

HAMPSHIRE COUNTY COUNCIL

Report

Committee/Panel:	Buildings Land and Procurement Panel
Date:	3 October 2017
Title:	Managing the Built Estate Update
Report From:	Director of Culture, Communities and Business Services

Contact name: Steve Clow

Tel: 01962 847858

Email: steve.clow@hants.gov.uk

1. Summary

- 1.1. This report gives the Panel an update on progress against the 2017/18 programme of repairs and maintenance across the estate as originally reported to Executive Member Policy and Resources (EMPR) in March 2017. As there was no meeting of the Panel in March 2017 this provides and opportunity for the Director of CCBS to update members on the substantial programme of repair and maintenance work being planned and delivered by Property Services across both the corporate and schools estate. For ease of reference purposes the March paper is attached as appendix 1.
- 1.2 To update the Panel on the actions being taken following knowledge gained from the aftermath of the fire at Grenfell Tower in London.

2. Managing the County Council's Built Estate

- 2.1 The April 2015 report to the EMPR set out the strategies that Property Services are adopting to address the maintenance challenges within the Estate. This builds on the context set out in the County Council Strategic Asset Management Plan (SAMP). These strategies continue to deliver sound outcomes and progress within the known financial constraints. It notes that the estate has two distinct sectors with different pressures and challenges – the 'Schools' and the 'Corporate' estates.
- 2.2 The projects and programmes of work in the March EMPR report total around £44 million of capital and revenue investment in the repair and maintenance of schools and corporate buildings in Hampshire. This is funded through a combination of local resources, school contributions and government grant.
- 2.3 The programme is being delivered and managed by Property Services through a series of effective and efficient mechanisms. This expenditure will

continue to support the local construction economy and also ensure our estate is safe and well managed for building users, customers and visitors. This continues to be one of the largest Local Authority led building maintenance investments nationally. Hampshire's arrangements with schools and expenditure on the corporate estate have seen our Property Services deliver a coordinated and managed programme of revenue and capital works totalling some £166 million over the last three years.

3. Progress Update

3.1. Service Level Agreement (SLA) with Schools

The renewed SLA with Local Authority (LA) and Aided schools went live on 1 April 2017 and as reported in March all schools (except only one LA school) have renewed their commitment to the service (over 95% of all schools in Hampshire). This is good news and shows the huge support for the service across schools and indeed Academies in Hampshire. Property Services have listened to schools and responded to budget pressures by reducing the cost of the SLA further. This was well received. The Director of CCBS continues to look for more efficient and effective ways to deliver services including “going digital” with technology and software to streamline delivery.

- 3.2. Key to the SLA service delivery is the Term Maintenance Contracts (TMCs). These contracts have previously run for 5 years and were successfully renewed and new contracts went live on the 1 August 2017. The new TMCs are divided East and West and each geographical area has one engineering and one fabric contractor. The TMCs covering the county from 1 August are therefore as follows:

Engineering Contractor West is: EMCOR	Engineering Contractor East is: Corrigenda
Fabric Contractor West is: Tew Brothers	Fabric Contractor East is: Mountjoys

As part of launching the new TMCs Property Services have introduced a centrally held database for reporting and monitoring faults. The TMC contractors are responsible for maintaining the database but Property Services can now report centrally and directly on the TMCs performance. The new system will also allow schools and other clients to monitor their fault resolution on line via a web portal. This is seen as a significant step forward and will help better performance management of the contracts. The system went live on 1 August with the new contracts and early feedback is promising.

The new Term Contracts will deliver cost reductions through efficiencies and digital innovation. Tender prices were keen and they will contribute to savings to the County Council and will be passed on to Schools. Property Services will deliver a further 10% reduction in the cost of the SLA to schools for 2017/18.

3.3. Improved Minor Works Procurement

3.4. Fundamental to the repair and maintenance of the estate is the effective and efficient procurement of minor works. Property Services have developed a suite of minor works frameworks (MWF) which have now gone live over the last few weeks. These new frameworks have, as hoped, proved attractive to the local Small and Medium-sized Enterprises (SME) construction sector and will offer competitive lowest price mini competition opportunities to 116 contractors over the next four years. The summary position across these new frameworks is as follows:

BUILDING FABRIC MWF 5 Lots	No: Awarded	ENGINEERING MWF Engineering 4 Lots	No: Awarded
Lot 1: General Building Less than £250K	27	Lot 1: Mechanical Less than £75K	24
Lot 2: General Building £250K to £1M	7	Lot 2: Mechanical £75K to £500K	7
Lot 3: Recladding (SCOLA) Up to £2M	7	Lot 3: Electrical Less than £75K	20
Lot 4: Doors & Windows Up to £500K	9	Lot 4: Electrical £75K to £500K	7
Lot 5: Roofing Up to £250K	8		

3.5. Priority Schools Building Programme (PSBP2)

3.6. HCC were notified in 2015 by the Education Skills and Funding Agency (ESFA) that we were successful with the following works in the initial bidding round for PSBP2 funding. Property Services have subsequently been commissioned to deliver these under local delivery arrangements.

