



# **Neighbourhood Hubs Business Case**

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## 1.0 Executive summary

This business case represents the culmination of over 12 months work with a number of partners to define and develop a detailed cost proposal which will provide accessible voluntary community services to the citizens of Newport.

This project offers a step change in how, as an authority, we deliver Neighbourhood voluntary accessed services and offers a completely new experience for customers, staff, partners and Stakeholders. As an authority we have an opportunity to place ourselves at the forefront of service delivery offering a 21<sup>st</sup> century offer and sustaining this for the future of all Newport Citizens.

If as an authority we do not consider the bold decisions required of the public sector there is a distinct possibility that the option of change will not be available to us in the future.

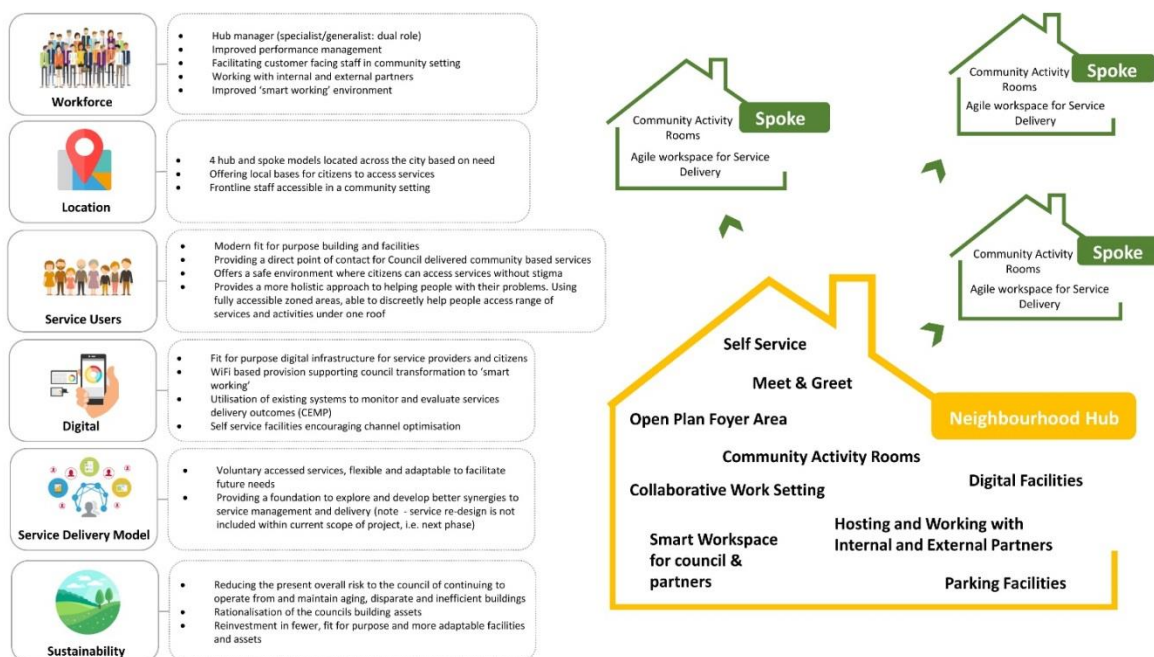
The current method of service delivery provides the Council and citizens with a number of challenges including:-

- The sustainability of the buildings.
- The fragmented services provided to residents.
- Accessibility for residents due to different services being provide from different buildings.
- Buildings that are not fit for purpose.
- Compliance with the obligations of the Future Generations Act.

The Neighbourhood hub model of service delivery has been successfully implemented by a number of other local authorities, with Cardiff providing a blue print for the Newport hub development.

The benefits of this approach include enhanced service provision through; co-location with other agencies; greater integration of services; improved operational and performance management; better ICT provision and the development of estates and facilities which are fit for purpose. As a consequence the Council will benefit from a more sustainable capital asset plan for our buildings and facilities which will enable the delivery of a more cost effective service and realise significant revenue savings.

The diagram below details the overall structure of the hub model, the hub relationship with the satellite offices (spokes) and its functionality.



The location of the Neighbourhood Hub's within Newport was determined using strategic needs analysis to align the location with citizen needs. The preferred hub locations as a result of the analysis are:-

- North Hub – Bettws Community Centre (Spokes – Malpas, Shaftsbury)
- East Hub – Ringland Community Centre (Spokes – Alway, Somerton, Newport East, Beaufort Centre)
- Central Hub – Pill Millennium Centre (Spokes – Old Pill Library, Community House)
- West Hub – Maesglas Community Centre (Spokes – Gaer, Duffryn)

## Options

In addition to the “do-nothing” option, a further two options were analysed to determine a recommended approach for the Council.

- Option 1 - Continue delivering community services in its current format
- Option 2 - Implement a city wide Neighbourhood Hub programme (4 Hub Model).
- Option 3 - Pilot single hub for design and development purposes and in principle agreement for full implementation.

<b>Option 1 – Continue delivering community services in its current format</b>	<b>Pros</b>	<b>Cons</b>
<p>Continue delivering community services in its current format. No Change</p>	<ul style="list-style-type: none"> <li>• Maintain status quo with all partners and staff.</li> <li>• No investment required from LA</li> </ul>	<ul style="list-style-type: none"> <li>• No improved community facilities</li> <li>• No improved access to services</li> <li>• No improved integration of services</li> <li>• No area delivery model</li> <li>• Buildings continue to deteriorate which exposes NCC to additional capital costs</li> <li>• Difficult to meet Future Generations act obligations</li> </ul>

<b>Option 2 – Implement a City Wide Neighbourhood Hub programme ( 4 Hub Model)</b>	<b>Pros</b>	<b>Cons</b>
<p>Implement a city wide Neighbourhood Hub programme (4 Hub Model)</p>	<ul style="list-style-type: none"> <li>• Improved facilities across the city</li> <li>• Improved access to services for residents</li> <li>• Improved services to residents and partners</li> <li>• Realisation of savings</li> <li>• More likely to comply with the Future Generations act</li> <li>• Reduced building maintenance backlog exposure.</li> <li>• Greater flexibility to sustain services with reduced funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Large investment required from LA</li> <li>• Long periods of disruption to services and users</li> </ul>

<b>Option 3 - Pilot single hub for design and development purposes and in principle agreement for full implementation</b>	<b>Pros</b>	<b>Cons</b>
<p>Pilot single hub for design and development purposes and in principle agreement for full implementation</p>	<ul style="list-style-type: none"> <li>• Improved facilities across the city</li> <li>• Improved access to services for residents</li> <li>• Improved services to residents and partners</li> <li>• Realisation of savings</li> <li>• More likely to comply with the Future Generations act</li> </ul>	<ul style="list-style-type: none"> <li>• Investment required from the LA</li> <li>• Period of disruption for services users, partners and staff.</li> </ul>

Option 3 - Pilot single hub for design and development purposes and in principle agreement for full implementation	Pros	Cons
	<ul style="list-style-type: none"> <li>• Reduced building maintenance backlog exposure.</li> <li>• Greater flexibility to sustain services with reduced funding.</li> <li>• Limited initial investment to test the model before rolling it out</li> </ul>	

## Finance

The baseline costs, funding options, cost rationalisation and required investment by Newport City Council (NCC) are detailed in the tables below.

	Option 1	Option 2	Option 3
<b>Revenue</b>			
Baseline operating cost - £m	£2,120k	£2,120k	£2,120k
Rationalisation savings - £k's/annum – ( staffing costs)	Nil	£654k	£654k

<b>Capital</b>			
Total Investment required	Nil	£3,992k	£1,720k
Capital funding sources			
Grant – assume 50% success rate	Nil	£2,967k	£969k
NCC	Nil	£1,025k	£751k

<b>Net Revenue Savings</b>			
Net annual revenue savings ( post NCC financing costs and rental of Hub 4 option 2	Nil	£524k	£592k

Whilst the above table shows the financial impact of assuming a 50% success rate in grant awards, consideration should also be given to utilising some of the savings in early years to reduce the borrowing requirement before taking the remainder in following years.

