

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Commercial Strategy, Estates and Property
<b>Date:</b>	6 April 2022
<b>Title:</b>	Managing Hampshire's Built Estate
<b>Report From:</b>	Director of Culture, Communities and Business Services

**Contact name:** Rebecca Thompson

**Tel:** 0370 779 2072

**Email:** rebecca.thompson@hants.gov.uk

#### Purpose of this Report

1. The purpose of this report is to set out the County Council's repair and maintenance priorities for 2022/23 for the corporate and schools' estates and bring forward the high-level budget allocations for approval in line with the approved and anticipated funding allocations.
2. The report provides an update on progress with delivery of the repairs and maintenance programme and provides a forecast outturn position for the 2021/22 repairs and maintenance budgets.
3. The report includes project appraisals for named capital schemes included in the 2022/23 CCBS capital programme.
4. The report provides an update on the delivery of the County Council's current Decarbonisation Programme, which has been largely funded by the government's Public Sector Decarbonisation Scheme (PSDS), and other activity to progress the County Council's climate change objectives for its built estate.
5. The report also provides an update on the ongoing impacts on the construction industry in terms of material availability and price inflation.

#### Recommendations

That the Executive Member for Commercial Strategy, Estates and Property:

6. Notes the progress made on the delivery of the 2021/22 repairs and maintenance programme and the projected 2021/22 outturn position for the repairs and maintenance budgets.

7. Approves the carry forward of the unexpended balance of the 2021/22 repairs and maintenance budgets to 2022/23 to meet the commitments made against these budgets.
8. Approves the high-level allocation of the 2022/23 repairs and maintenance budgets for the corporate and schools' estates as set out in the report, to address the priorities for health and safety, compliance, condition and business continuity.
9. Approves the provision of £670,000 of additional Schools Condition Allocation (SCA) funding for the planned "SCOLA" recladding project at Wavell School, identified in the 2022/23 CCBS capital programme, giving a revised total scheme value of £3,402,600, as set out in paragraph 57 and in the project appraisal within Appendix 3
10. Recommends to Cabinet for its approval, the allocation of £1,485,000 of additional SCA funding for the thermal improvement works to the listed block at Warblington School, identified in the 2022/23 CCBS capital programme, giving a revised total scheme value of £3,489,000, as set out in paragraph 58 and in the project appraisal within Appendix 3
11. Notes that the detailed programmes of works within each budget allocation, that fall within Chief Officer financial delegations, will be approved by the Director of Culture, Communities and Business Services.
12. Notes the progress made on the Decarbonisation Programme, the forecasted reductions in carbon emissions arising from this work and the emerging work to shape a long-term strategy for climate change for the built estate.
13. Notes the update on the construction industry market conditions and associated impacts on work being delivered across the County Council's built estate.

### **Executive Summary**

14. Hampshire County Council has one of the largest local authority led building maintenance programmes nationally. This report identifies in the region of £49.8million of new investment for the repair and maintenance of corporate and school buildings in Hampshire in 2022/23. When combined with carry forward of funding and projects from 2021/22, the total value of the anticipated programme is around £75.6million.
15. Good progress has been made in the delivery of maintenance across the estate this year. However, as anticipated, it has been necessary to prioritise HCC resource and supply chain availability to deliver projects within the Public Sector Decarbonisation Scheme (PSDS) due to the timebound nature of this funding.

16. All the programmes of work have experienced the impact of material and labour shortages on the construction industry caused by Covid-19, the EU Exit and other external factors. Property Services continues to work with its suppliers to manage the impact of delays and increased costs, to ensure value for money and minimise disruption to building users. The PSDS deadline was extended to June 2022 on several workstreams, recognising the material and labour shortages that have challenged delivery under the scheme nationally.
17. Funding for repairs and maintenance of schools was boosted in 2021/22 with an increase in Schools Condition Allocation (SCA) grant of £6million due to a change in grant allocation formula. This helped maintain momentum in the programme that continues to be impacted by cost pressures. Bringing forward additional schemes has afforded contractor visibility of the pipeline and programme contingency, reducing impacts of post contract delays.
18. High level budget allocations and individual capital schemes valued at £500,000 or more have been identified for 2022/23 and will be allocated to the highest priority works to ensure that the built estate is maintained in a safe, compliant and operationally effective condition to support the delivery of the County Council's services.
19. The detailed programmes of work to be delivered within the budget allocations will be adjusted where necessary to match the confirmed funding; these and projects under £500,000 will be approved under Chief Officer delegations. Project appraisals for named capital schemes included in the CCBS capital programme approved in January 2022, will be brought forward at this (and future) decision days as projects develop.
20. More than £29.4million of PSDS grant funded investment will have been made in the County Council's corporate and schools' estates by June 2022. This programme of energy saving measures to reduce carbon emissions supports the County Council's climate change strategy and its declaration of a Climate Emergency. In addition, this funding will improve building condition and reduce associated health and safety risks across the estate.
21. Beyond PSDS, Property Services is also progressing an over-arching long-term strategy for climate change for the built estate to 2050, including the development of plans under three strategic themes of heat decarbonisation, low-carbon construction and built estate adaptation.

