

SURREY COUNTY COUNCIL**CABINET****DATE: 27 OCTOBER 2020****REPORT OF: MR MEL FEW, CABINET MEMBER FOR RESOURCES****MRS JULIE ILES, CABINET MEMBER FOR ALL-AGE LEARNING****MRS MARY LEWIS, CABINET MEMBER FOR CHILDREN, YOUNG PEOPLE AND FAMILIES****LEAD OFFICER: PATRICIA BARRY- DIRECTOR FOR LAND AND PROPERTY****SUBJECT: DELIVERY OF CARE LEAVERS ACCOMMODATION, A LIBRARY AND FAMILY CENTRE IN CATERHAM HILL****SUMMARY OF ISSUE:**

This paper sets out the business case for the redevelopment of the current site of Caterham Hill library to provide a new purpose-built facility bringing services closer to residents. It proposes the delivery of a multi-functional building that will be owned freehold by Surrey County Council (SCC) and will include; a new library to replace the existing library onsite; a new Family Centre within the area of need as well as accommodation for care leavers' in support of the Councils Looked After and Adopted Children (LAAC) strategy.

By 2030 we want Surrey to be a uniquely special place where everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential and contribute to their community, and no one is left behind. Delivery of this scheme will contribute to this vision by focussing on vulnerable individuals who without support from those services would be left behind and experience poor outcomes.

There is growing demand for, and a shortage of, accommodation for care leavers within Surrey. Consequently, each year the Council places young adults in out of county accommodation at high cost and away from their families and support networks. The redevelopment of an existing SCC asset not only provides this much needed accommodation but also delivers a fit for purpose community facility for the delivery of a library and Family Centre.

The business case aligns with the Council's Forward Plan and Community Vision for 2030 and improving the outcomes for children and families whilst also building on the 'place' agenda.

This paper seeks Cabinet approval for capital funds to deliver the scheme.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Agrees to transfer £5.6m (excluding VAT) from the pipeline budget for the proposed scheme; redevelopment of the existing library site to provide accommodation for care leavers, a library and Family Centre.

2. Delegates' authority to the Director of Land and Property and the Cabinet Member for Resources for awarding the contract to redevelop the site which includes construction works.

REASON FOR RECOMMENDATIONS:

- The proposal will provide a new community facility with excellent facilities which will make a positive difference to the lives of local residents and help to regenerate this area of Caterham. When completed, this scheme will provide a well-designed, sustainable building for a range of users.
- The proposed scheme offers an opportunity to build on an existing SCC freehold asset.
- The proposals would distinctly enhance the quality of accommodation for care leavers.
- This will provide for the delivery of a fit for purpose accommodation for community provisions, namely, a library and Family Centre.

DETAILS:

Overview

1. Caterham Hill library is a single use, freehold, asset which requires c£440,000 (excluding VAT) planned maintenance works over the course of the next five years, whilst also requiring additional investment to provide a 'modern library' due to its deteriorated and out of date condition.
2. By utilising the Council's existing estate portfolio we can optimise the site for service use whilst also reducing ongoing service costs. The redeveloped site will be a shared service facility which is being developed in conjunction with representatives across the Children, Families & Learning directorate.
3. The proposals are to redevelop the existing site to provide fit for purpose, flexible community space on the ground floor for both the library and a Family Centre whilst also delivering residential accommodation on the above floors. The delivery of this scheme will support:
 - *Looked After and Adopted Children (LAAC) strategy* - The delivery of residential units for care leavers will reduce the service's ongoing revenue costs and provide in-house, in-county fit for purpose accommodation improving outcomes for young people;
 - *Library and Cultural Services strategy* - delivery of fit for purpose, co-located accommodation which reduces their ongoing service costs will deliver the outcomes of the services 2020-2025 service strategy which was approved at Cabinet in November 2019;
 - *Family Resilience programme* – based on the outcomes of the Children's (Family) Centre consultation and the delivery of an appropriate Family Centre within an area of need will support the outcomes of the Family Resilience programme.
4. It is proposed that additional services, for example health, will be able to access the space to deliver targeted and/or universal services. Other SCC services for example social care teams, will have access to use the facilities if needed to meet families and touch down to use hot desk facilities.
5. By 2030 we want Surrey to be a uniquely special place where everyone has a great start to life, people live healthy and fulfilling lives, are enabled to achieve their full potential

and contribute to their community, and no one is left behind. Delivery of this scheme will contribute to this vision by focussing on vulnerable individuals who without support from those services would be left behind and experience poor outcomes.