## Recommended option

The recommended option (3) is to pilot a single hub for design and development purposes and an in principle agreement for full implementation of the hub model. The key reasons are that the pilot option will enable the Hub and Spoke approach to be tested and refined prior to

the wider role of the approach across the City. It also minimises initial investment required by the Council in order to implement and reduces the risk of systemic issues.

If the recommended option is chosen the timescales and milestones are highlighted below.

ID	Task Name	Start	Finish	Duration	Q2 18		Q3 18			Q4 18			Q1 19			
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
1	<b>Approvals</b>	30/04/2018	15/06/2018	34d												
2	SLT	30/04/2018	30/04/2018	0d												
3	Cabinet	15/06/2018	15/06/2018	0d												
4	<b>Engagement and Consultation</b>	15/06/2018	17/09/2018	67d												
5	Staff	15/06/2018	17/09/2018	67d												
6	Communities	15/06/2018	17/09/2018	67d												
7	Partners and Stakeholders	15/06/2018	17/09/2018	67d												
8	Members	15/06/2018	17/09/2018	67d												
9	<b>Ringland Hub - Design and Build</b>	30/04/2018	24/05/2019	280d												
10	<b>Design, planning, Procurement</b>	30/04/2018	14/01/2019	186d												
11	Norse Design	30/04/2018	19/11/2018	146d												
12	Planning	23/10/2018	14/01/2019	60d												
13	Procurement and Award	20/11/2018	14/01/2019	40d												
14	<b>Construction</b>	15/01/2019	24/05/2019	94d												
15	Construction	15/01/2019	06/05/2019	80d												
16	Handover	07/05/2019	24/05/2019	14d												
17	<b>Rationalisation - Buildings</b>	15/06/2018	27/05/2019	246d												
18	Plan building closure	15/06/2018	24/05/2019	246d												
19	Close or handover buildings	27/05/2019	27/05/2019	0d												
20	<b>Staffing</b>	15/06/2018	04/12/2018	122d												
21	Consultation	15/06/2018	31/08/2018	56d												
22	Notice	03/09/2018	03/12/2018	66d												
23	Staff release	04/12/2018	04/12/2018	0d												
24	Restructuring	15/06/2018	31/08/2018	56d												
25	<b>Funding</b>	30/04/2018	29/03/2019	240d												
26	Applications	30/04/2018	28/09/2018	110d												
27	Outcome	31/05/2018	29/03/2019	217d												

## 2.0 The purpose of the opportunity

The purpose of the proposal is to create a vehicle through which NCC and public/third sector partners are able to deliver a range of voluntary accessed neighbourhood services that are accessible to the public by developing facilities suitable for the 21<sup>st</sup> century.

Currently NCC delivers its community services through a number of different programmes, delivered from a number of community buildings. This method of delivery provides the Council with a number of challenges, such as;

- Fragmented services offered over a wide geographic area.
- Accessibility for residents due to different services being provided from different buildings.
- Buildings that are not fit for purpose.
- Compliance with the obligations of the Future Generations Act.
- Traditional service provision.
- Lack of sustainability into the future

The Neighbourhood Hubs proposal provides NCC and public sector partners with an opportunity to rationalise services and create more focussed investment into;

- Community Facilities – Modernised facilities which citizens of Newport will access
- Integrated Services – A level of services that create a one stop shop affect for the customer
- Co-located Services – Cost affective services that are linked for the benefit of the customer
- Accessible services – Using the latest digital advances so that the customer is offered the most accessible services
- Enhance community involvement – A key aspiration of the project is to advance community engagement in all areas of development
- Tackle specific determinants of deprivation – sustainable long term solutions to poverty
- Eliminate duplication – make this the most cost effective route to providing service to and with customers



### 3.0 Definition of the opportunity

#### What is being proposed?

The proposal addresses the needs of customers who use voluntarily accessed services by enhancing service provision through:

- The creation of a co-located, multi-agency voluntarily accessed service model, which will be delivered from a range of hub and spoke locations across the City.
- Improved operational and performance management of voluntarily accessed services through the development of a multi-skilled, holistic management structure that endeavours to build social capital.
- Establishment of a digital infrastructure which is capable of meeting the ICT requirements as determined.
- Development of estates and facilities to ensure they are fit for purpose to deliver the new '*smart working*' model of working
- *Provision of technology enabled facilities with greater emphasis on public accessed service delivery spaces and lower emphasis on private workspace.*

Improve the long term financial position of delivering voluntarily accessed services by:

- Offering a more sustainable capital asset plan for our buildings and facilities within the defined neighbourhood hub and spoke model.
- Delivering a more cost effective service which fits within the council's financial envelope.
- Delivering revenue savings through co-location and *as a result, greater utilisation of shared facilities.*

#### Current Position

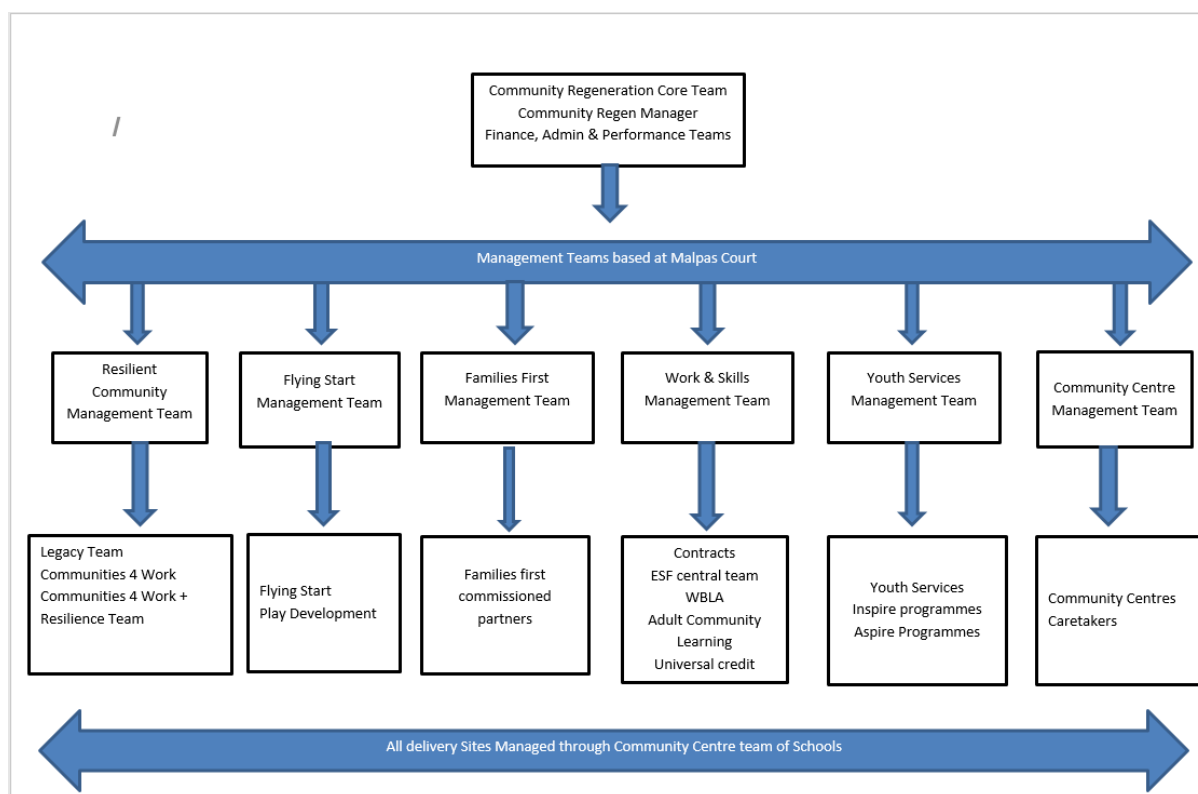
Currently neighbourhood services are delivered through a number of community facilities that include schools, community centres, churches and library buildings a using programme led management structure.