## **Maintenance Priorities for the County Council's Built Estate**

22. Property Services continues to implement a condition and risk-based approach to prioritising and addressing maintenance requirements across the built estate, within the available funding. The strategies take account of the two distinct portfolios, the 'corporate' and 'schools' estates each of which have different pressures and challenges
23. Through the delivery of the compliance, repairs and maintenance programmes, Property Services seeks to maintain the County Council's operational estate in a safe and useable condition. This includes ensuring compliance with statutory requirements and prioritising those repairs that represent the highest risks in terms of health and safety and service continuity. Beyond the essential maintenance work, the programmes seek to achieve the best possible standards of maintenance and repair within available budgetary constraints. This includes improvements that enhance service delivery and the wellbeing of building users and further contribute to the County Council's energy and carbon reduction targets.

### Health and safety risk management

24. Health and safety risks in the built estate are managed jointly by Property Services and the department in control of each individual site, in accordance with the County Council's corporate health and safety policy and health and safety procedures. This includes the management of risks associated with fire, legionella, building services, building fabric, trees and pollution. Property Services also works closely with the Hampshire Asbestos Management Team to support the effective management of asbestos across the estate.
25. Property Services discharges these responsibilities through a comprehensive suite of operational processes in line with the 'Plan, Do Check, Act' approach set out in the Health and Safety Executive's "Managing for Health and Safety" (HSG 65) document. Working closely with the corporate health and safety team. Property Services seeks to identify and address the most significant health and safety risks across the built estate through programmes of inspections, surveys and testing. This informs the priorities for allocation of the repair and maintenance budgets across both the corporate and schools estates.

### Management of Fire Safety

26. Property Services continued to progress its activities in respect of Fire Safety and work in 2021/22 focused on the distinct tasks of Fire Risk Assessment and building fabric inspections and surveys as well as the associated necessary repairs arising from both.
27. A review and update of the fire risk assessments was carried across the entire AHC elderly persons care homes, in conjunction with the building

managers which supports the departments in managing the associated hazards to support the local fire management plans. This work will continue into 2022/23 for the remainder of the other sleeping risk properties and for other sites across wider estate to follow.

28. The repairs associated with the fire surveys and inspections 2020/21 across the Adult Health and Care Homes (AHC) were concluded and a further programme of inspections has commenced with associated repairs in train. Inspections, surveys and associated repairs have also been completed in the other (non AHC) sleeping risk buildings and included, children's homes and study and outdoor activity centres.
29. Fire precaution improvement works have also been progressed within the corporate office portfolio and the significant programme of works to the Elizabeth II (EII) Court South building is now complete.
30. Funding has been allocated from the 2022/23 budgets to deliver the ongoing fire survey programme and the resulting repair and improvement works. The next focus being the remaining single staircase properties.

#### Management of legionella

31. Routine maintenance activities that manage the risk associated with legionella have continued including descaling, tank cleaning and removal of redundant pipework (deadlegs).
32. Over the last 12 months Property Services have been working on the transition of the online system for water management to the new integrated asset management system "Concerto". The new legionella management module will be launched across the corporate and schools' estate in the early spring of 2022.
33. Property Services and the Corporate Health and Safety team have been working with our term maintenance contractors (TMCs) to improve servicing regimes and data capture for key assets, including thermostatic mixing valves, to give greater visibility and assurance on servicing, testing and maintenance activities that support the management of legionella across the estate.

#### Management of Asbestos

34. Property Services works closely with the Hampshire Asbestos Management team to address risks associated with asbestos containing materials within the built estate.
35. Provision is made in the 2022/23 budgets for the continued funding of statutory surveys and reinspection programmes together with the remedial works arising from these. Where appropriate, allowance is made for the permanent removal of asbestos containing materials in order to continue to

reduce the risk from asbestos across the estate. Funding has been allocated from the 2022/23 repair and maintenance budgets to support the management and removal of asbestos on the remaining PSDS projects completing in early 2022 and other work to reduce carbon across the estate.