6. This is in line with the Asset and Place strategy; co-locating services together, supporting service improvement whilst optimising and improving the Councils estate.

Looked After and Adopted Children (LAAC) Strategy – Care Leavers Service

7. A significant issue for the Care Leavers' Service is the lack of suitable good quality accommodation within Surrey. This means a number of young people are placed outside of the county. This has been raised as a concern by Ofsted as it makes it more difficult for Surrey-based staff to support these young people. More importantly it makes it more difficult for young people to have continued links with their family, community and education. Finally, the costs of placing young people in private accommodation are significant and not covered by the level of housing benefit received.
8. At the current time there is no care leavers accommodation provided by the Council. All provision is currently externally commissioned and of 50 providers, only 8 are based within Surrey. This accommodation tends to be provided in larger hostel-type environments which is not always conducive to meeting the needs of vulnerable care leavers who have experienced trauma.
9. Currently the majority of Surrey care leavers needing support are placed in externally commissioned supported accommodation. The majority of these are placed out of county. It is projected that as the current population of looked after children become older and eligible for support as care leavers, additional accommodation places for 16 to 17year olds will be required between 2020 and 2025, and further additional places for those over 18 during the same period.
10. Benchmarking against comparative local authority areas, where an in-county, internally provided model is in operation, shows delivery of projects such as this will enable revenue savings
11. With the delivery of in-house, in-county accommodation there are also staff savings to be made from decreased travel (i.e. expense claims) as well as reducing travel times enabling staff more time to spend with care leavers.
12. This scheme provides an opportunity to include a number of residential units suitable for care leavers and will be designed to provide accommodation that is flexible and includes a mix of accommodation types to support young people with a range of needs and levels of independence. This would be the first scheme in a wider programme to meet the known need across the county. The full programme to deliver the anticipated scale and range of accommodation across the county will be developed over the next few months and presented for consideration early in the New Year.

Library and Cultural Services Strategy

13. The strategy for library and cultural services sets out SCC's vision and approach to libraries and cultural services over the next five years. It seeks to deliver Surrey's priorities for the county as set out in Surrey 2030 and our Organisation Strategy.

14. Within the strategy there are five strategic objectives which underpin the development of the service:

- i. We will increase opportunities for children, young people and adults to improve literacy levels and acquire skills and knowledge;
- ii. We will deliver resources and activities in partnership with communities and other organisations to improve health and well-being of individuals and communities;
- iii. We will strengthen our partnership work with the public, voluntary, community and private sectors, including through the creation of shared spaces within a financially sustainable network of hubs;
- iv. We will develop and promote new technologies to increase access and engagement with libraries and cultural services;
- v. We will increase opportunities for community-led services and enable local people to increasingly influence and deliver.

15. The strategy seeks to:

- Co-locate with other services where we can to make a positive difference for residents
- Develop libraries' role as anchor institutions in communities
- Deliver Libraries & Cultural Services Strategy to reduce cost and increase impact of libraries
- Develop the modern library centred around Wellbeing, with libraries as social hubs, cultural centre, Learning Hub, and economic enabler

16. Surrey Libraries hold a unique place in communities providing universal access to all with the potential to reach a wider audience through its programme of activities including reading, digital, learning, health and wellbeing and culture. People have a sense of civic pride and ownership in their local library. With the current Caterham Hill library having not seen a refurbishment for over 20 years, this redevelopment will help anchor the library as the heart of the community.

17. A re-developed Library integrated with the Family Centre as part of a modern community facility will enable a fit for purpose, flexible, co-located space, that will deliver the best future outcomes for residents. The scheme also allows a closer working relationship with the Family Centre and other providers allowing for opportunities to programme activities across partner organisations, delivering reading, digital, learning, health and wellbeing and cultural activities.

