

Report of the Director of Adult Social Services

Report to Executive Board

Date: 18th December 2013

Subject: Request for authority to spend additional funds relating to the replacement of Rothwell Fulfilling Lives Building

Capital Scheme Number 14997ROT

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): Rothwell	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 The modernisation of day services for people with learning disabilities (the Fulfilling Lives Project) was in December 2012 given Executive Board approval to proceed with the transformation of the service formerly provided at Holmsley Green in Woodlesford.
- 2 The proposal is to replace the old west building with a new, state of the art facility, specifically designed with the needs of some of Leeds's most vulnerable citizens in mind. It will provide a daytime service for people with profound and complex learning disabilities and associated health care needs, enabling them to maximise their potential in an environment that is safe, stimulating and which delivers first-class care and support.
- 3 Throughout the planning phase the project has enjoyed enthusiastic support from service users and especially their family carers, who appreciate the potential for life-transforming opportunities for their sons and daughters. All are eager to see the project brought to fruition without delay.
- 4 The December 2012 Executive Board gave approval to replace the existing building with a new build facility on the same site and to incur expenditure, based on estimates, of £2,025,000 from the parent scheme, with the building component of the scheme amounting to a sum estimated at the time to be £1,756,038.
- 5 Following a procurement exercise, the most competitive price for the building element is now £2,049,196, which is £395,967 more than is available in the current

construction budget. The process followed and the reasons for the difference are fully explained in the report.

- 6 The proposal is to fund the gap with the transfer of £396,000 from within the uncommitted element of the existing Capital Programme on scheme 16771 ASC Community Capacity Grant into the learning disability capital programme.
- 7 As the revised total cost of this scheme now exceeds the previous Authority to Spend granted by Executive Board in 2012 by more than £100,000, a further Authority to Spend for this additional amount is therefore sought from Executive Board.
- 8 The delivery of this project/building contributes to the Best Council Plan objectives through the Better Lives Programme, and Ensuring High Quality Public Services.

Recommendations

- 1 Executive Board is recommended to note that this project will provide some of Leeds's most vulnerable and profoundly disabled citizens with a state of the art facility where they can enjoy daytime opportunities in a safe and stimulating environment.
- 2 Executive Board is recommended to note the on-going support and enthusiasm for the project from customers, their families and carers, together with their eagerness to see it brought to fruition.
- 3 Executive Board is recommended to note the intention to encourage and enable wider community use of the building and its facilities (para 8).
- 4 Executive Board is requested to note the increase in costs associated with the scheme to replace the now demolished Rothwell Fulfilling Lives (west) building with a new build facility on the same site and the steps taken subsequently to reduce this increase (para 6).
- 5 Executive Board is requested to approve the transfer of £396,000 from within the uncommitted element of the existing Capital Programme on scheme 16771 ASC Community Capacity Grant into the learning disability capital programme to cover these increased costs (para 7).
- 6 Executive Board is requested to approve a further Authority to Spend for this scheme up to a total of £2,421,000 which is an increase of £396,000 on the amount approved in December 2012.
- 7 Executive Board is asked to note that:
 - Subject to the necessary approvals, the aim is to award the contract in January 2014. Once the contract is awarded, work should begin on site within a few weeks of that date. The new centre will open in the autumn of 2014.
 - The Head of Service for Learning Disability will oversee the final delivery of this project.

1 Purpose of this report

- 1.1 The purpose of this report is to update Executive Board on progress to build a new, state of the art facility for people with profound learning disabilities and request Authority to Spend up to the revised total of £2,421,000. This is to cover the increased costs relating to the rebuilding of the Rothwell Fulfilling Lives Centre (west building) on Holmsley Lane in Woodlesford. Executive Board is also requested to approve the transfer of £396,000 from within the existing Capital Programme on scheme 16771 ASC Community Capacity Grant into the learning disability capital programme to cover these increased costs.