### Management of Trees

36. Property Services is responsible for the management of trees on the corporate and maintained schools' estates, with the exception of trees on highways land and the Countryside estate which are managed by those services. Periodic surveys are undertaken for all trees on a risk assessed basis and the implementation of digital surveys is improving the quality of the data collected, reducing time spent uploading the information and reducing the risk of error due to double handling of the data.
37. Recent storms affected a significant number of trees across the corporate and school's estates, putting pressure on staff resources and budget allocations towards the end of the financial year. Most remedial activity related to limb damage or loss as well as a smaller number of fallen trees. No injuries related to tree incidents were recorded on the corporate or schools' estates and there was only relatively minor damage to HCC and neighbouring properties.
38. One off funding of £830,000 was approved by Cabinet in November 2020 to support the management of the Ash Dieback risk across the estate for removal and replacement as applicable. This is in addition to the repairs and maintenance funding identified in this report for other arboricultural activity. Property Services implements a common approach with colleagues in the Countryside and Highways services to inspect and remove trees where the dieback has progressed to around 20% or more of each infected tree's branches and branch tips, or crown.
39. Cases of ash dieback continue to be identified and a number of areas on the corporate and schools' estates required attention this year, funded by this budget. The most notable being a large removal scheme at Bosmere Junior School in Havant, which will be replanted with indigenous alternatives in 2022/23.
40. The County Council has a wider policy to plant one million trees as part of its [Tree strategy](#) and climate change commitment to 2050. In 2022 this is including The Queen's Copse (in celebration of Her Majesty The Queen's 70-year reign) and Reflections and Connections woodland at the River Hamble Country Park. The potential replacement of trees lost due to ash die back will be considered alongside this initiative, as work progresses, to avoid the loss of green habitat.

## Management of Building Services and Building Fabric

41. Funding is allocated in the 2022/23 budget to support the ongoing programme of structural inspections, condition surveys and scheduled servicing to meet statutory and risk profiled requirements and the necessary remedial works arising from these. Data captured from the surveys and inspections is also used to inform future maintenance and investment programmes.
42. In addition to tree damage noted above, recent storms also affected a significant number of buildings across the corporate and schools' estates, creating similar pressure on resources and budgets. Most related to roof damage, leaks and fallen fencing and the damage was relatively minor. However, more notable incidents included significant damage to the Sopwith Hangar roof at the Calshot Activity Centre and school window damage and alarm activation caused by the impact of a lifted marquee. Property Services were able to respond promptly to notified incidents through its building fabric term maintenance contractor and no injuries related to property damage were recorded on the corporate or school estates during the storms.
43. The external repair and redecorations programme continues to play an important part in Property Services' approach to the preventative maintenance of building fabric. A significant programme of decorations work was delivered in 2021/22 and a further allocation of funding is included in the planned programmes for 2022/23.
44. Continued pressure on the repair and maintenance budgets for the corporate estate mean that it is necessary to carefully review and prioritise requirements for both reactive and planned maintenance, with funding allocated to only the most significant issues of health and safety, compliance or service continuity.

## SCOLA re-cladding programme

45. Recladding of SCOLA buildings continues to be one of the highest maintenance priorities for the schools' estate. Recladding not only addresses maintenance liabilities, it also significantly improves the internal building environment, contributing towards energy savings and a resulting reduction in carbon emissions and giving the buildings a new lease of life.
46. Work to reclad Bishops Waltham Junior School is now complete and work has commenced on the projects at Testbourne School and Marnel Junior School. As noted later in the report, works are planned to start at Wavell and Warblington schools in early summer. Projects at Nightingale Primary, Hiltingbury Junior and Hart Plain Junior schools are currently in design.
47. The Public Sector Decarbonisation Scheme (PSDS) programme has included replacement windows in 39 single storey SCOLA 3 buildings.

Replacement windows improve the thermal efficiency of the buildings, reducing carbon emissions and improves window safety and building security and gives a modern aesthetic. The PSDS glazing programme has been designed so that further recladding works can be done at a later date to fully address the maintenance liabilities and thermal efficiency of the building, whilst retaining the new windows and doors.

