Craigmillar. These workshops not only plot the current asset base for all partners but also discuss service aspirations, and how the delivery of services can be redesigned for the area. Opportunities for how this future state of service delivery can be aligned with the asset base are then analysed. Significant opportunities have been identified for co-location of services, through using the asset base more efficiently. This should ultimately lead to service improvement while also allowing for the release of surplus assets.
- 3.5 Complementing this focus on localities has been a programme of investment to upgrade the Council's neighbourhood offices, undertaken in financial years 2012/13 and 2013/14. Along with upgrading the buildings' condition, considerable investment has been made in the suitability of the space to deliver modern, flexible open plan workspaces, supported by flexible breakout and meeting spaces. The increased capacity, along with the roll out of 'Workstyle', adopting 7 desks to 10 staff, in these offices will also provide the asset base to support the Council's Transformational Change Programme. The Strategic Asset Management team is working closely with the Transformational Change team to scope and deliver the locational and head count changes that will impact on the asset base as the programme is implemented.
- 3.6 The Council's neighbourhood offices are reasonably well located to serve the four new localities, with offices in the following locations:
- North West served by Muirhouse (upgrade recently completed);
 - South Central served by Captains Road, Gilmerton (first phase upgrade complete);
 - West served by Westside Plaza in Wester Hailes, complemented by the new Wester Hailes Healthy Living Centre; and
 - East served by the new East Neighbourhood Office in Craigmillar.

However it is recognised that the East locality serves both Craigmillar and Leith, both very distinct communities with significant local service delivery needs, and it is anticipated that the Leith area will require some form of dedicated resource.

Leith Partnership Centre

- 3.7 Emerging from the localities work are a number of specific proposals, the most ambitious being the opportunity to develop a partnership centre to serve Leith, located on a Council owned former depot site at Leith Walk, as shown in Appendix 1. This site is currently vacant and its disposal has been placed on hold pending the outcome of this study.
- 3.8 The team developing the localities studies has been supported by the secondment of a member of staff from Hub South East Scotland Limited (HSESL) under their Strategic Support Partnering Services. In line with the generic approach for all localities models in the city, to date, the Leith locality study has:
- Mapped the properties within Council, NHS Lothian, Police Scotland and other public sector ownership in the area;
 - Identified new housing development currently in the planning system which will further pressure demands on public service infrastructure;
 - Commenced the process to identify existing services, within the Council's estate, that could potentially be redesigned and located efficiently into a new partnership centre development;
 - Initiated discussions with public sector stakeholders (Police Scotland and NHSL) and set up a working group to consider potential rationalisation of joint assets and to work collaboratively; and
 - Developed outline design feasibility work for a partnership centre via HSESL to establish service need, the building development potential of the former Leith depot site and start to test overall viability.
- 3.9 The development of a partnership centre to serve Leith would seek to achieve the following principles:
- Integrated and co-located public services with a focus on prevention;
 - The provision of facilities of a quality and accessibility currently not available to the growing and diverse community of Leith;
 - Service efficiency, and property revenue savings, to address the financial and service delivery challenges the Council and other public agencies face;
 - Locally delivered services, with empowered front line staff;
 - Significant investment in a major Council owned site, creating a public services asset with associated long term sustainable economic activity for the area;