2 Background information

- 2.1 The plan for transforming day services for adults with learning disabilities was built on a detailed stakeholder consultation in Leeds, as well as the clear direction set by national policy, notably *Valuing People Now* and *Putting People First*.
- 2.2 The programme has seen a disinvestment from local authority provision and an overall efficiency in the way services are delivered. Three former day centre sites, Moor End, Horsforth and Rothwell (east building) have been closed and have been declared surplus to requirements of Adult Social Care.
- 2.3 The overall strategy for the Fulfilling Lives project is to support customers to move out of segregated settings and invest into a range of community buildings which will enable adults with learning disabilities to take an active part in community life alongside non-disabled citizens. This strategy has seen the creation of 17 new community bases and 14 Changing Place toilets city wide as a result of the learning disability day service modernisation programme. The new community bases have replaced the old day centres and offer a far wider variety of daytime opportunities, giving customers a wider choice and range of activity, which can be tailored to the individual's unique needs and wishes.
- 2.4 Investment is targeted at existing council buildings such as sports centres, alongside investment into voluntary, community and faith sector buildings which are used by non-disabled citizens, a key factor in integrating learning disabled citizens into the wider community. Where we are retaining existing Fulfilling Lives day centres, significant capital investment is being made to upgrade these facilities to better meet the needs of people with multiple disabilities in more specialised facilities.

3 Design Proposals and Service Description

- 3.1 The proposal is to replace the now-demolished Rothwell Fulfilling Lives (west building) on Holmsley Lane in Woodlesford. The replacement will be a bespoke, new-build facility on the existing site; it will be run by Adult Social Care's Learning Disability Community Support Service (the client).
- 3.2 The new Rothwell building at Holmsley Lane will effectively serve as a specialist day service base for adults with learning disabilities who have additional health needs in the south of the city. The building will also host health service staff who will provide nursing interventions to some customers throughout the day.
- 3.3 The demographic need for this facility was detailed in the December 2012 Executive Board report.

4 Improved outcomes for customers

4.1 The complexity of need of existing and potential future customers is considerable. This facility will be required to provide a service for people with complex, multiple health care and nursing needs in addition to their learning disabilities. In addition to the usual range of social and educational activities, Adult Social Care staff will work in close partnership with Health colleagues such as nurses, physiotherapists, occupational therapists and dieticians to provide:

- Epilepsy management
- Abdominal massage
- Pressure care and postural management
- Physiotherapy
- Diabetes management
- Healthy lifestyles training
- Administration of medication
- Enteral feeding
- Continence management (including colostomy, stoma and catheter care)
- Behavioural management

4.2 The building will require a number of specialist facilities to meet the complexity of need of customers described earlier and these can be purpose built in a new building. These facilities include:

- A rebound therapy room with floor level trampoline
- A sensory room
- Dedicated medical room to support the work of NHS staff based there
- Dedicated discreet space for enteral tube feeding
- Charging stations and areas for electric wheelchairs
- Purpose built physiotherapy and postural management room
- Changing Place standard toilet and changing facilities
- Tracking hoists throughout many areas

4.3 The concept of the building and the service it will deliver has been devised following extensive consultation with customers, their families and carers. The new community bases established in other areas of the city in replacement of the old, large-scale day centres are working well for people with less profound learning disabilities. The new Holmsley Lane centre will fill the gap that now exists for people with profound learning disabilities who do not as yet benefit from a modernised service. As a result, customers, parents and carers have high expectations of and are eagerly waiting for the new facility.

4.4 Once completed in September 2014, the new Rothwell building will provide a state of the art, bespoke facility which will better meet the needs of learning disabled customers with the most profound needs.

5 The replacement of Rothwell Fulfilling Lives Building

5.1 In the summer and autumn of 2011 the Fulfilling Lives Project, which includes Changing Places, received approvals from Executive Board to move on to the next phase of project delivery. This included the plan to retain one half of the Rothwell site and create a new specialist facility to meet the needs of customers with complex health needs in the south of Leeds.