18. The library service is undertaking a process of co-design to support the delivery of this project and will ensure the community is closely involved in the design, delivery and evaluation of what goes on in their local library provision. This process has been designed to encompass the whole Caterham area and therefore also includes community engagement about the library at Caterham Valley. There is no intention to reduce or cease services at either of these locations, and we are committed to ensuring access for all. The specific service requirements for this scheme will be informed by this process, and the outcomes of it will be known towards the end of this calendar year.

19. A temporary library facility will be put in place in Caterham Hill to ensure there is no disruption to services during the construction period.

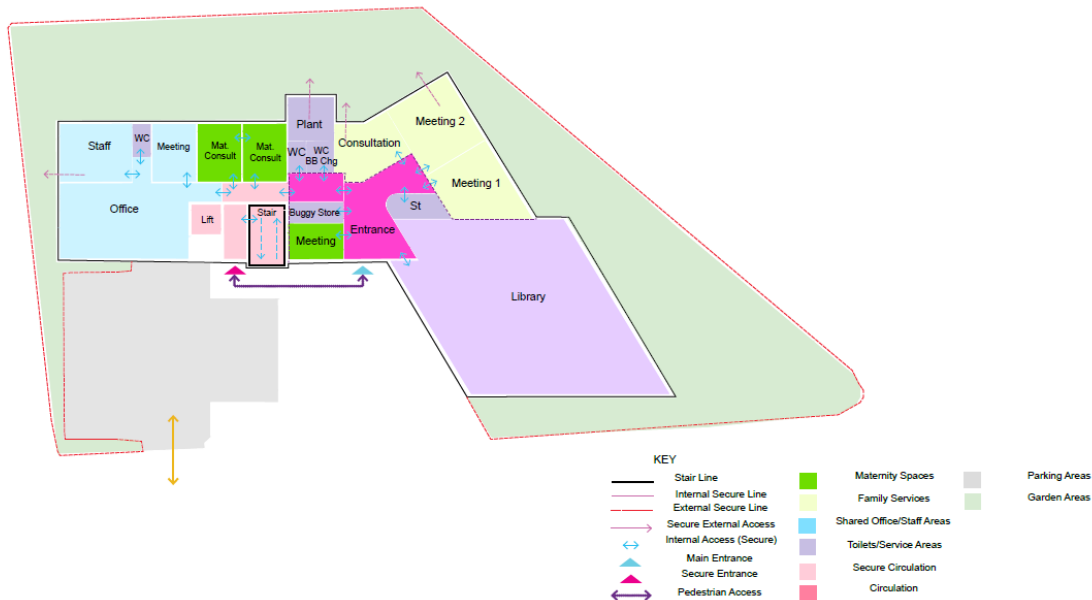
Family Resilience – Family Centres

20. SCC believes that every child in Surrey should have the opportunity to reach their potential and that the best place for children to achieve this is within their own families. Whilst many children will do that without support, some will need help. That might be because of additional needs they have, their family circumstances or problems they are dealing with. We want to help these children, and their families, as soon as we can.
21. Family Centres offer targeted services for children aged 0 to 11, who are most in need, and their families. They also act as hubs for partner agencies and community organisations to offer universal services such as health visiting, breast feeding advice and support for new parents. This approach builds on the Family Resilience model, based on early intervention and support.
22. There is at least one Family Centre in every district and borough, 21 in total, with 9 satellite centres. Caterham has been identified as a key area to provide a Family Centre, due to its close proximity to one of the highest areas of need within Godstone and also being an area where more children are overall affected by deprivation or living in households that have low incomes or unemployment and therefore Caterham is more accessible to a wider range of families.
23. Alternative options were sort to provide a Family Centre in Caterham however other site's needed additional work to bring it up to the standard required for a permanent Family Centre venue.
24. The Family Centre is currently operating out of Hurst Green Infant School and Nursery in Oxted. Following the delivery of this scheme the modular building onsite will be released for alternative educational use.