- The development of a partnership centre with aspirations to include a shared service and community 'hub' putting service professionals and communities together to assist in the co-production of service design;
 - Increased joint agency approaches to the delivery of packages of care reflecting the implementation around joint initiatives, such as the integration of Adult Health & Social Care and Children's Services;
 - An inclusive approach with educational, employment and business organisations working together to help people into training, education, employment or better paid work; and
 - Increased community cohesion by providing a local 'hub' point for services and community activities. Activities within the hub could include elements that focus on helping to build 'social capital', improve well being and sense of belonging.
- 3.10 While initial opportunities for a partnership centre have been identified, in order to move forward, a further level of development and due diligence, in order to assess scope, sustainability and legal, physical and financial deliverability is required. It is proposed that the development of the strategic viability study would include:
- Further definition of the space and outline specification requirements of all relevant stakeholder groups within an integrated service model;
 - High level appraisals on the various options developed following discussion with stakeholders;
 - Confirmation of associated revenue costs for any existing Council facilities identified as potentially suitable to move to the proposed partnership centre;
 - Development of optimised funding structures and options for the proposed new facilities;
 - Confirmation of all ownership issues (private and public) around the Leith depot site;
 - Confirmation of valuations for the proposed development site partners' surplus assets;
 - Developing draft options around design development/procurement and construction programmes; and
 - Commissioning a desk top Site Investigation Report.
- 3.11 It is proposed that the development of the strategic viability study is delivered by HSESL, supported by Council and partner agency staff. It is envisaged that this work will be monitored by a project board (representatives will be agreed by the Council) which will consist of individuals from the Council (Chair), HSESL, NHSL Police Scotland and the third sector. A project team would report to the board on a monthly basis. The outcome of the study will be reviewed and stress tested against alternative funding and procurement options by the relevant services in the Council to identify the best value option for public service delivery.

- 3.12 Day to day management will be provided within the context of the existing structure of the Council led ongoing locality studies work within Strategic Asset Management in Corporate Property.
- 3.13 It is expected that the production of a strategic viability study will take up to four months to deliver. A further report on the outcome would be made in the second quarter of 2016.

Measures of success

- 4.1 The delivery of service improvements through the joined up delivery of services through co-location, across the city.
- 4.2 The redesign of the Council's asset base to fit new requirements under the Transformation Programme.
- 4.3 Identification of a viable and sustainable project to deliver a shared services partnership centre to serve Leith, facilitating the benefits of collaborative working and early intervention.

Financial impact

- 5.1 There are anticipated to be long term financial benefits associated with the principle of co-location, through either asset disposal, or generating income against the Council's asset base, through a licensed approach with partner agencies. Given the complexity of moves required, it is likely that savings will be made only after a number of moves have been implemented. The potential savings identified to date form part of the savings reflected in Estates Remodelling workstream of the Asset Management Strategy.
- 5.2 With regard to the Leith Partnership Centre, it is estimated the development of a strategic viability study will cost around £50,000, and will be funded by Hub South East Scotland Limited. One of the aims of the strategic viability study is to determine whether a viable, self financing, model for the Council can be developed given the Council's asset ownership in the area.
- 5.3 HSESL will work with the Council to investigate and present a variety of funding options. This will include traditional capital procurement, a Design Build Finance Maintain (DBFM) and a lease option. The potential to utilise a mix of these mechanisms across the development will also be considered. HSESL's investment and funding proposals associated with any revenue funded options will be separately and transparently market tested to ensure best value is achieved.
- 5.4 The investment contribution via HSESL for this work does not give any commitment to future involvement in the project and will not be allowed to compromise the Council's procurement processes and alternative delivery options.

- 5.5 The value of the site (approximately £1m) is currently in the Capital Investment Programme and will need to be taken into account in the financial appraisal of the study. Should a viable option not prove feasible, then the site would be sold on the open market.

Risk, policy, compliance and governance impact

- 6.1 The collaborative approach outlined in this report will support the vision of The Edinburgh Community Plan 2015 -18 and, in particular, help achieve the four outcomes of the Citywide Single Outcome Agreement, and the 12 new strategic priorities, related actions and measures. The inclusive and joint working approach underpinning the partnership centre proposal would support the City's prevention strategy through locality based service planning and delivery.
- 6.2 With regard to the proposal to develop a strategic viability case for a future project to develop a partnership centre, there will be a review gateway prior to proceeding with further project development, which will be subject to a further report. The work undertaken by HSESL during the four month Strategic Support Partnering Services phase will be monitored by a project board which will include individuals from the Council, HSESL, NHSL and Police Scotland.