Wootey Junior School – SCOLA recladding

Talavera Infant School – SCOLA recladding

Overton Church of England Primary School – SCOLA recladding

Oliver's Battery Primary School – SCOLA Cladding

These schemes were reported to EMPR in April this year as having received approval from the ESFA to progress detailed design and procurement.

Tenders have now been received and the ESFA have notified HCC that we

can proceed with a grant award with a total value of £10.155m. Contracts are in the process of being formed and works will commence on site in the October half term. This is welcome additional investment in these Hampshire Schools. It is also a demonstration of Government's confidence to devolve significant work to Hampshire as its delivery agent.

3.7. Schools Condition Allocation (SCA)

The SCA grant for 2017/18 was confirmed at £17.5m. There is no firm news yet from Government on the intentions for the SCA fund going forward. It is at the moment assumed there will be further allocations but the HCC current years programme is being carefully managed within currently known allocations until there is confirmation of the future position.

Works to deliver the 2017/18 schools programme reported to EMPR in March is ongoing and a full commitment is anticipated by 31.3.18 although some of the completion of works on site will run into the 2018/19 year.

3.8. Landlords Programme

The delivery of the 2017/18 planned landlords programme has been impacted by the response required to meet the enquiries, Government request surveys and checks being undertaken across the estate in response to the Grenfell fire. Responding to these unforeseen events will likely result in rescheduling of the delivery of some of the 2017/18 landlord programme into next year.

3.9. Sunderland Hanger – Calshot Activities Centre

Over the summer survey work has established an urgent requirement to address the condition of high-level windows in the Sunderland hanger at Calshot. Urgent works to stabilise the existing windows has now been completed. Design work has commenced to establish a more accurate assessment of the costs before reporting back to the panel on proposals to rectify the windows.

4. **Fire Safety**

4.1. Although we have to await the outcome of the public enquiry following the tragic fire at Grenfell Towers the national reaction has understandably led to a significant additional workload for Property Services over the summer. The BLPP Chairman's announcements on 27th June included specific reference to the response the County Council is making. For ease of reference the announcement is attached as appendix 2.

4.2 There is currently a good deal of interest in the cladding materials used on the Grenfell Tower. The panels used are understood to be Aluminium Composite Material (ACM). It is worthy of note that a review undertaken across the County Council Estate over the summer has to date only identified one site, at Park Community School, with cladding panels of a similar nature to those used on Grenfell Tower. These panels formed a small part of the major new build and refurbishment of that site. They were in

isolated locations and posed no concern to the safety of occupants. This was reinforced by Hampshire Fire and Rescue Service (HFRS). The project was subject to a full building regulations approval and the additional scrutiny of the fire review panel and our HFRS embedded officer, a process we adopt for all our projects in Hampshire.

- 4.3 A number of the other actions undertaken and underway were listed in the Chairman's announcement in June but the Panel's particular attention is drawn to the following:
- An on-going detailed survey of existing buildings for the presence of ACMs. So far, no significant further findings have been identified.
 - A review of our approach to Fire Safety with particular regard to the multi-storey buildings in our portfolio. This has focused on the limited number of 4-storey and one 5-storey building in the estate. An audit of these has been undertaken over the summer and any findings addressed. It should be noted that no County Council buildings are multi-storey residential tower blocks and the County Council is not the focus of any HFRS survey work or enquiries.
 - It is expected that national regulations and codes of conduct will change in future. The Director of CCBS is keeping the situation under review and will report to the Panel in due course on developments in the national legislative framework that may impact on our operations and project delivery.
- 4.2. It should be stressed that the County Council's property portfolio is of a considerably lower risk profile than the residential blocks which are now the cause of attention nationally. That said, the County Council is reviewing the approach to fire safety management and using the long standing fire safety partnership with HFRS to see if there are improvements that should be made. Any significant impacts will be reported to a future meeting of the Panel.

5. Recommendation

That the Panel notes:

- 5.1. The progress being made against the 2017/18 planned repairs and maintenance programme.
- 5.2. The improvements in service delivery and procurement implemented over the summer with the introduction of new Maintenance Contracts, Minor Works Frameworks and new efficient digital tools to improve service delivery, efficiency, customer interface and reduce costs.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

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

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Managing Hampshire's Built Estate	<u>Date</u> 09/03/2017
Direct links to specific legislation or Government Directives	
<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.)

DocumentLocation

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:

Equalities impact assessments are part of the detailed design considerations for each project where applicable.

2. Impact on Crime and Disorder:

2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1988 to consider the impact of all decisions it makes on the prevention of crime. Crime prevention issues will be considered when individual projects are designed and developed. Repair and maintenance works would usually have a positive impact on the prevention of crime.

3. Climate Change:

3.1 How does what is being proposed impact on our carbon footprint / energy consumption?

Improvements to building performance through maintenance projects do reduce carbon emissions.

3.2 How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Many of the works proposed in this report will deliver more energy efficient solutions through improved insulation standards and more efficient plant.