10

Indicative layout and possible external appearance





CONSULTATION:

25. Relevant teams within Children's, Families and Learning directorate have been consulted and had input into the design of the scheme.
26. The standard of the accommodation for care leavers will be in line with service and industry standards.
27. Staff will be consulted on scheme and design implications as the project develops.
28. Barnardos, who deliver the Family Centre provision in Tandridge, have been consulted and had input into the design of the space/layout and will continue to do so.
29. Representatives from NHS Surrey Heartlands Clinical Commissioning Group have been consulted on the opportunity to use space within the new multi-functional building to deliver outreach work within the community.
30. Cllr Mel Few, Cllr Mary Lewis & Cllr Chris Botten have been consulted on the scheme.
31. Formal consultation has not yet been undertaken, but will be completed in the next stage of the scheme's development as necessary, following approval to proceed.

RISK MANAGEMENT AND IMPLICATIONS:

32. Risk that planning permission will be refused – mitigating actions being taken:
 - Design team to take account of likely issues e.g. transport, access, draining etc. as part of pre-application discussions;
 - Engage with the local community to listen to local concerns and to shape plans e.g. closer working with the Parish Council and community groups;
 - Consider the close proximity of the neighbouring building and design a scheme which is complementary to its surroundings.
33. Risk of the development costs escalating - mitigating actions being taken:

- A detailed cost estimate has been undertaken with the Cost Consultants to enable the Council to predict the construction cost;
- The building cost estimate has a design and construction risk allowance of approximately 15% to allow for the early stage of the design process and the unknown impact Covid-19 may have on construction costs;
- A detailed Development Cost appraisal has been undertaken including the above noted construction cost, professional fees, surveys and investigations, fixed furniture and equipment, temporary library facilities, SCC resource capitalisation costs and a 5% SCC contingency for unforeseen issues;
- Consideration will be given to building contract procurement methods which allow for early involvement of the building contractor and/or specialist suppliers. This will include input pre-construction where project cost, programme and design quality can be reviewed to provide a higher level of cost and programme predictability.

34. Additional risks such as site constraints, tree surveys/Tree Presentation Orders (TPO's) etc. will be taken into account and mitigating actions developed and actioned accordingly.

35. Risks will be varied and not only associated with land and asset management but also the impact this has on the various service provisions and changes in requirements. The scheme will be designed flexibility in mind to meet changing service and corporate needs. In terms of construction related risks and mitigation measures, a full risk register is under review with the professional consultants and a robust risk transfer strategy will be agreed with the contractor

36. With a community building in close proximity to the proposed site close working relationships need to be built to ensure both buildings are used to the benefit of the local residents, rather than dividing the local community.

FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

37. The cost of the proposed scheme is £5.6m (excl. VAT) to be funded from a combination of programmes with the Pipeline allocation within the MTFS:

- Looked After and Adopted Children - £3.2m;
- Children's and Family Centres - £1m;
- Corporate Asset Capital Programme - £1.4m.

38. The current running costs of the Library building is £19,563 on average, per annum as a single use building. It is not anticipated that the running costs to the Library Service will increase. The increased floor area will generate a revised running cost of £82,500 on average per annum across the three services. The revised forecast includes an assumed reduction in cost through better building material and operational cost efficiencies.

39. The current library building also requires c£440,000 (excluding VAT) planned maintenance works over the course of the next five years which won't be incurred given the proposals to demolish the existing building. The savings made here can be concentrated on other Council assets but will not result in a reduction to the overall planned maintenance budget.

40. Costs for supported accommodation can vary significantly from c£700 per week when arranged by the incumbent Direct Purchasing System at pre-agreed rates to over £2,000

per week for uncontracted provision. Creation of in-county provision for Care Leavers could reduce the need to utilise this provision. Based on the lower estimate of £700 per week, each of the new Care Leavers units would represent an annual saving of £36,000. Assuming the 12 new units were able to be operated within existing staff levels and without additional running costs to those already identified with the new building, the maximum saving for SCC would be in the region of £430,000 per year. This would be realised from 2023/24 based on current completion estimates.

41. The scheme will be designed to take in to account environmental impacts, sustainability and ongoing life cycle costs which will support the Greener Futures agenda.

SECTION 151 OFFICER COMMENTARY

42. Although significant progress has been made over the last 12 months to improve the Council's financial position, the medium-term financial outlook is uncertain. The Public Health crisis has resulted in increased costs which are not fully funded in the current year. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected from next year onwards, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term. As such, the Section 151 Officer supports the proposal to develop the joint use Caterham Hill site.