The current services delivered are;

- Families First – Providing families with help, advice and support to prevent current issues from becoming worse.
- Flying Start – Providing children aged 0 – 4 years of age living in disadvantaged areas with child care, enhanced health visiting, support with speech and language skills and parenting skills for adults.
- Community Centres – Providing suitable venues for groups to visit to gather information support and hold events.
- Work, Skills & Training – Supporting residents to gain qualifications, further skills, and to gain and sustain employment.
- Legacy – Providing support to young people to gain qualifications and achieve employment. Supporting community development workers to support community groups.

- Library Services – Delivering library services across the city from various locations.
- Youth Service – supporting young people to access support required to receive advice and guidance that will result in a positive experience during their young life.
- Play Development – Providing play across the city to children in school settings, providing play schemes and supporting parents and professionals to understand the importance of play.
- Health Board – Providing community services to residents such as speech and language therapy and health visiting.
- Careers Wales – Providing careers advice and services to local residents.
- Newport City Home – Providing housing support and advice to NCH tenants and residents.

The service delivery model is currently based on a funder first model. Each programme has its own management finance and admin teams and delivers its services across the city.



This structure is delivered by 196 FTE staff across the city. The current management structure that delivers these services is set up as described above.

The current budget that underpins this structure is mixture of core, contract and grant funding from internal and external sources.

The table below demonstrates the current funding model.

Programme	Source	Budget
Families First	Welsh Government	2,384,663

Flying Start/ Play	Welsh Government	5,592,686
Work & Skills	DWP/ Welsh Government/ Coleg Gwent	1,200,000
Communities	Welsh Government	1,308,245
Youth Services	Core/ Welsh Government	411,317
Community Regeneration	Core	204,471
Total		11,101,536

NCC currently subsidises the operation by providing repairs and maintenance services, utility bills, facilities management and provision of corporate functions. This level of support over 74 separate facilities is not a sustainable or efficient position for NCC.

### Current Challenges

The current structure, although delivering results to funders, does not provide an effective service to citizens and creates a delivery model that cannot overcome the following issues.

- Lack of integration – the model programmes are managed and delivered in isolation from a number of different buildings. Officers do not consider the wider service as a integration solution for the residents of Newport.
- No focus on area solutions – The current model only considers the requirements of the funder and not the requirements of a specific area. Services are delivered regardless of customer need.
- No accountability for geographical areas – The current model does not coordinate area activity on a geographical basis and programme officers are only accountable for their specific programme. There is not joined up efficient approach that takes responsibility for a geographical area.
- Complicated delivery model – due to the number of programmes delivered across Newport and the current model of delivery, it has become complicated from both a residents and partners perspective to identify programmes that can support needs and where those programmes are delivered from.
- Access to services - due to the high number of facilities NCC deliver services from it is not clear to residents and partners where and how to find support.
- Quality of facilities – budget constrains limits the ability of NCC to maintain the appropriate level of investment required to improve the current large building stock to the desired adaptable and quality standard necessary to keep pace with changing demands and digital advancements.
- Quality of services – The provision of services to residents is disjointed and not integrated due to the current model of delivering a high quality customer service experience from multiple locations of variable but often poor quality facilities.

### Risks

The current model of delivery provides risks to the service that is delivered to residents.

Risk	Rating	Explanation
Potential closure/transfer of buildings	High	Spreading budgets thinly across multiple facilities does not provide the appropriate level of investment required to improve

Risk	Rating	Explanation
		buildings to the correct standards. If major work is required then buildings may need to be closed due to a lack of investment funding.
Reduction in funding	High	Reduction in funding will reduce service provision and will no longer support the current level of asset provision.
Requirement to meet future MTRP commitments	High	All non-grant funding could be affected .
Inability to meet the requirements of the Future Generations act	Med/High	The current position will not produce a sustainable and effective operation going forward and does not allow the organisation to plan its services based on the needs of the citizen.

## Proposal for Neighbourhood Hubs

### Vision for the new approach

“To develop an approach for delivering voluntarily accessed services, which meet the needs of our customers, in line with local and national policies and strategies with consideration of the Council’s financial envelope.”

### Development of the Neighbourhood Hub model

In 2015, a working group was established to explore the rationale for developing a neighbourhood hub model for improving the experience of customers who use voluntarily accessed services delivered by the council. For the purposes of this project ‘voluntarily accessed services’ are termed as those services which are delivered in a neighbourhood setting and are accessed on a voluntary basis by the customer.

In an evaluation of Children’s Centres in England (ECCE) Goff et al. (2013) define a hub and spoke model as follows:

*“a hub centre has responsibility for co-ordinating services across one or more satellite or ‘spoke’ centres. Hub centres have their own leaders, and spokes may or may not be led by an individual centre manager (or deputy). The hub may provide core services that are not available in spoke centres”*

The working group gave consideration to the asset portfolio of neighbourhood centres and the increasing backlog maintenance and capital investment required to maintain these buildings. The working group suggested that a neighbourhood hub and spokes model could be an opportunity to address this issue if the council agrees to put a management process in place of its property portfolio. The work produced from the group also provided rationale to develop a full business case and options appraisal, which will be led by a formal project team within the Council’s Change Programme.

In December 2016, the Council's Change Programme Board agreed to establish a formal strategic project approach to deliver a business case to explore options for the future delivery of voluntarily accessed services in the form of a neighbourhood hub model. In January 2017, a formal project team was established within the Council's Change Programme governance to carry this work forward.

Benchmarking a range of hub models from across the UK was undertaken as part of the development of the Newport model. These included Bristol, Cornwall, Sunderland, Kent and Cardiff. The successful implementation of the Cardiff City Council Hub model has been used as an exemplar for the design of the Newport Neighbourhood Hub model.

Newport City Council commissioned a study to consider how a more cost effective and sustainable set of requirements for hubs and spokes could be determined if the council and its partners adopted a new way of working. This change put greater emphasis on converting previously dispersed and often duplicated private office space to front line service delivery space and as a result enables the council to get better utilisation from a reduced building stock. This aligns with the council's focus on consolidating back-office and administrative activities and putting greater emphasis on citizen facing service delivery activities in local Hub and Spoke assets.

Newport City Council have explored options for more effective and sustainable service delivery through a Neighbourhood Hubs approach. The services in scope have been agreed by the Strategic Group as those which are accessed by individuals on a voluntary basis such as:

- Families First
- Flying Start
- Community Centres
- Work, Skills & Training
- Communities First
- Library Services
- Youth Service
- Play Development
- Community Connectors.

This will enable the Council to provide a more effective and sustainable service delivery model for voluntarily accessed services. However, in line with the Well-being of Future Generations Act (Wales) 2015 the Council will continually evaluate the needs of its citizens and broaden the scope of the services included in line with the city's changing needs.

The implementation of Neighbourhood Hubs will provide better facilities, access to multiple services at one location, and integrated services with potentially one door of entry for residents to gain support.

In order to achieve our vision the approach was designed with the following considerations;

**Facilities** – The aim of the project will be to provide a welcoming environment that is accessible for residents and partners, the facility will have all IT solutions and digital platforms for all users to be able to interact.

**Multiple Services** – The facility will be able to support a number of services, programmes and projects ensuring that residents are able to access the support they require during a single visit.