## **2020/21 Repairs and Maintenance Programme**

48. The impact of the challenges facing the construction industry on the repairs and maintenance programme were detailed in the report to the Buildings, Land and Procurement Panel in October 2021 and a further update is provided later in this report. These impacts have hindered pace of progress across the programmes, causing delays to some projects and cost increases continue to put pressure on budgets.
49. The emergence of the Covid-19 Omicron variant and its prevalence in community transmission has caused further disruption to the programme during the winter. Care has been taken across the estate and particularly in the County Council's nursing and residential homes to safeguard vulnerable residents from any additional risks and avoid any unnecessary disruption to the operation of the homes. Works on some school sites were also impacted at the start of the year, with project officers mindful of the pressure on schools caused by increased infection rates and staff shortages.
50. Despite the additional challenges noted above, and prioritisation of the PSDS programme, reasonable progress has been made on delivery of the 2021/22 repairs and maintenance programmes across both the corporate and schools estates. Funding for identified maintenance projects that could not be delivered in 2021/22 will be carried forward so that these priorities can be addressed in 2022/23.
51. Across the HCC corporate estate, planned maintenance work was undertaken at a range of sites and included heating system improvements in libraries, structural and roof repairs on the farm estate, internal refurbishment and fire precaution upgrades at core corporate office buildings and sea wall repairs at the River Hamble. Structural and repair work has been undertaken to a number of the historic and listed buildings in the estate including Fort Nelson, Basing House, King John's Castle, Staunton Country Park and Alresford Library. Health and safety works including fire precaution upgrades and an initial phase of ceiling replacement were completed at Milestones Museum.
52. A programme of works to address health and safety and compliance priorities for the Adults Health and Care Homes with a value of £2.5m have been completed this year. These were focussed on fire precautions, glazing, vehicle and pedestrian safety, legionella, electrical infrastructure and lighting inspections and works to address infection control and



prevention during the Covid-19 pandemic. A programme of works for 2022/23 and 2023/24 is currently being planned with Adults Services.

53. On the schools estate, significant SCA funded projects have included the re-cladding of Bishops Waltham Junior School, boiler and heating improvements at Netley Abbey Infant and Portchester Community schools and re-roofing at Samuel Cody, St John's Rowlands Castle and Marchwood Junior Schools. Work has also commenced at Marnel Junior School and Testbourne School to undertake recladding and internal alteration.
54. The new build projects to replace the existing 2-storey timber framed buildings at Grange Junior (Gosport) and Fryern Junior (Chandlers Ford) Schools, have now both been completed and handed over to the schools. Fryern Junior School handed over in April 2021 and the demolition of the existing school and the external works reinstatement followed completing in November 2021. Grange Junior School handed over in October 2021, the demolition phase is due to conclude in April 2022.
55. The project to upgrade the atrium roof in the "Mall" at Crestwood School is well underway and is due to conclude in June. Additional work to replace heating and water pipework underneath the paved Mall floor following a recent mains water leak and also to replace the paved floor itself to resolve identified weaknesses in the slab substructure has been identified and instructed as a variation to the atrium roof contract at an additional cost of £490k. The additional works are jointly funded from Children's Services capital and SCA, approved under officer delegations in consultation with the Executive Member. Absorbing the work within the overall project utilises existing contractor personnel, site set-up and contract management, avoiding duplication of cost and reducing disruption to the school.
56. A number of further significant school projects will commence in the early summer, including the re-roofing projects at Stoke Park Infant School and Hatch Junior Schools. The work at Stoke Park Infant will follow the replacement of the windows as part of the PSDS programme and together these will significantly improve the thermal performance of the building.
57. The SCOLA recladding project at Wavell School was approved at the [Executive Member decision day on 19th January 2021](#). The project was tendered (along with a smaller toilet refurbishment project in the same building for efficiency) through the new HCC Minor Works Framework with the Lot 3 contractor Greendale Construction. The tender return reflected the addition of Natural Ventilation Heat Recovery (NVHR) units identified in detailed design as necessary to comply with Building Regulations as well as supply chain cost inflation. A revised project appraisal is noted at Appendix 3 which also requests an increase in funding of £0.67million from the SCA grant. The original project was noted to Cabinet as "Key Project" but the cost of the revised scope is now anticipated to be £3.402million. Work on site is planned to start in the late spring 2022, with completion expected in the summer 2023.

58. A further phase of work to the building fabric of the listed block at Warblington School in Havant was approved at the [Executive Member decision day on 17<sup>th</sup> March 2021](#). However, this project is brought back to the Panel within the appendices of this report for further review as a significant change in strategy has been necessary to deliver the necessary work in a way that is compliant with its listed status. A revised project appraisal is noted at Appendix 3 which also requests an increase in funding of £1.485million from the SCA grant which is critical to reduce its significant health and safety, maintenance and climate change liabilities. The original project was noted to Cabinet as “Key Project” but the cost of the revised scope is now anticipated to be £3.489million. Work on site is planned to start in the late spring 2022, with completion expected in the summer 2023
59. As noted to the panel in October 2021, a number of projects were added to the 2021/22 programme as a result of the uplift in funding to increase contractor visibility of the pipeline. While these have not yet reached site, a number of these and other schemes identified in the 2021/22 programme are currently being procured ready to commence in the spring and early summer. Others have been carried forward to 2022/23 to add contingency to their delivery programmes.