- 5.2 Norfolk Property Services (NPS) carried out the options appraisal to consider four potential options to either remodel or replace the existing building at Rothwell. It was the view of officers, Project Board, Directorate Leadership Team and Asset Management Board that, in terms of long-term functionality and more efficient running costs, the preferred option for the service was to demolish the existing building and build a new building on the current site.
- 5.3 In December 2012 Executive Board gave approval for the preferred option to replace the existing building with a new build facility on the same site and to incur expenditure of £2,025,000 from the parent scheme, of which construction costs were estimated at £1,756,000 based on the RIBA stage D scheme design.
- 5.4 The former Rothwell Fulfilling Lives (west building) was closed at the end of July 2012. The remaining customers have temporarily decanted to West Ardsley Fulfilling Lives centre to allow the new building to be developed on the Rothwell (west) site. The smaller Rothwell east building was closed and declared surplus to requirements of Adult Social Care. The Rothwell west building was demolished in May 2013.
- 5.5 Once completed, the new Rothwell building will provide a state of the art, bespoke facility for our customers with the most profound needs. It will provide a service for all the customers remaining at West Ardsley and is eagerly awaited by them and their family carers. This will allow the West Ardsley site to become surplus to the requirements of Adult Social Care, subject to the appropriate approvals. This will complete the modernisation of learning disability day services in the south of the city.

6 Request for Authority to Spend

- 6.1 Work has progressed on schedule and the existing day centre building was demolished in May 2013. Due to the unforeseen need for extensive asbestos removal, the cost of this demolition was considerably higher than was budgeted for in the stage D estimate. This has left the scheme with an available construction budget of £1,653,229.
- 6.2 A competitive tendering exercise for the construction contract has been undertaken using the YORbuild Procurement Framework which has been overseen by the Public Private Partnerships and Procurement Unit. The tenders submitted by the five competing contractors were however significantly above the available construction budget of £1,653,229 and range between £2,166,000 and £2,604,000.
- 6.3 Given the significant difference between the RIBA stage D estimate and the quotes received under the YORbuild Procurement Framework tendering, an independent post-tender evaluation exercise was commissioned by NPS. This was undertaken by Turner and Townsend. They were not advised of either the original tender prices or the RIBA stage D estimate, to ensure they gave a totally independent estimate. They produced a revised estimate pitched between the lowest and highest tender returns for the construction work. The most competitive bid from the original YORbuild tender is therefore seen as offering value for money in the current market. It was felt therefore that there would be no benefit and some considerable risk in retendering the scheme in the open market.
- 6.4 The specification of the new centre has been continually revised downwards through value engineering as the scheme has progressed. The client advised that the facilities and design could not be reduced further without significantly compromising the functionality of the building. Despite this, in the light of the

potential shortfall, a further value engineering exercise was undertaken post-tender by the project team, technical project manager and NPS. This centred on bringing project costs down by identifying changes to the scheme design, building materials, specification, fixtures and fittings which could reduce costs without compromising further the functionality of the building.

- 6.5 The post tender schedule of reductions was developed by NPS in conjunction with each of the tenderers and the client and the decision was taken to request a price resubmission from the YORbuild Procurement Framework contractors on this revised specification, after discussions between the Head of Service and Chief Officers following an options appraisal.
- 6.6 One significant consideration is that the plans for the new centre have received considerable support from all key stakeholders. Failure to deliver the proposed scheme and to fulfil commitments made to customers, carers and local ward members could result in significant reputational damage for the Council. Additionally the demolition of the existing building has now removed the alternative option of refurbishing this building.
- 6.7 Following the resubmission, the most competitive price was £2,049,196. A further reduction of £116,804 has therefore been achieved through the scheme reduction exercise. This figure is still however £395,967 more than is available in the current construction budget, having taken into account the additional costs of demolition and asbestos removal.
- 6.8 There appear to be a number of factors which may account for the difference between the Stage D estimate and the most competitive tender price. These being:
- a) One of the factors appears to be that the original Stage D estimate was undertaken at a time when the market was highly competitive and that BCIS All in Tender price Indices are now showing increases, which is reflected by the recent experience of other NPS offices.
 - b) The actual cost of demolishing the existing centre and removing the asbestos was greater than anticipated
 - c) NPS advise that the tendering market at present is quite volatile for medium-sized projects such as this.
- 6.9 Given the difference in price between RIBA Stage D and the current position the assumptions which underpinned the original business case have been revisited and a value for money exercise has been carried out on the current pricing. These exercises have shown that the rebuild of Rothwell still the most appropriate solution for the needs of the population in that area of Leeds and that the lowest price does represent value for money.