**Integrated services** – This will be achieved through two ways;

The first will be a single management teams for the area, the management team will be responsible for all delivery ensuring customers receive tailored support. The management team will also be responsible for identifying needs within the area and working with stakeholders to develop fit for purpose services bespoke to the area.

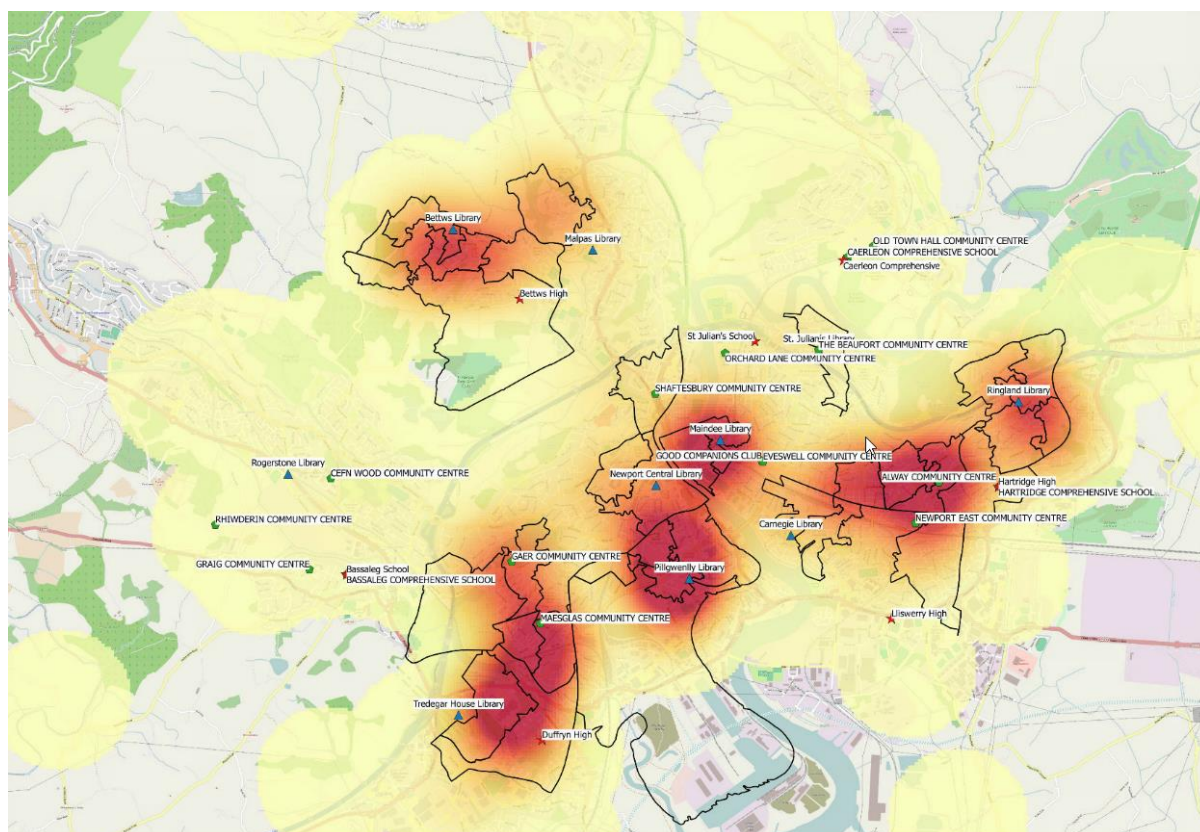
The second will be the introduction of a single monitoring programme that all projects and programmes will utilise; this allows colleagues to see interventions already delivered by colleagues and avoids duplication, again providing a focused service for residents.

## Hub Location and operation

In order to determine the optimum location of the Neighbourhood hubs a strategic needs analysis was undertaken which considered the following factors.

- **Geography**  
Determine the optimum locations be across the city that would reduce residents travel time. Ensure that are residents most in need of services are able to access facilities.
- **Existing Assets**  
To reduce the cost to the council we will seek to reinvest into existing assets rather than building new ones. We have assessed current facilities and the financial costs for developing these.
- **Deprivation Need**  
An analysis of current service users across the city was undertaken; this was then compared with the information produced through the ward profiles. Heat maps were produced to demonstrate these areas (as demonstrated in the graphic below).
- **Current service provision**  
An analysis of current services delivered from communities has been reviewed, those services do reflect the areas of need identified. Additionally those services demonstrate a level of duplication and synergy. Therefore the requirement to align services in communities through a Hub model is recommended.

Appendix 1 - details the data maps that provided the evidence for the chosen locations. : The analysis demonstrated that when the criteria was assessed and mapped geographically that the locations were clearly identifiable, as demonstrated ion the map below.



The strategic analysis identified 4 key locations. These are :-

- North Hub – Bettws Community Centre (Spokes – Malpas, Shaftesbury)
- East Hub – Ringland Community Centre (Spokes – Always, Somerton, Newport East)
- Central Hub – Pill Millennium Centre (Spokes – Old Pill Library, Community House)
- West Hub – Maesglas Community Centre (Spokes – Gaer, Duffryn)

The actual physical assets which will house the hubs were determined by taking into consideration which assets were owned by NCC and the capacity and accessibility requirements. Each hub will be redesigned to look and feel like a modern open community facility. It has been acknowledged that significant investment will be required to make each hub fit for purpose.

The hub will act as the central delivery point and will have responsibility for co-ordinating services across a range of smaller satellite/spoke centres. Each will provide a range of voluntarily accessed services dependant on identified need in their respective geographical area.

Each hub will provide the following:

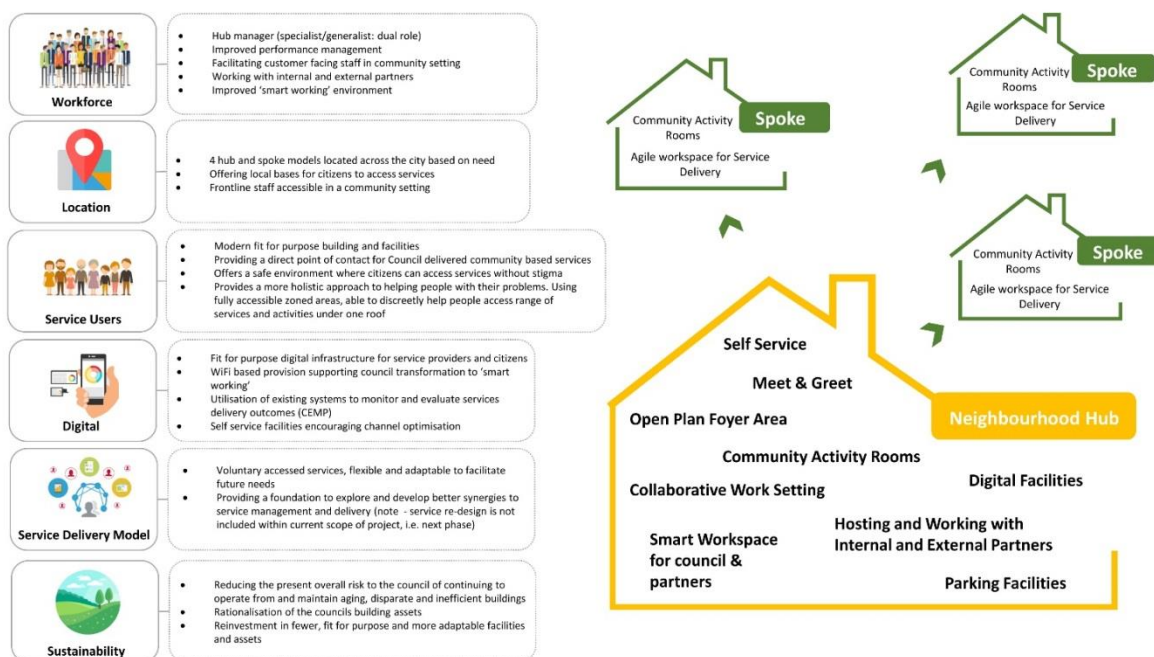
- a range of voluntary accessed services based on local need
- Co-location of internal community based services