## 2021/22 Forecast Outturn Position

### Corporate Estate

60. The table below shows the forecast outturn position for the 2021/22 corporate estate repairs and maintenance budgets.

2021/22 Forecast outturn position for corporate estate				
Funding Allocation	Budget	Committed	Projects in development	Total Allocated
	£'000	£'000	£'000	%
Policy and Resources Cash Limited Budget	7,279	7,279	0	100
CCBS capital allocation	1,003	253	750	100
CCBS additional funding	1,130	0	1,130	100
Accumulated R&M Reserve (carry forward)	2,749	374	2,375	100

R&M Reserve 21/22 contribution	545	545	0	100
Adult Health & Care health & safety priorities	3,448	2,541	907	100
<b>Total Funding</b>	<b>16,154</b>	<b>10,992</b>	<b>5,162</b>	<b>100</b>

### Schools estate

61. The table below shows the forecast outturn position for the 2021/22 schools estate repairs and maintenance budgets.

<b>2021/22 Forecast outturn position for schools' estate</b>				
<b>Funding Allocation</b>	<b>Budget</b>	<b>Committed</b>	<b>Projects in development</b>	<b>Total Allocated</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>%</b>
SLA funding contributions	13,500	13,500	0	100
SCA grant 21/22 (confirmed)	23,391	0	18,815	80
SCA grant 20/21 (original allocation) – carry forward	11,783	10,556	1,227	100
SCA grant 20/21 (additional £8m) – carry forward	7,176	7,176	0	100
<b>Total Funding</b>	<b>55,850</b>	<b>31,232</b>	<b>20,042</b>	<b>92</b>

### **2022/23 Repairs and Maintenance Programmes**

#### Corporate Estate

62. Funding for the maintenance of the corporate estate is provided within the County Council's Policy and Resources revenue budget. In recent years additional annual funding has been allocated to deliver a programme of planned maintenance to improve the condition of the corporate estate and to try to reduce the level of reactive repairs that are required. The last tranche of this funding is now fully allocated, however considerable condition

liabilities remain across the estate creating significant pressure on the annual maintenance budget.

63. The repairs and maintenance revenue funding allocations for 2022/23, including anticipated carry forward amounts, are shown below.

<b>Provisional 2022/23 repairs &amp; maintenance funding for the corporate estate</b>	
<b>Funding source</b>	<b>£'000</b>
Policy and Resources Cash Limited Budget	8,084
CCBS capital allocation (carry forward)	750
CCBS capital allocation 2022/23	334
CCBS additional funding (carry forward)	1,130
Accumulated R&M Reserve (carry forward)	2,375
R&M Reserve 22/23 contribution	545
Adult Health & Care health & safety priorities (carry forward)	907
<b>Total Funding</b>	<b>14,125</b>

64. Proposed high level budget allocations for 2022/23 are set out in the table below.

<b>Corporate estate – Provisional 2022/23 Budget Allocations</b>	
<b>Programme</b>	<b>Forecast Programme £'000</b>
Building fabric reactive maintenance	1,792
Engineering reactive maintenance	3,024
Engineering cyclical servicing	930
Compliance inspections and monitoring	555
Health and safety priorities (non AHC)	1,056
AHC health and safety priorities	907
Planned revenue works	4,777
Planned capital works (including carry forward)	1,084
<b>Total Funding</b>	<b>14,125</b>

*Note: The final value of accumulated reserve has yet to be confirmed. Programmes will be adjusted accordingly when the final budget is confirmed.*

65. In addition to the allocation of funding for the continued programme of compliance and reactive maintenance, a programme of priority planned repairs and maintenance has been identified for 2022/23. This includes a further programme of external decorations, an initial two phases of works to the hanger windows at the Calshot Activity Centre, roofing improvements at Petersfield library and the Minstead Study Centre and the final phase of the sea wall remedial work at River Hamble which started in 2021/22.
66. A programme of engineering services and infrastructure projects is also planned to upgrade or replace electrical distribution boards, electrical infrastructure and heating and ventilation controls.
67. Working closely with colleagues in Adults Health and Care (AHC), activity that addresses health and safety priorities in the AHC residential portfolio will continue to ensure the ongoing safety, compliance and resilience of these buildings.
68. Following a successful bid for grant funding of £939k from the DfE, a number of maintenance projects will also be undertaken at the Swanwick Lodge secure unit. This is in addition to the corporate estate funding identified above.
69. The detailed programmes of work will be approved by the Director for CCBS under Chief Officer delegations and, where necessary, adjusted to fit within confirmed funding. A progress update will be provided to the Buildings, Land and Procurement Panel in the autumn.