7 Funding the difference

- 7.1 Adult Social Care propose to fund the gap between the lowest tender and the available construction budget with the transfer of £396,000 from within the existing Capital Programme on scheme 16771 ASC Community Capacity Grant into the learning disability capital programme.
- 7.2 As the revised total cost of this scheme now exceeds the previous Authority to Spend (ATS) granted by Executive Board in 2012 by more than £100,000, a further

Authority to Spend for this additional amount is therefore sought from Executive Board.

- 7.3 Subject to the necessary approvals, the aim is to award the contract in January 2014. Once the contract is awarded, work should begin on site within a few weeks of that date. The new centre will reopen in the autumn of 2014, with the revised programme outlined in the following table.

Revised programme due to Tender re-submission , Rothwell Fulfilling Lives Centre		
Completion Date	Activity	Period in weeks
01/11/13	NPS submit tender report	1
18/12/2013	Executive Board- Approve transfer of additional funding and grant authority to spend additional funding	5
13/01/2014	Call in period expires	3.5
17/01/2014	Contract award to successful tenderer	0.5
10/02/2014	Contractor start on site	3
29/09/2014	Contractor complete on site	32

8 Corporate Considerations and Community Integration

- 8.1 Part of the bespoke design of the new building would be for a purpose built community room with catering facilities which would be available for use by other local community groups on evenings and at weekends.
- 8.2 This room, as well as generating a small income, will help bridge the gap between the service and the local community and as such promotes *Valuing People* objectives such as social integration and community participation.
- 8.3 Adult Social Care has developed a number of close partnerships with voluntary, community and faith sector organisations in the south of the city throughout the modernisation process. It is anticipated that the community space will be the catalyst for developing new partnerships and links to local community groups in addition to those existing partners.

9 Consultation and Engagement

- 9.1 City-wide consultation has shown that family carers valued the respite service that day service buildings provide but felt that most of the old centres were in poor condition and segregated locations. All areas proposed that either their local centre be refurbished or replaced with a smaller more modern building closer to community facilities.
- 9.2 Local area consultation has further emphasised the need to base Adult Social Care day services in socially inclusive environments rather than traditional, segregated settings. It is however recognised that we have a growing number of customers with complex needs and therefore more specialised facilities will continue to be required in each area of the city to ensure their needs can be met.
- 9.3 Detailed plans have been shared with stakeholders of the proposed new facility. All stakeholders have been strongly in favour of the new-build option. Failure to deliver the proposed scheme and to fulfil commitments made to customers and

carers could therefore result in significant reputational damage for the Council. The keen anticipation with which the proposed new centre is awaited by customers and their families should not be under-estimated.

9.4 Consultation with Ward Members and the Executive Member has been met with strong support for the scheme.

10 Equality, Diversity, Cohesion and Integration

10.1 A screening document has been prepared and an independent impact assessment has been completed for the scheme. This was previously published with the report to the Executive Board in December 2012.

11 Council policies and City Priorities

11.1 The overall approach and proposals for change in this report are consistent with the reports agreed by Executive Board in January 2009 and September 2011. In addition, the proposals outlined in this report support both the local 'Better Lives' agenda and national policy agendas around improving the lives of people with learning disabilities and addressing human rights issues.

11.2 The strategy also supports the Leeds Joint Health and Wellbeing Strategy 2013-2015 through contributions to the outcomes of:

- People will live longer and have healthier lives
- People will live full, active and independent lives
- People will enjoy the best possible quality of life
- People are involved in decisions made about them
- People will live in healthy and sustainable communities.