- maximising collaborative partnerships and integrated working, sharing non private and open worksettings for complimentary organisations e.g., Newport City Homes
- adopting agile working practices across NCC staff and partner organisations, utilising non private space and facilities in public accessible drop-in areas and bookable rooms
- room & facilities hire for NCC services, partnership organisations, community groups and the public
- a shared meet and greet function
- centralised back office staff teams i.e. grant funded finance services
- WiFi : Access to private secure NCC networks with separate Public networks including free WiFi for public use
- access to fixed public computer terminals and loaned mobile devices for internet access

Spokes will provide:

- a range of voluntary accessed services based on local need
- room hire for NCC services, partnership organisations, community groups and the public
- agile working facilities for NCC staff and partner, including public accessible drop in areas and bookable rooms
- free Wi-Fi access to fixed public computer terminals

### Functionality of the Neighbourhood Hub





The co-location of internal services and collaborative partnership working will ensure a holistic service delivery model. This will enable colleagues to refer cases in a more direct route, though a deeper understanding of one another's activities. Hubs and spokes will be flexible with their opening hours to meet the needs of the individuals and co-located services, with expected operating hours to include evenings and weekend working. All services in scope will share multi-agency operating policies and procedures. After Cabinet approval a formal staffing structure incorporating all changes to base and working conditions will be ratified through a 45 staff day consultation.

Each geographic area i.e. East, Centre, North, West will employ a full time Hub Manager who will hold specialist responsibility for a specific service delivery area i.e. Flying Start but will be operationally responsible for all service areas operating from the hub and spokes within their geographic remit. Further to this they will manage the client relationship with respective partner organisations and co-located services. They will have overall responsibility for facilities management for all NCC owned assets within their across their locality.

All service delivery/operational staff will continue to work in the same service specific areas as they currently do, however their base of location and delivery area will change in line with locations/needs of the hub and spoke facilities. Back office staff such as administrative and finance will co-locate to the hub or the civic centre depending on capacity requirements.

## **Buildings**

A by-product of the hub development is the opportunity to review the asset base required in order to deliver effective and efficient community services to the citizens of Newport.

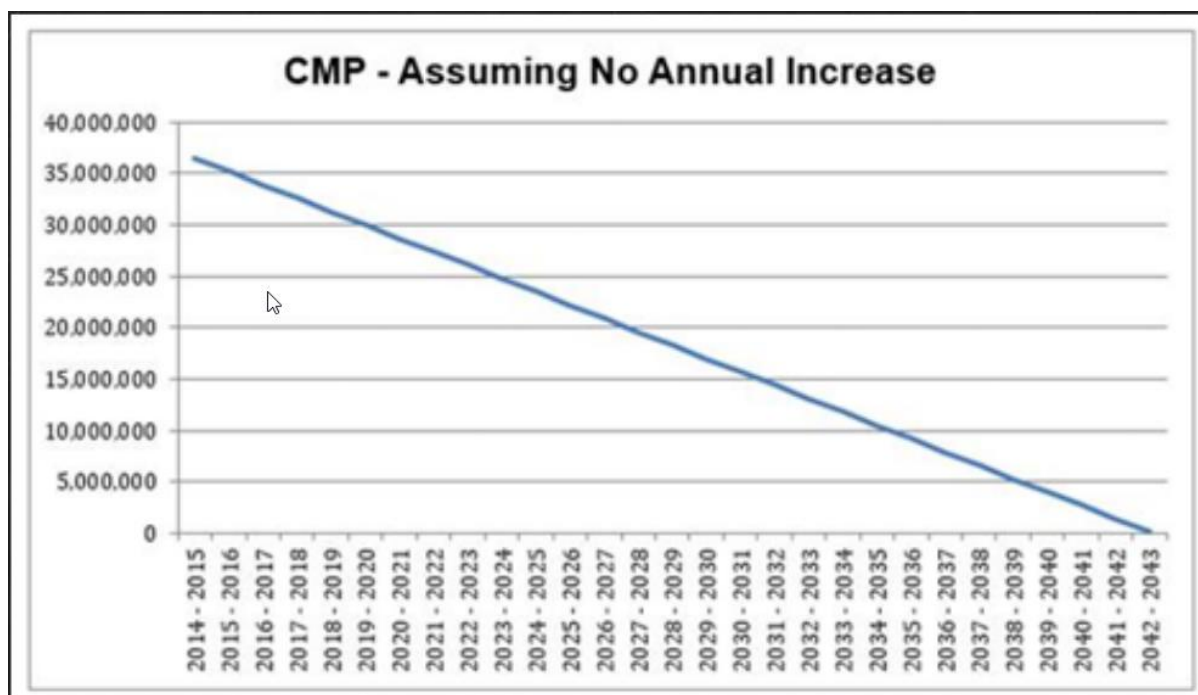
There are currently 74 community buildings across the city including schools. Once schools have been disregarded, a total of 31 community buildings remain for consideration. (please see appendix 2 Asset Master list).

The appropriate maintenance of this number of buildings is a significant cost to the council. It is estimated that the maintenance backlog costs for the 74 buildings are in excess of £35m. There is a strategic imperative therefore for the council to deliver services in an efficient and effective way from its asset base.

Whilst many valuable services are being delivered from the NCC estate, a history of ad-hoc investment has reduced the efficiency and effectiveness of some of the buildings. A recent review of Ringland for example highlighted that less than 40% of the building area being provided, maintained and serviced could actually be made use of for service delivery activities – the greater proportion included for example, space given over to corridors, multiple storage rooms and over-sized toilet facilities. The remaining small pockets of space were unconnected and as a result were difficult to use. Re-planning the space and redistributing out dated back-of-house zones to form larger and better connected areas has rebalanced the value towards 80% being available for service delivery activities.

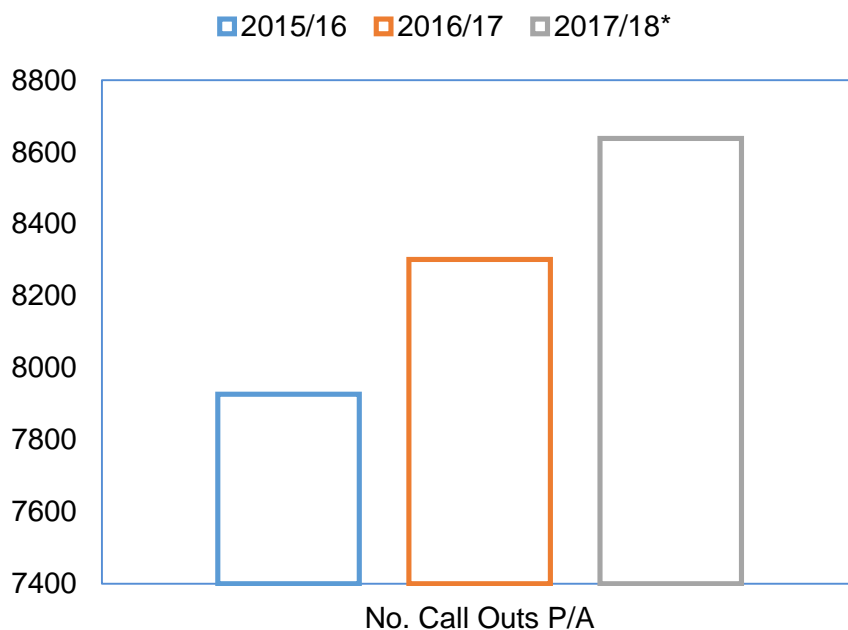
Improvement of the functionality of the assets will be a key objective of NCC implementation of the Hub model.