### Schools Estate

70. Schools represent around 80% of the County Council's total portfolio of buildings. Property Services offers a Service Level Agreement (SLA) that operates on the basis of each school making a fair contribution to a pooled fund based on their number on roll and floor area. The pooled fund is used to manage the statutory compliance, health and safety risks and day to day revenue repairs on a priority basis for those schools and continues to attract a high level of support, with 96% of community and aided schools participating in the scheme.
71. In addition to the SLA pooled fund, the County Council receives an annual Schools Condition Allocation (SCA) capital grant from the Department for Education (DfE). The 2021/22 SCA grant was £23.391 million, £6 million higher than in the preceding year, due to a change in the calculation method. The 2022/23 grant is yet to be announced by the DfE, however, for the purposes of planning, a further grant of £23.4million has been assumed for 2022/23. Unexpended funding from the 2021/22 SCA allocation will be carried forward to 2022/23 to fund schemes that are in development and due to start on site in 2022/23.

72. A summary of the provisional funding allocations for 2022/23 is provided below.

<b>Provisional 2022/23 repairs &amp; maintenance funding for the schools' estate</b>	
<b>Funding source</b>	<b>£'000</b>
SLA funding contributions (provisional)	13,500
SCA grant 22/23 (provisional)	23,391
SCA grant carry forward (projects in development)	20,042
SCA grant carry forward (contingency)	4,576
<b>Total Funding</b>	<b>61,509</b>

73. The proposed allocation of available funding against the priority programmes of work is set out in the table below. This includes funding for several named capital schemes included in the CCBS capital programme. Project appraisals for these schemes will be brought forward as they are developed, the first of which are included at Appendix 3.
74. The detailed programmes of work will be approved by the Director for CCBS under Chief Officer delegations and, where necessary, adjusted to fit within confirmed funding
75. Recognising the increasing uncertainty on project estimates caused by the rising costs of labour and materials, provision has been made within the 2022/23 budget allocations for a contingency sum that may be drawn down against any workstream, as required.

<b>Schools estate – Provisional 2022/23 budget allocations</b>	
<b>Programme</b>	<b>£'000</b>
Building fabric reactive maintenance	3,752
Engineering reactive maintenance	6,617
Engineering cyclical servicing	1,699
Compliance inspections and monitoring	1,217
Health and safety risk management priorities	2,875
Vandalism prevention security patrols	179
Works to support decarbonisation of the schools estate	118

<b>Schools estate – Provisional 2022/23 budget allocations</b>	
<b>Programme</b>	<b>£'000</b>
Warblington & Wavell Schools (as per Appendix 3)	1,486
Building fabric - planned projects	11,446
Mechanical services – planned projects	2,502
Contingency for 2022/23 projects	5,000
SCA carry forward for identified projects >£500k	12,929
SCA carry forward for identified projects <£500k	7,113
SCA carried forward (contingency - to be allocated)	4,576
<b>Total Funding</b>	<b>61,509</b>

*Note: The final value of the 22/23 SCA grant has yet to be confirmed. The programmes are based on an estimated allocation of £23.4m. Programmes will be adjusted accordingly when the final grant value is confirmed.*

## **Climate Change Strategy and Decarbonisation of the Built Estate**

### Hampshire County Council's Decarbonisation Programme

76. As previously reported to the Panel, the County Council is implementing a Decarbonisation Programme across its corporate and schools' estates, funded by grants totalling £29.3million from the Department for Business, Energy and Industrial Strategy (BEIS) under their Public Sector Decarbonisation Scheme (PSDS). This is supported by a further £3.2 million from the County Council's SCA grant funding.
77. Comprising approximately 480 projects across the schools and corporate estate, progress on the programme by February 2022 can be summarised as follows:
- Window replacements at 82 sites, with 37 currently complete
  - Replacement of oil-fired boilers with gas at 17 sites not currently suitable for electric/heat pump conversion (with gas representing a lower carbon-emission), with 15 currently complete
  - New heating control systems at 90 sites with 49 currently complete
  - Photo-voltaic panels at 254 sites, with 233 currently complete.
  - Cavity wall insulation at 34 sites, with the first sites complete in February 2022
78. Adjustment has been made to the number of sites included within each workstream, in response to the impacts of supply chain shortages across the

construction industry noted to the Panel in October 2021. These adjustments have enabled the work to continue at pace, achieving the funding deadlines and to ensure maximum expenditure of the PSDS grants. Most of the work will complete by the end of March 2022, with some workstreams continuing to the end of June 2022, as now permitted by Salix, the funding body managing the PSDS on behalf of BEIS.