12 Resources and value for money

12.1 The revised Full Scheme estimate is shown in the table below:

	BUDGET	
	11-Dec-12	Capital Costs 24-Oct-13
COSTS		
Total Construction estimate – lowest bid after scheme reduction and resubmission	£1,756,000	2,049,196
Demolition of existing building and asbestos removal	Included above	105,049
FEES	197,600	
NPS Option and Feasibility		13,840
NPS Design and Contract Administration		181,482
Client - Soft furnishings and ICT connection	71,400	71,400
Total	2,025,000	2,420,967
PREVIOUSLY APPROVED BUDGET & AUTHORITY TO SPEND		<u>2,025,000</u>
Additional funding from Community Capacity Grant for which ATS is sought		395,967

- 12.3 Revenue Effects: There are no revenue implications of this decision
- 12.4 Asset Management Board has previously supported the preferred option of a new build solution and the approach to finance the scheme. They advised that the project team employed, on a part time basis, an independent project manager from City Development who has provided the technical knowledge to robustly challenge cost figures provided by NPS and building contractors where appropriate.
- 12.5 In addition to the scheme reduction exercise mentioned earlier, the project team have undertaken three separate “value engineering exercises” at various stage of the development to ensure the Council achieves best value for money from the scheme.

13 Legal Implications, Access to Information and Call In

- 13.1 The provision of in-house day services is not a statutory duty of the Council and therefore there are no explicit legal risks associated with providing for customers needs in a different manner.
- 13.2 This is a key decision and also as a decision to be taken by Executive Board is subject to call in.

14 Risk Management

- 14.1 This scheme will be delivered by Norfolk Property Services through a structured project management approach. This will involve the use of a formal risk register as a tool for managing risks in terms of their probability and impact.
- 14.2 The project manager from City Development will help to identify and manage risks on behalf of the project team as part of his remit.
- 14.3 The wider day service modernisation project is be delivered through a structured Delivering Successful Change project management approach including appropriate governance and risk management frameworks under the supervision of the Project Board and the Programme Office.

15 Conclusions

- 15.1 The proposed works at Rothwell Fulfilling Lives Service represent appropriate spend against the Learning Disabilities Capital Scheme.
- 15.2 The asset strategy for day services modernisation is in line with Council strategy in terms of co-location and rationalisation of council assets, and is releasing £2,770,000 of capital receipts as at 2011 valuations.
- 15.3 To date 21 buildings have been invested into and collectively these have been delivered at an under spend of £60,000 from the original estimates and budget.
- 15.4 Adult Social Care propose that the additional funds requested in this report are met by the transfer of £396,000 from within the unallocated element of the existing Capital Programme on scheme 16771 ASC Community Capacity Grant into the learning disability capital programme
- 15.5 As this figure would exceed the previous Authority to Spend (ATS) granted by Executive Board in 2012 by more than £100,000, a further ATS for this additional amount is therefore sought from Executive Board.

- 15.6 The works will ensure that Rothwell Fulfilling Lives will meet the needs and aspirations of the most vulnerable learning disabled people of South Leeds. They and their families have made their views well known through extensive consultation. They have high expectations of a service provided by their local authority and the completion of this scheme will fulfil the Council's commitments to customers, carers and the local community.

16 Recommendations

- 16.1 Executive Board is recommended to note that this project will provide some of Leeds's most vulnerable and profoundly disabled citizens with a state of the art facility where they can enjoy daytime opportunities in a safe and stimulating environment.
- 16.2 Executive Board is recommended to note the on-going support and enthusiasm for the project from customers, their families and carers, together with their eagerness to see it brought to fruition.
- 16.3 Executive Board is recommended to note the intention to encourage and enable wider community use of the building and its facilities (para 8).
- 16.4 Executive Board is requested to note the increase in costs associated with the scheme to replace the now demolished Rothwell Fulfilling Lives (west) with a new build facility on the same site and the steps taken subsequently to reduce this increase (para 6).
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- 16.7 Executive Board is asked to note that:
- Subject to the necessary approvals, the aim is to award the contract in January 2014. Once the contract is awarded, work should begin on site within a few weeks of that date. The new centre will reopen in the autumn of 2014.
 - The Head of Service for Learning Disability will oversee the final delivery of this project.

17 Background documents¹

Nil

¹ The background documents listed in this section are available for download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.