Graph showing the current known level of backlog maintenance against the current budget of £1.5m per annum, to provide a context to the level of maintenance liability with the council property stock.



Notwithstanding the significant investments made by the council (both centralised and decentralised) these investments have been unable to slow the decline of the overall condition of the estate, which has therefore resulted in a significant backlog maintenance value. This in part is due to the fact the council currently reacts to maintenance demands rather than planning maintenance before failure/severe decay.

The table below shows how the number of reactive maintenance call out repairs have increase on average by 300 call outs per year since 2014. It is possible this is a reaction to the deterioration of the estate condition.



### Development of the Ringland Hub model

In order to develop the Hub model in Newport a review of existing Hub centres was conducted and the Ringland site was chosen for further investigation. The rationale for choosing the Ringland site as the first Hub was;

#### Assets

When reviewed the east area assets were the newest within the communities of the city. Additionally the assets are all City Council owned, many of which are directly managed by the authority. In comparison the west, central and north area have a mix of voluntary run and council run facilities. Therefore a decision was made that the east area would be the most effective sites.

#### Needs analysis

Ringland within this area demonstrated the greatest needs of deprivation. It also demonstrated the greatest number of community regeneration service users.

A number of partners were engaged including Norse and PLACEmaking, a company that specialises in advising, designing and implementing smart working strategies and making changes to working environments.

The investigation was carried out over a period of time and reviewed the opportunities to develop the Ringland site in order to align with the aspirations of NCC Neighbourhood Hub development.

Below are some designs that are representative of NCC aspiration for a Neighbourhood Hub.

## Community Hub 3D Imagery- Public Areas



PLACEmaking | Newport City Council | Ringland Hub Look & Feel Report| Page 2



## Community Hub 3D Imagery- Detail of Cafe



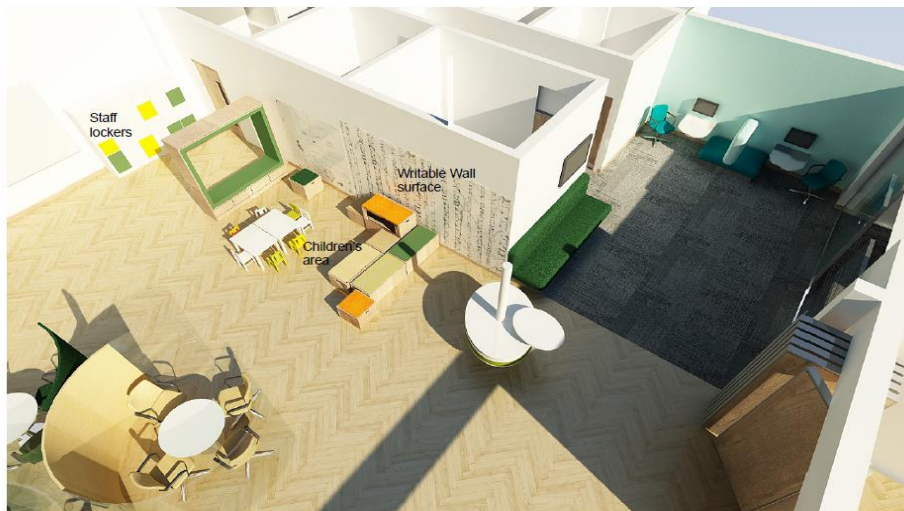
PLACEmaking | Newport City Council | Ringland Hub Look & Feel Report| Page 3



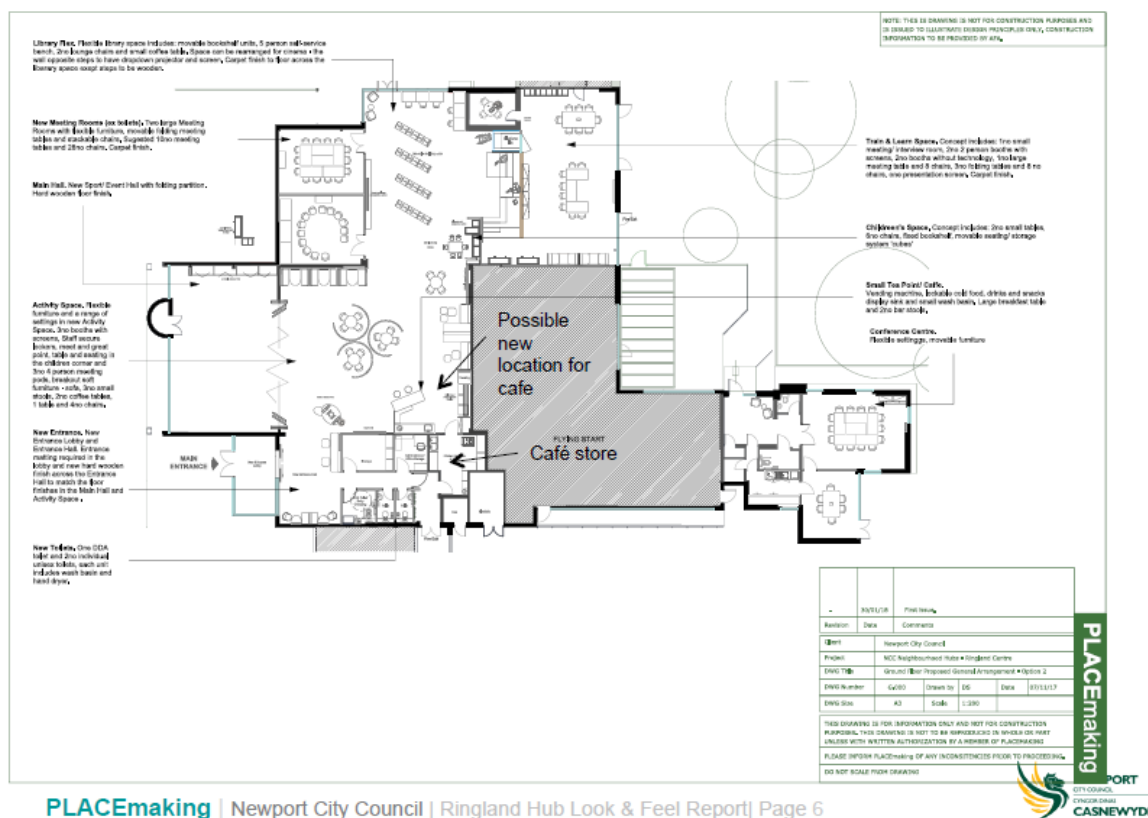
### Community Hub 3D Imagery- Visibility of Cafe



### Community Hub 3D Imagery- Details of Children's Area



## Community Hub – Alternative Location for Cafe



Total investment of **£1.7m** is required for the development of the Ringland hub see appendix 3 p 31 (Ringland Cost model) for detail