43. There are currently no direct efficiencies built into the MTFS relating to this scheme, but the capital budget is included within the existing pipeline. The revenue benefits set out in para 39 will be built into the medium term financial strategy.

LEGAL IMPLICATIONS – MONITORING OFFICER

44. The Council as the owner of the Caterham Hill library site, which it is seeking to redevelop to provide a new purpose-built facility, may dispose of, or develop, any land it owns.
45. Under Section 2(1) of the Local Authorities (Land) Act 1963, a local authority has extensive powers and may, for the benefit or improvement of its area, erect, extend, alter or re-erect any building and construct or carry out works on land.
46. When awarding the contract to redevelop the site which includes construction works, the public procurement regime may be evoked, if the party the Council wishes to contract with is undertaking some element of works or services which requires contracts in excess of the threshold to be tendered. There are some exceptions such as entering into a contract for the acquisition or rental of land, where the public procurement rules do not apply.

EQUALITIES AND DIVERSITY

47. An Equality Impact Assessment (EIA) has not been completed for the following reasons:
- The current library provision will remain on the existing site and therefore no impact of staff or residents; although noted a temporary library will be provided offsite;
 - Any changes to staffing will be dependent on service strategies/changes rather than this individual scheme;
 - Family Centres have already consulted on the future locations of the service.

48. The proposed scheme provides support for some of Surrey's most vulnerable young people.

49. These improvements aim to ensure some of Surrey's most vulnerable young people are cared for within safe environments that provide for their material needs and provide support as they move into adulthood and will provide improved facilities.

CORPORATE PARENTING/LOOKED AFTER CHILDREN IMPLICATIONS

50. As Corporate Parents for all the children looked after by Surrey, it is important we ensure the Care Leavers Accommodation is an example of best practice and quality. In order to achieve this capital investment into the scheme is required.

SAFEGUARDING RESPONSIBILITIES FOR VULNERABLE CHILDREN AND ADULTS IMPLICATIONS

51. The council has a duty to provide good quality placements for all children looked after and care leavers. This is known as the Sufficiency Duty. In order to deliver the best possible service to our children, we would want as many as possible to live within Surrey. This property development proposal will significantly enhance the quality of accommodation we can provide and contribute to a wider programme to expand and enhance the scale and range of care leaver accommodation provided by SCC. Appropriate, safe accommodation within Surrey will support our children's personal, social and academic progress.

ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

52. An initial Environmental Sustainability Assessment (ESA) has been undertaken (Annex 1) as this matter requires a Cabinet decision.

53. The key points from the ESA are:

- a. Energy use would be a component of the operational phase costs of the new buildings. Design philosophy that has been adopted to create new buildings will support low energy consumption, reduce solar gain and promote natural ventilation. Any proposals will be in line with this policy and any new building will be to the expected standards in the local planning authority's adopted core planning strategy.
- b. Delivery of new builds will involve the usual amounts of travelling for materials and workers. Through the design and procurement phase an updated ESA will be undertaken.

WHAT HAPPENS NEXT:

54. Should Cabinet approve the business case for the redevelopment of Caterham Hill library to support the proposed service uses, the next steps will be:

- Detailed design and specification (November 20)
- Planning application (December 20 to March 21)
- Building contractor tender to market and award; subject to delegated decision (February 21 – May 21)

- Commence Demolition/Construction; pending planning approval (Jun 21 – Feb 23)
 - Specialist/Operational fit out (Mar 23 – Apr 23)
 - Operational building and residents can move in (April 23)
-

Contact Officer:

Mick Marran, Senior Development Manager

Contact Number: 07929 825484

Consulted:

- Corporate Parenting Team, Surrey County Council
- Libraries & Cultural Services Team, Surrey County Council
- Family Resilience & Safeguarding Team, Surrey County Council
- Tandridge District Council
- NHS Surrey Heartlands Clinical Commissioning Group

Annexes:

Annex 1: Environmental Sustainability Assessment

Sources/background papers:

- Children's Centres Consultation Report (Tuesday 29th January 2019)
 - Library and Cultural Services Strategy 2020-2025
 - Surrey County Council Asset & Place Strategy 2019-2030
-