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**HAMPSHIRE COUNTY COUNCIL**

**Decision Report**

<b>Committee/ Panel:</b>	Buildings, Land and Procurement Panel		
<b>Date of Decision:</b>	8 October 2019		
<b>Decision Title:</b>	Property Services: Major Programmes Update		
<b>Report From:</b>	Director of Culture, Communities and Business Services		
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**Purpose of this Report**

1. The purpose of this report is to update the Buildings, Land and Procurement Panel on a number of key programmes of work being undertaken by Property Services.

**Recommendations**

2. That the Buildings, Land and Procurement Panel notes the progress of each of the programmes of work.

**Executive Summary**

3. The purpose of this report is to provide an update on the major programmes, project and issues currently being progressed relating to:
  - Construction Framework and Category Management
  - Corporate Office Accommodation
  - Adult Health and Care
  - Children's Services Capital Programme
  - Isle of Wight Priority Schools Building Programme (PSPB2)

**Construction Framework and Category Management**

4. The new Southern Construction Framework (SCF) has been tendered in partnership with Devon County Council and was launched at the end of April 2019. A replacement intermediate value framework for projects ranging up to £4m (The Hampshire Framework) has also been launched for County Council projects and also for authorities within the local geography. All of the HCC frameworks include a rebate tariff as a source of income as part of our strategy to generate additional revenue streams to support our wider business and as a net return to the County Council by making contributions to overheads in the Service. In the current financial year, SCF is forecast to return a surplus of over £400,000 in the financial year after costs and expenses. This is a key strand to Property Services contributions to the County Councils transformation programmes T19

and T21. Reductions in revenue budget are being achieved by a combination of savings, efficiencies and additional income.

5. A new supply chain portal aimed at encouraging local contractors and the wider supply chain to participate in local government construction is to be procured this financial year. The cost will be covered by SCF rebate tariff, and future efficiency gains and cost advantages are anticipated.
6. A Joint Working Agreement has been signed between Hampshire County Council, Devon County Council and Manchester City Council to procure a new Professional Services Framework, covering the North West, West Midlands, Wales, the South West, South East and London. The framework will be in three "Lots", each managed by one of the partners. Hampshire County Council will operate and manage the South East and London lot, and collect the rebate tariff which will contribute to the T21 transformation target. The framework will provide all property and asset consultancy services for the public sector, and is aimed to be tendered in Autumn 2019, for a launch in May 2020, and will aim to increase the influence of the Council in the Region. It will also replace, over time, the current private sector partner contracts which will come to a conclusion by April 2022
7. Other activity included:
  - A new Grounds Maintenance Contract for The Council/Isle of Wight and its partners including schools, Fire and Police services. The new arrangement aims to drive performance using better processes and technology to increase service levels to customers while reducing management burden.
  - A new cleaning contract for the non-education estate. A single supplier is to be appointed from a Dynamic Purchasing System. As with Grounds Maintenance, the emphasis is to be on an efficient contract with good performance and asset data.
  - Consultation has started on a replacement for the regional modular framework which expires in 2020.
  - A new Meter Operations contract will be called-off from the Laser Framework using Npower as a replacement for SSE. This will simplify the supply chain by reducing the management time and streamlining transactional activities. The new contract will start on 1 October 2019.

### **Office Accommodation**

8. The Major Programmes report to the Panel in March 2019 provided an update on the implementation of the corporate office accommodation strategy agreed in November 2017 and linked to the delivery of T19 savings. The strategy seeks to consolidate HCC occupation of its corporate office buildings through increased utilisation supported by the roll out of new mobile IT equipment under the Enabling Productivity Programme (EPP). Surplus office space is either released or leased to third party organisations with a particular focus on partners that support partnership working as part of operational service delivery models.
9. Total annual revenue savings of £348k have been achieved through initiatives implemented under the agreed strategy. In addition, growth in a number of departments and services, linked to operational strategies, has been

accommodated within the current corporate offices, ensuring that the portfolio continues to meet the evolving needs of the wider organisation, but limiting the opportunity to realise additional savings through consolidation. As reported to the Panel in March, it was agreed with Corporate Directors and the Chief Executive that no further buildings would be released from the portfolio until a further review of future requirements had been undertaken through a newly formed corporate group.