### Staffing

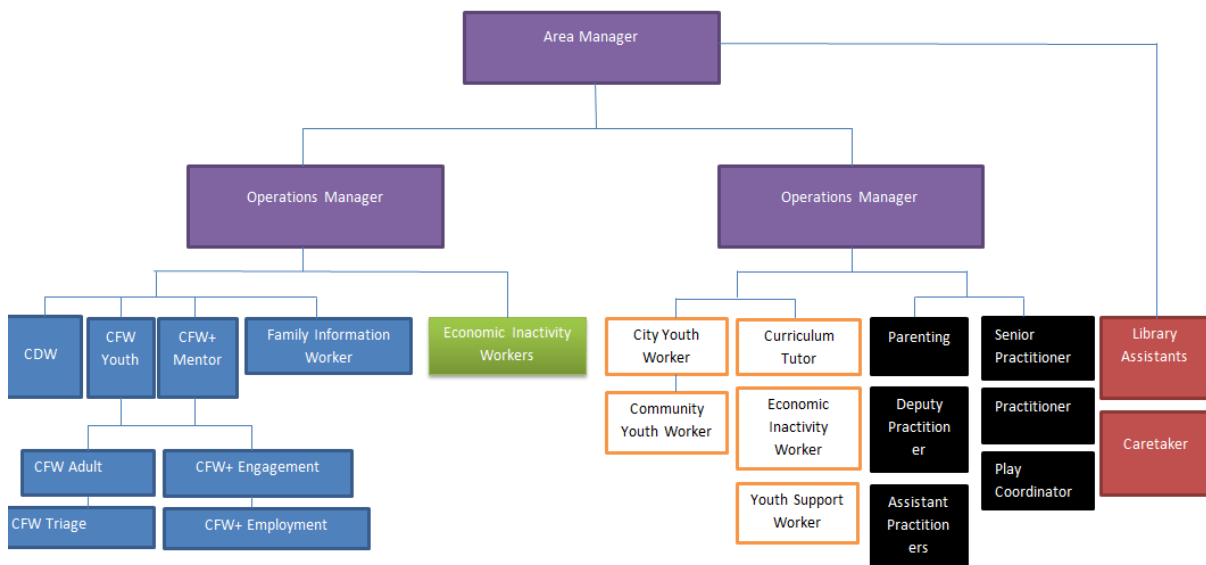
The staffing proposal will utilise existing staff and redeploy them through the proposed Neighbourhood model. This model will see the creation of Neighbourhood teams that are focused on local community delivery.

The model will see the creation of new staffing structures for areas that will consist of multiple teams. There could be a requirement to streamline management and back office teams during this process. However front line services will remain untouched however strengthened through smarter integrated ways of working.

Area structure/ teams will be based upon needs of that area and population of wards and current service users.

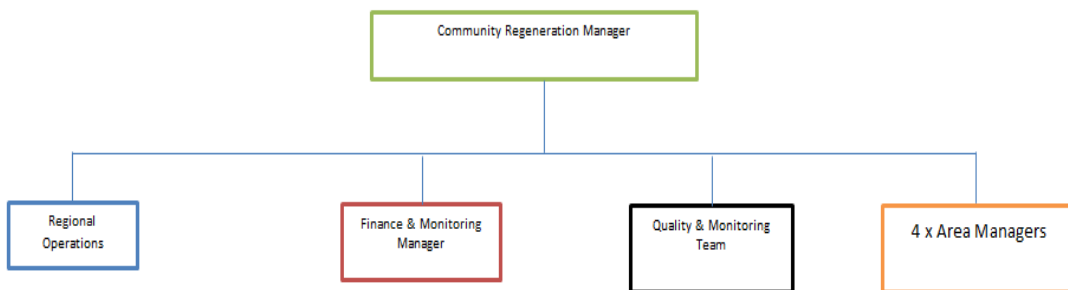
This new way of working will see area teams rather than isolated teams such as Flying Start, Resilient Communities, Families First, Youth Services, Work & Skills, Play Development and Community Centres. Therefore an outcome will be integrated teams, removing the silo way of working.

Please see below an example of an area team structure.



### Community Regeneration Management Structure

The Neighbourhood hub delivery model will be managed through the Community Regeneration service, the management of this service will be structured in the following way.



## 4.0 Options

Options considered

- 1 Continue delivering community services in its current format
- 2 Implement a city wide Neighbourhood Hub programme (4 Hub Model)
- 3 Pilot single hub for design and development purposes and in principle agreement for full implementation

**Options 1** – Continue delivering community services in its current format

Option 1	Pros	Cons
Continue delivering community services in its current format. No Change	<ul style="list-style-type: none"> <li>• Maintain status quo with all partners and staff.</li> <li>• No investment required from LA</li> </ul>	<ul style="list-style-type: none"> <li>• No improved community facilities</li> <li>• No improved access to services</li> <li>• No improved integration of services</li> <li>• No area delivery model</li> <li>• Buildings continue to deteriorate which exposes NCC to additional capital costs</li> <li>• Difficult to meet Future Generations act obligations</li> </ul>

**Option 2** - Implement a city wide Neighbourhood Hub programme (4 Hub Model)

Option 2	Pros	Cons
Implement a city wide Neighbourhood Hub programme (4 Hub Model)	<ul style="list-style-type: none"> <li>• Improved facilities across the city</li> <li>• Improved access to services for residents</li> <li>• Improved services to residents and partners</li> <li>• Realisation of savings</li> <li>• More likely to comply with the Future Generations act</li> <li>• Reduced building maintenance backlog exposure.</li> <li>• Greater flexibility to sustain services with reduced funding.</li> <li>• Sustainability and growth of social capital within the third sector in Newport</li> </ul>	<ul style="list-style-type: none"> <li>• Large investment required from LA</li> <li>• Long periods of disruption to services and users</li> </ul>

The buildings that will be in scope for this option are;



- North Hub – Bettws, Malpas, Shaftsbury Community Centre
- East Hub – Ringland Always, Somerton, Beaufort, Newport East Community Centre
- Central Hub – Pill Millennium Centre, Old Pill Library, Community House
- West Hub – Maesglas Gaer, Duffryn, Community Centre

**Option 3** - Pilot single hub for design and development purposes and in principle agreement for full implementation

Option 3	Pros	Cons
Pilot single hub for design and development purposes and in principle agreement for full implementation	<ul style="list-style-type: none"> <li>• Improved facilities across the city</li> <li>• Improved access to services for residents</li> <li>• Improved services to residents and partners</li> <li>• Realisation of savings</li> <li>• More likely to comply with the Future Generations act</li> <li>• Reduced building maintenance backlog exposure.</li> <li>• Greater flexibility to sustain services with reduced funding.</li> <li>• Limited initial investment to test the model before rolling it out</li> <li>• Sustainability and growth of social capital within the third sector in Newport</li> </ul>	<ul style="list-style-type: none"> <li>• Investment required from the LA</li> <li>• Period of disruption for services users, partners and staff.</li> </ul>

This option will support the following centres in the agreed pilot area;

- Ringland Community Centre
- Somerton Hope Centre
- Always Community Centre
- Newport East Community Centre
- Beaufort Community Centre

Further consideration will need to be given to buildings within the other three hub and spoke locations based against the three criteria which are :-

- Customer hotspots
- Future Generations demographic predictions
- Community Centre backlog maintenance and usage review

Other buildings within scope will be reviewed under the following criteria :-

1. Current community group take full repair and lease.
2. Another community group to take full repair and lease
3. If building is not required for community use consideration of disposal will be undertaken by the Cabinet member for Assets.

During the study an opportunity, with capital funding secured by the ABUHB arose. This involved incorporating a new Health hub into NCC's proposed neighbourhood model. The new health hub would facilitate an additional two GP practices, chemist and various therapies. The timeframe for this development was estimated at three years. Due to the significant timing differences for the scheme it was agreed to develop NCC's own delivery model.

## 5.0 Finance

The baseline costs, funding options, cost rationalisation and required investment by Newport City Council (NCC) are detailed in the tables below for each option to enable comparison.

	Option 1	Option 2	Option 3
<b>Revenue</b>			
Baseline operating cost - £m	£2,120k	£2,120k	£2,120k
Rationalisation savings - £k's/annum – ( staffing costs)	Nil	£654k	£654k

<b>Capital</b>			
Total Investment required	Nil	£3,992k	£1,720k
Capital funding sources			
Grant – assume 50% success rate	Nil	£2,967k	£969k
NCC	Nil	£1,025k	£751k

<b>Net Revenue Savings</b>			
Net annual revenue savings ( post NCC financing costs and rental of Hub 4 option 2	Nil	£524k	£592k

Using indicative refurbishment costs and assuming a 50% success rate against the grants that would be applied for, the table above shows that it would be necessary to borrow just over £1m to implement the four hub model or £750k for one hub only. It is worth noting that the levels of borrowing would be entirely dependent on the level of grants received, none of which has been approved yet.