79. As previously reported to this Panel, these decarbonisation projects are forecast to achieve reductions of around 6% in the annual direct carbon emissions from heating and 13% in the annual indirect carbon emissions from electrical consumption in the corporate and schools' estate.
80. Recently, a further bid has been made to the third phase of the PSDS scheme to support a pilot project for the installation of a ground-source heat pump system at Heatherside Junior school, replacing its existing gas boiler. This initial project undertaken as a pilot, is expected to inform the potential wider roll-out of this technology across the estate. A response from Salix and BEIS to this funding bid is expected shortly.

#### Energy Performance Programmes Update

81. HCC's Energy Performance Programmes (EPP) continue to progress, though its pace has slowed in the last 12 months to prioritise work against the time bound PSDS grant.
82. The EPP has been funded via upfront capital investment of more than £7million since 2010. To date around £6million has been expended on projects across the estate that deliver LED lighting replacement, Solar Photo Voltaic (PV) Installations, Electric Vehicle (EV) charging, insulation and draft-proofing, battery storage and optimisation of heating control upgrades.
83. Although this programme slowed in 2021/22, projects delivered included LED lighting replacement at the Runways End Outdoor Centre and the Hampshire Scientific Services sites plus further Electric Vehicle charging installations for both our fleet users and members of the public. To date, 163 charge points have been installed at HCC sites with more planned as HCC transitions its fleet cars to electric and as public demand grows. This will continue to contribute to the carbon reduction and air quality improvements associated with business mileage.
84. Work has also started to explore the viability of installing battery storage alongside existing PV installations at one of the County Council's Adult Health and Care sites, as one of the highest energy usage sites on the corporate estate. This will be advanced in the new financial year to determine costs and savings.ET



85. Prior to the launch of the PSDS, HCC had in 2020 approved a matched contribution of £500k to establish a £1million joint De-Carbonisation fund with Salix as part of its wider “Recycling Fund” scheme. This was to be used to deliver energy-saving projects with paybacks up to 10 years. However, with BEIS focus redirected towards PSDS, Salix drew the Recycling Fund to a close. Consequently the £500k allocated within the Policy and Resources Capital Programme budget for this purpose remains unexpended. Proposals as to how this funding might be used most effectively in support of the wider decarbonisation objectives will be brought back to the Panel in due course.

#### Climate Change strategy for the Built Estate

86. Beyond the PSDS-funded Decarbonisation Programme and Energy Performance Programme (EPP), work to consider climate change and decarbonisation in all planned maintenance programmes remains ongoing. Like for like replacement is no-longer the default approach to scoping with consideration now being made to more energy efficient alternatives and work that will enable (or don't hinder) further decarbonisation activity to be carried out in future years.
87. Work is also progressing on the development of a built estate over-arching long-term strategy for climate change. This will establish a set of guiding principles and strategic actions to inform the County Council's response over the next 25 years to 2050, including the development of over-arching plans for three strategic themes:
- A heat decarbonisation plan, setting out the size of the challenge of progressively removing all gas and oil heating from the built estate over the next 20 years, including the sequencing of implementation and integration with the Planned Maintenance programme.
  - A low-carbon construction plan, setting out the size of the carbon emissions caused indirectly by the County Council's own construction activity, together with targets and means for its progressive reduction.
  - A built estate adaptation plan, setting out the current exposure of the built estate to over-heating, flooding and other climate impacts and progressive steps to adapting its resilience to a 2°C rise by 2050 scenario.
88. Ongoing work to support the development of these plans includes:
- The creation of an energy efficiency “league table”, ranking all assets within the built estate in order of their energy consumption
  - Research with the University of Southampton into the overheating of a case study SCOLA school under heatwave conditions.

- The development of a pilot project for the recladding of an existing SCOLA school using low-carbon construction, including the installation of heat-pump heating.
- The development of a pilot project for a new primary school, also with low-carbon construction and all-electric heat pump heating, resilient to the climate impacts of a 2°C rise by 2050 scenario.
- Consideration of the range of current and emerging technologies together with the associated options for funding models and sources of investment to meet the climate change targets for 2050 relating to the County Council's built estate.