Equalities impact

- 7.1 The concept of collaborative working is expected to improve service delivery for vulnerable groups served by the Council. This is exemplified by the possibility of a partnership centre for Leith which supports:
- New locality management and community engagement arrangements around local capacity building which will help build equality of opportunity for individuals, families and groups; and
 - Significantly expanding opportunities for contact in the Leith locality for individuals, families and groups that have difficulties with travel or when accessing IT based service channels.

Sustainability impact

- 8.1 A more efficient asset base is expected to reduce the Council's carbon footprint, while co-location of services should reduce the need for travel for the services affected and the public in accessing these services.
- 8.2 A new partnership centre on Leith Walk is proposed for the most densely populated area in Scotland where the majority of users could either walk or use good public transport links. For users with mobility or travel issues the creation of single point of contact will improve access to services. This approach will strengthen the Council's work to adapt to climate change and act in a more sustainable manner.

- 8.3 Should it proceed, the proposed centre would be designed with a BREAM ‘very good’ rating (as a minimum) and offer optimum ratios of staff to building areas which would enable older, less efficient, building stock to be redeveloped or released.

Consultation and engagement

- 9.1 Workshops have been held with Council service teams and partner agencies in each of the localities. Presentations on the locality studies, including the concept of the new partnership centre proposal for Leith, have recently been made to the Edinburgh Partnership and the HubCo Territory Partnering Board.
- 9.2 The concept of a multi-agency partnership centre for Leith has attracted a broad level of support from Council services teams, external partner organisations, third sector, educational and local community organisations.
- 9.3 A working group has been established for the Leith locality work, with membership from Council services teams, Police Scotland and NHSL. The group has met regularly since May 2015. If approval is given to develop the strategic viability case, membership of this group will be extended to include other public, third sector, education and community organisations. This inclusive approach, and the concept of a shared service and community ‘hub’, will ensure local organisations and local people are at the core of shaping this new facility and subsequently they will be able to influence the ongoing service provision.