10. The Corporate Office Accommodation Board was established in April 2019 and meets on a monthly basis. The Board is chaired by the CCBS Assistant Director for Transformation and comprises a senior representative from each department, including the Head of Finance, and representatives from Property Services' office accommodation team.
11. The purpose of the Board is to review and determine the office accommodation strategy; review demand; provide challenge and support for departmental change proposals and ensure investment and change decisions are coordinated across the authority and align with business priorities. A formal process for managing office accommodation change requests has been put in place and these are presented to the Board for consideration and approval.
12. Around 20 change requests for mainly minor office changes have been received since the implementation of the formal process in April. In addition, the Board has considered office accommodation requirements for all departments, linked to future operational strategies. There has been particular focus on the key areas identified below. Progress with these and any further strategic initiatives will be reported to future Panel meetings.
13. Adult Health and Care (AHC) and the Clinical Commissioning Groups (CCGs) are committed to a new Integrated Intermediate Care single service model commencing from the 1st April 2020. This involves the creation of 'Local Access Points' (LAPs) which are operational hubs for an integrated service team comprising staff from HCC and Southern Health Foundation Trust (SHFT). A number of potential sites, predominantly HCC buildings, have been identified and work is ongoing to confirm suitability and planning for any reconfiguration and potential service moves to create the necessary space.
14. The Library Service is reviewing its long term strategy. A significant part of that is the future use of the library buildings themselves, a number of which have already gone through significant transformation (eg Gosport Discovery Centre). There is significant potential crossover with Office Accommodation and interest from other services in using Libraries to improve support and access to user groups and these opportunities are currently being explored.
15. Alongside the work with the Board, Property Services has continued to deliver improvements and change projects across the office estate. Key projects recently completed or currently underway include:
  - Three Minsters House: The improvement works following the fire at Three Minsters House are now complete and teams from CCBS and ETE will be reoccupying the building from late September.
  - Castle Avenue: Fire precautions improvements to support the increased utilisation of the building are currently in progress. Following the relocation of

a number of CCBS teams back to Three Minsters House in late September, the ground floor of Castle Avenue will be let to the Clinical Commission Group, supporting the ongoing strategic partnership between the organisations and providing additional income from the office portfolio.

- Hampshire House: The relocation of staff from Enterprise House to Hampshire House was completed in March 2019 facilitating the release of Enterprise House to secure a rent saving within the office accommodation portfolio.
- Dame Mary Fagan House: Works to accommodate the new Connect to Hampshire joint venture partnership within the building were completed in March 2019, delivering an additional revenue income to the office accommodation portfolio.
- Building improvements: a range of building improvements have been undertaken across the portfolio, with further work currently in progress and planning, to support increased utilisation and ensure the comfort and well being of building occupants. This includes fire precaution improvements in Castle Avenue and Ell South, carpet and lighting replacement at Fareham Parkway, heating improvements at Fareham Reach and acoustic improvements in the Ell Court café and restaurant area.

### **Adult Health and Care Programme (including Adults with Disabilities and Extra Care)**

16. Property Services continues to support the County Council's Adult Health and Care Department (AH&C) to deliver property outcomes for a number of existing and emerging transformation programmes. An update on each of these programmes is provided below:

#### Adults Health & Care Strategic Bed Based Programme

17. Following the completion of an initial study of the AH&C estate, Property Services continue to support AH&C in a review of the Bed Based Provision including the development of design principles for each service type and completion of feasibility work to identify the required solutions to meet condition issues, suitability, modernisation and any growth requirements of the AH&C estate.

#### Adults with a Disability Housing Programme

18. In April 2016, the Executive Member for Policy and Resources approved the Strategic Business Case for the Adults with Disability Housing Strategy. A decision was taken to support around 600 services users with a learning and/or physical disability to transition from a traditional care home setting into either a shared house or groups of individual flats to achieve independent living with 24/7 care and support available and commissioned by the County Council subject to the needs of each resident.
19. Property Services has led on the design and delivery of the new build element of the strategy which will deliver around 95 extra care units on County Council owned sites. The units are being delivered through a phased programme, Phase 1 comprised of five projects (including one refurbishment project) and a

further two projects are being delivered in Phase 2.

20. All schemes in Phase 1 of the new build programme (Jellicoe Court, Fernhill Court, Mulberry Lodge and Apex Court), have been handed over to AH&C and are now operational under the management of the landlord and the care provider.
21. In Phase 2, Sonnet Court in Eastleigh (on the former John Darling Mall site), completed in the summer of 2019. The Fareham project (on the former Croft House site) is scheduled to start on site in Autumn 2019 with the demolition of the existing building. This project has been rescheduled due to ecology issues and finalisation of the contract.
22. Property Services have been commissioned to complete a third phase of the programme. This comprises the design and delivery a number of one bed bungalows which cater for people with physical disabilities on the remaining land at the former John Darling Mall site. The planned delivery timescale for this scheme is the end of 2020 subject to securing planning permission for the scheme.

#### Older Persons' Extra Care programme

23. The updated Strategic Business case for the Older Persons' Extra Care programme approved in January 2017 identified an amended and more flexible approach to the delivery of extra care units on County Council owned sites through the grants programme.
24. Contracts for the development of the new Extra Care scheme in Romsey (former Nightingale Lodge Care Home) have now completed and the construction of this scheme will now be progressed.
25. Following the selection of development partners for the Extra Care schemes in Gosport (former Addenbrooke Care Home), New Milton (former Fernmount Centre), Petersfield (former Bulmer House Care Home), and Havant (the Havant Health & Wellbeing Campus, formerly Oak Park), contract negotiations are underway and development proposals are being progressed. A planning application for the scheme in Gosport has been submitted and is awaiting determination.