The cost of borrowing would be spread over a 15 year life cycle and when offset against the savings this would still generate annual savings of between £500k and £600k depending on whether the four hub or one hub model was applied. In year cash savings could be achieved in 2018/19 before full year budgetary savings are applied in 2019/20.

The detailed spreadsheets are available in appendix 4. These also highlight a scenario where only a 25% success rate on grant funding is achieved. The financial impact under this scenario is an increase in borrowing for NCC of £1,484k when assuming the four hub model or £485k for one hub.

## Funding sources

<b>Funding Source</b>	<b>Option 2 - Predicted Value</b>	<b>Option 3 – Predicted Value</b>
WG Museums, Archives & Libraries	£600,000	£200,000
Grant: Communities First Capital	£375,000	£125,000
Grant: Flying Start Capital	£225,000	£75,000
Grant: TRIP / VVP2	£1,297,400	£559,000
Grant: Work & Skills	£250,000	
Grant: Big Lottery	£150,000	
Grant: Charitable Trusts	£50,000	
Grant: Community Groups	£20,000	£10,000
<b>Total grant</b>	<b>£2,967,400</b>	<b>£969,000</b>
NCC Borrowing	£1,024,600	£751,000
<b>Total Funding requirement</b>	<b>£3,992,000</b>	<b>£1,720,000</b>

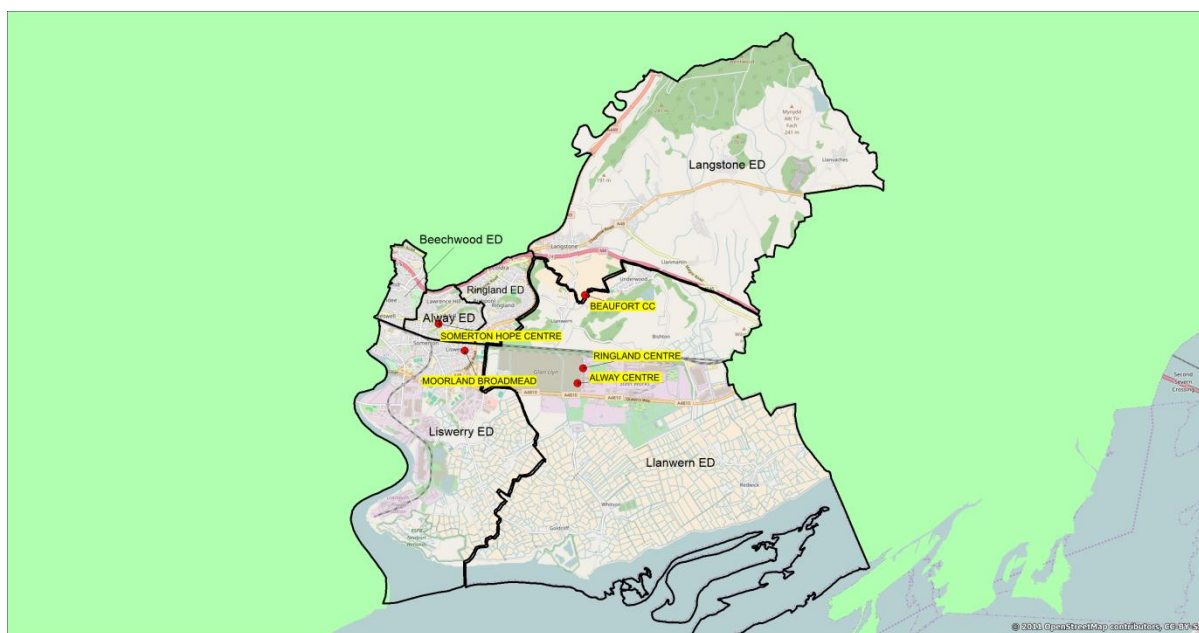
The above grant monies assume a success rate of 50%

## 6.0 Recommendations

The recommended option (3) is to pilot a single hub for design and development purposes and an in principle agreement for full implementation of the hub model. The key reasons are that the pilot option will enable the Hub and Spoke approach to be tested and refined prior to the wider role of the approach across the City. It also minimises initial investment required by the Council in order to implement and reduce the risk of systemic issues. The

Phase 1 – the pilot Hub.

- East Hub – Ringland Always, Somerton, Beaufort, Newport East Community Centre



Phase 2 – the remaining Hubs to be implemented subject to successful roll out of phase one, availability of financial capital and a business case which is still valid.

- North Hub – Bettws, Malpas, Shaftsbury Community Centre
- Central Hub – Pill Millennium Centre, Old Pill Library, Community House
- West Hub – Maesglas Gaer, Duffryn, Community Centre

## 7.0 Next steps

The Gantt chart below details the key tasks and timescales for the development and delivery of the Ringland Hub.

ID	Task Name	Start	Finish	Duration	Q2 18		Q3 18			Q4 18			Q1 19			
					May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
1	<b>Approvals</b>	30/04/2018	15/06/2018	34d												
2	SLT	30/04/2018	30/04/2018	0d												
3	Cabinet	15/06/2018	15/06/2018	0d												
4	<b>Engagement and Consultation</b>	15/06/2018	17/09/2018	67d												
5	Staff	15/06/2018	17/09/2018	67d												
6	Communities	15/06/2018	17/09/2018	67d												
7	Partners and Stakeholders	15/06/2018	17/09/2018	67d												
8	Members	15/06/2018	17/09/2018	67d												
9	<b>Ringland Hub - Design and Build</b>	30/04/2018	24/05/2019	280d												
10	<b>Design, planning, Procurement</b>	30/04/2018	14/01/2019	186d												
11	Norse Design	30/04/2018	19/11/2018	146d												
12	Planning	23/10/2018	14/01/2019	60d												
13	Procurement and Award	20/11/2018	14/01/2019	40d												
14	<b>Construction</b>	15/01/2019	24/05/2019	94d												
15	Construction	15/01/2019	06/05/2019	80d												
16	Handover	07/05/2019	24/05/2019	14d												
17	<b>Rationalisation - Buildings</b>	15/06/2018	27/05/2019	246d												
18	Plan building closure	15/06/2018	24/05/2019	246d												
19	Close or handover buildings	27/05/2019	27/05/2019	0d												
20	<b>Staffing</b>	15/06/2018	04/12/2018	122d												
21	Consultation	15/06/2018	31/08/2018	56d												
22	Notice	03/09/2018	03/12/2018	66d												
23	Staff release	04/12/2018	04/12/2018	0d												
24	Restructuring	15/06/2018	31/08/2018	56d												
25	<b>Funding</b>	30/04/2018	29/03/2019	240d												
26	Applications	30/04/2018	28/09/2018	110d												
27	Outcome	31/05/2018	29/03/2019	217d												

## APPENDICIES

### Appendix 1 – Strategic Needs Analysis – Neighbourhood Hubs



Strategic Needs  
Analysis - Neighbourh

### Appendix 2 - Asset Master List



AssetList.xlsx

### Appendix 3 - Ringland Hub Costings



Ringland Community  
Hub Cost Plan 21 05

### Appendix 4 - Detailed financial analysis



NH Budget  
Model.xlsx

### Appendix 5 – ICT and AV solutions



180203 rev 2 AV  
requirements FINAL[5

### Appendix 6 – Ringland Look and Feel report – Place making



180208 NCC  
Ringland Look and Fe

### Appendix 7 - Implementation resource schedule



NH Implementation  
Resources 30042018.