Background reading/external references

John Bury

Acting Director of Services for Communities

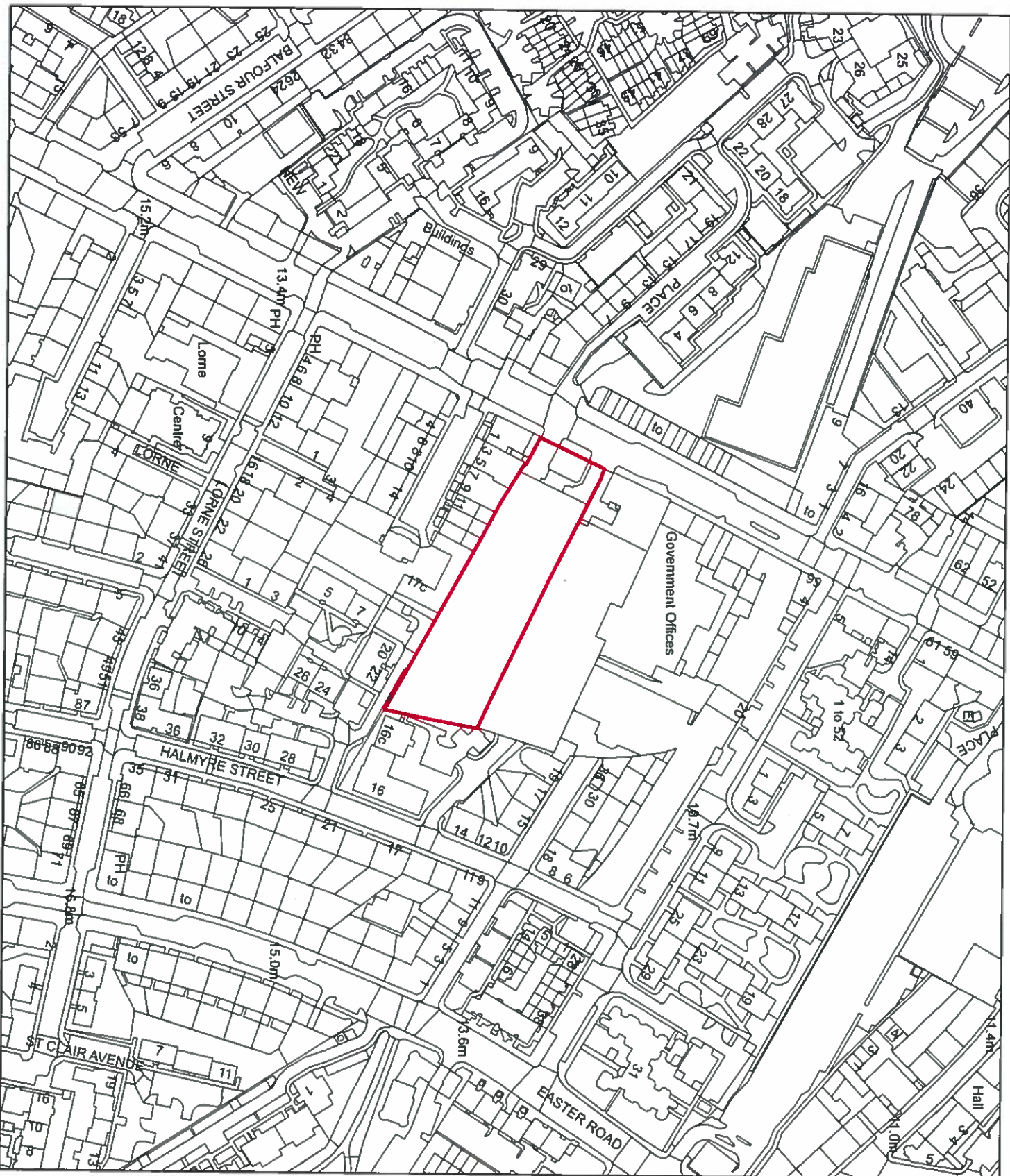
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Links

Coalition pledges	P12	Work with health, police and third sector agencies to expand existing and effective drug and alcohol treatment programmes
	P16	Examine ways to source new funding to support small businesses

	P17	Continue efforts to develop the city's gap sites and encourage regeneration
	P28	Further strengthen our links with the business community by developing and implementing strategies to promote and protect the economic well being of the City
	P32	Develop and strengthen local community links with the police
	P33	Strengthen Neighbourhood Partnerships and further involve local people in decisions on how Council resources are used
	P35	Continue to develop the diversity of services provided by our libraries
	P36	Develop improved partnership working across the Capital and with the voluntary sector to build on the Total Craigroyston model
Council outcomes	CO7	Edinburgh draws new investment in development and regeneration.
	CO10	Edinburgh's streets and open spaces are clean and free of litter and graffiti.
	CO11	Residents, visitors and businesses feel that Edinburgh is a safe city.
	CO14	Edinburgh remains an attractive city through the development of high quality
	CO23	We have developed our reputation and ensured customers have a positive perception
	CO25	We have improved risk management across the Council.
	CO26	The Council engages with stakeholders and works in partnership to improve services and deliver on agreed objectives.
Single Outcome Agreement	SO1	Edinburgh's Economy Delivers increased investment, jobs and opportunities for all.
	SO2	Edinburgh's citizens experience improved health and wellbeing, with reduced



EDINBURGH
THE CITY OF EDINBURGH COUNCIL

Estates Services
Business Centre G4
Waverley Court
4 East Market Street

Appendix 1
Location Plan

Former depot
157&165 Leith Walk,
Edinburgh

Date	02/11/2015	Drawn by	ET	Scale	1:2,500
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