#### Learning Disability Transformation Programme

26. Work Continues on the objectives set out in the latest updated business case for this programme dated 7 March 2017. The scheme to construct a new respite service in Locks Heath is now complete and is now occupied and the respite services is being delivered.
27. Fareham Community Link is currently being refurbished with the service to move back into the building September 2019
28. AH&C identified the need for a Keystone Service needed in Totton however to date no suitable opportunity has been identified. Property Services continue to work with AH&C to explore options to deliver this requirement.

## Children's Services Capital Programme

29. Property Services are progressing the design and delivery of new schools, school extensions, new modular classrooms and work to improve existing school buildings and their settings. There are a significant number of projects which will provide additional school places across Hampshire. There are two new primary schools progressing on site, at Kings Barton Winchester and Chestnut Avenue, Eastleigh. There is also one new primary school coming to completion on site at Boorley Green, Hedge End. The new school for Cornerstone CE (Aided) Primary School, North Whiteley is at the end of tender stage and due for a start on site early in 2020. In addition, school extensions to add further capacity have recently been completed at Castle Hill Primary School, Petersgate Infant School, Church Crookham Junior School and Rownhams St John's Church of England Primary School. These projects represent a total capital investment of £42m in additional school places.
30. There has been ongoing work and good progress to secure funding and develop proposals for new schools with the Department for Education and academy sponsors. Planning approval has been obtained for the new special school Austen Academy at Chineham, Basingstoke and proposals are progressing for Deer Park School to provide additional secondary school capacity in the Botley area. The planning conditions have been discharged which will enable proceeding to letting a construction contract for the school. The works to relocate Mill Chase Academy to a new school building and site as part of the investment in Whitehill and Bordon regeneration plan, for which there is a significant one-off capital investment of £10m by the County Council, are coming to completion and the school is due move and open at the new site after the autumn half-term. These projects provide a further £62 m investment into improving school facilities and providing additional school places.
31. Feasibility work continues on plans to provide future new schools places to accommodate the longer term primary and secondary pupil numbers projected across Hampshire. The design of these schools will seek to maintain appropriate standards and quality at lower cost in response to continued reductions in public spending. There is ongoing dialogue with District and Borough Councils and negotiations with developers to agree suitable sites and funding contributions for these schools in relation to planned new housing developments across Hampshire. These include significant development proposals for Manydown in Basingstoke, Welborne in Fareham, and Hartland Park and Shapley Heath Garden Village near to Fleet.
32. There has also been good progress on works to improve facilities and capacity for SEND (special educational needs and disability) provision across Hampshire. The projects at Prospect School, Havant and Norman Gate School, Andover have been completed on site. Planning approval has been obtained for the improvement works to St Francis School, Fareham and this project is now progressing to tender stage. There are early stage design proposals being drawn up for extension works to Shepherds Down School, Winchester.
33. Design work and contractor procurement are underway for the replacement of the existing school buildings at Fryern Junior School, Chandler's Ford and Grange Junior School, Gosport. The total cost estimate for full replacement of these two schools is in the order of £15m. Value for money will be achieved through the

economies of scale in adopting a common approach to the design and delivery of the two school projects in one procurement arrangement.

34. There are also significant remodelling and improvement works nearing completion on site for Swanwick Lodge, a secure facility that provides a safe and child centred environment for children and young people.

**Children’s Services Suitability and Sufficiency Funding Allocations**

35. Children’s Services has identified funding of £5m over three years (2019/20-2021/22) to address the suitability and sufficiency of school learning environments. Key workstreams have been identified and are to be prioritised within the provisional funding allocations noted below:

Teaching spaces – to resolve undersized rooms, acoustics and air quality issues in both Primary and Secondary Schools	£1.2m
Lighting – Energy efficiency and standards	£1.0m
Pupil toilet provision – refurbishment in addition to the existing programme of works	£0.8m
Food technology classrooms – refurbishment and compliance with current standards for mechanical systems in Secondary Schools	£0.5m
Science Laboratories – refurbishment and compliance with current standards for mechanical systems in Secondary Schools	£1.0m
Other / contingency	£0.5m

36. A list of priority schools is being developed with Children’s Services for each workstream, with £1m committed during the 2019/20 financial year and £2m per year to follow. Details will be reported to a future Executive Member for Children’s Services Decision day.

**Isle of Wight Priority Schools Building Programme 2 (PSBP2)**

37. As previously reported to the Panel, Property Services has been appointed as the local delivery partner by the DfE for the PSBP2 projects on the Isle of Wight. This appointment reflects the knowledge and expertise of Property Services in this type of work.
38. The programme is an investment of £18.5m to re-cladding, re-roofing and refurbishing buildings across 8 school sites. The projects are progressing well the first is currently on site, due for completion in Jan 2020. The remaining projects will commence on site during 2020 with staged completions through to the end of 2021.

**CORPORATE OR LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	yes
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	yes

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u>	<u>Date</u>
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equality Duty**

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

An equalities impact assessment is not considered relevant in relation to the contents of this report.

### **2. Impact on Crime and Disorder:**

2.1 The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all decisions it makes on the prevention of crime. The proposals in this report have no impact on the prevention of crime.

### **3. Climate Change:**

3.1 This is an update report which has no impact upon climate change.