

## **APPENDIX 3:**

### **Rationale for Ring-fencing the Capital Receipt of 84 Coombe Road to Support the Redevelopment of Wellington House**

- 1.1. All services and provision for children and adults with learning disabilities (LD) were brought together within Families, Children & Learning (FCL) Directorate in November 2016 with the aim of merging functions and creating a better service for all ages on a more sustainable financial basis. Adult LD services were previously in the Adults Directorate (now Health and Adult Social Care – HASC).
- 1.2. Central to the success of an integrated Learning Disability Service, and the achievement of associated revenue savings, is the colocation of three teams currently working in separate offices. An extensive review of properties within the organisation's operational portfolio was completed to identify the most suitable location for the integrated service. Following this review, Wellington House was identified as the preferred location. The building comes under Corporate Landlord, is currently underused, and Learning Disabilities Day Options services are already operating from it. It is positioned in a convenient location for service users, with good public transport links.
- 1.3. Detailed consultation and engagement has already taken place with the Learning Disabilities Day Options service to confirm that they will be able to continue to operate in a reduced area, creating space for the integrated Learning Disabilities Service. Extensive analysis has also been completed to ensure that the remaining space meets the occupancy needs of the integrated service.
- 1.4. In order to accommodate the integrated LD service and allow for the existing Day Options service to continue operating in a reduced space, capital investment is required to reconfigure the building. The Workstyles Programme is managing the redevelopment to ensure it delivers a flexible office environment for the integrated service that meets corporate Workstyles principles. Adjustments to the Day Service side of the building, developed in consultation with staff and managers of the service, will ensure the service is able to operate within a reduced space. Designs will also support the Day Service's ambition to achieve an accreditation for having an Autism friendly environment.
- 1.5. In addition to the design proposals, planned maintenance works are scheduled for the building. These are being carried out in parallel to the proposed project and will upgrade the mechanical infrastructure of Wellington House, improving heating and energy efficiency.
- 1.6. In July 2018 the Workstyles programme was reviewed to better align with the administration's strategic priorities. Several new projects, including Wellington House refurbishment, were added to the project dossier. As part of this review it was recommended that the Asset Management Fund continue to be used to

invest in the Corporate Landlord estate, supporting the Workstyles programme through modernising office space and increasing opportunities for flexible working. The revised programme was approved by the Corporate Modernisation Delivery Board. A further report on how the Asset Management Fund is being used to support the Workstyles programme will be presented to Policy, Resource & Growth committee in March 2019.

- 1.7. The required capital investment in Wellington House, and associated appropriation of 84 Coombe Road, will deliver several of the reprioritised Workstyles programme objectives:
  - To ensure that the council is making best use of its assets
  - To contribute to the council's modernisation savings plan and budget strategy
  - To bring consistency to the organisation by delivering Workstyles benefits to services and buildings which have not yet been supported by the programme
  - To ensure that the benefits associated with all phases of Workstyles are properly embedded in the organisation
  - Support and align with the administration's priority of increasing housing across the city
- 1.8. The total cost of capital work required to reconfigure Wellington House is £487,000, which includes a 10% contingency. The capital receipt (£290,000) associated with the appropriation of 84 Coombe Road will part fund these essential works. The remaining £197,000 will be funded through a contribution from the Asset Management Fund.
- 1.9. The colocation of these teams will enable £200,000 in revenue savings, identified as part of the directorate's ISFP:

*“Reduction in management capacity across the Children's Disability Service and the Adults Learning Disability Service following re-structure to provide one integrated service from one location. Bringing together adult and children's services provides an opportunity to rationalise management across both services and to streamline provision.”*
- 1.10. In addition to enabling FCL savings and creating a new flexible working office in Wellington House, the colocation of Learning Disabilities services will increase capacity in the buildings that they are vacating. This additional capacity will support future Workstyles projects, especially where decant space is required. Furthermore, the vacated office at Montague House has the potential to be leased, representing a potential saving/new income to the organisation. The extent of this potential saving will be reviewed through the wider Workstyles programme, in support of future project business cases.