89. Further updates will be brought to the Panel as recommendations begin to take shape.

### **School Rebuilding Programme**

90. The government's [School Rebuilding Programme](#) started in 2020, and aims to rebuild or substantially refurbish 500 schools nationally over a 10-year period. 100 schools have been selected for the programme to date with a further 300 schools to be selected in the 2022/23 financial year.
91. The programme is targeted at schools with buildings in very poor condition which need to be refurbished or replaced. The limited number of places on the programme means that priority is being given to schools with the most severe condition need. More information on the methodology for prioritisation is available via the [Government Website](#).
92. The first 100 schools were identified by the Department for Education (DfE) in 2021 using data collected via the DfE's Condition Data Collection (CDC) programme. This included Orchard Lea Junior School in Fareham. Property Services continues to support the DfE in its development of the project, which will shortly move forward to planning stage.
93. For the remaining 300 places on the programme, responsible bodies were invited to submit nominations in March 2022. Property Services, in consultation with Children's Services, has identified and nominated the school buildings that best meet the criteria for the scheme and that would be most challenging to address via SCA funding. This includes two timber framed buildings and a number of the highest priority SCOLA blocks across the schools estate. An update will be brought forward to the panel once the results of nominations has been announced.

94. Further investment of this nature in the Hampshire schools' estate is welcome and the dialogue with the DfE on addressing the condition priorities and climate change challenges across the wider schools' estate continues.

## Property Services' Delivery Model and Digital Strategy

95. Repair and maintenance work and services are delivered across the school and corporate estates and to the Police and Fire estates under the shared service arrangements. A common delivery model maximises the County Council's purchasing power in the market to achieve value for money and is delivered via a combination of in-house teams, private sector partner resource, term maintenance contracts, framework arrangements and other specialist suppliers.
96. The Term Maintenance contracts (TMC) for both engineering and building fabric, which deliver planned preventative and reactive maintenance services, have recently been extended within their existing potential term until July 2024, enabling the early benefits of the new Property Services' asset management system "Concerto" to be embedded. Options for the next generation of TMC is currently being considered to enable retendering in 2023 and mobilisation from the summer of 2024.
97. The HCC Minor Works Framework was reprocured in 2021, commencing from January 2022 until the end of 2025. This framework delivers most of HCC's planned maintenance programmes noted in this report. It provides a compliant procurement route to deliver a wide range of general building works such as repairs, maintenance, refurbishments, recladding, extensions, and some smaller new build projects for HCC and a number of other public sector framework users. Seven "lots" cover minor works ranging from a general building lot for projects up to £100,000, to a specific SCOLA recladding lot for schemes of up to £3million. The framework also includes specialist lots for electrical, mechanical, roofing and glazing projects.
98. The successful implementation of Phase1 of Property Services' new Asset Management system, Concerto, in March 2021 delivered an integrated Facilities Management (FM) helpdesk for reactive maintenance and the scheduling of statutory servicing, inspections, and testing. This is improving customer service and providing a more efficient platform from which to evidence statutory compliance. Phase 2 of the implementation is focused on managing building related health, safety and compliance and associated reporting for the County Council and our shared service partners. The management of legionella information and reporting will transfer to Concerto in Spring 2022, followed by other compliance areas over the coming months.
99. Property Services staff continue to adopt digital ways of working that make efficient use of resources to capture asset intelligence and plan and deliver maintenance services and projects across the estate. In 2021/22 these have included "app" based technology and Microsoft Power BI analytics for site safety checks, snagging inspections and term contract performance. As noted earlier in the report, digital capture of site based surveys and inspections is improving efficiency and data quality.

## Construction Market Conditions

100. As noted in the report to the Panel in October 2021, projects on the County Council's estate are being impacted by the current challenges in the wider construction industry. There continues to be evidence of some shortages in both materials and labour which are causing increasing tender prices and, in some instances, delay in delivery of projects.
101. There has been some improvement in recent months due to seasonal reduction in demand of materials which means there is now a good stock of the most popular products including timber, where prices have also fallen from their peak. However there continues to be supply affecting materials such as bricks, roof tiles and lintels.
102. Constraints remain in many manufactured mechanical and electrical products with a shortage of semi-conductors which are an important component for many products such as boilers, lighting, fire protection systems, kitchen white goods and air source heat pumps. Rising energy costs and price inflation are also a cause for concern with the current forecast anticipating a 2022 price inflation from 7-10% with multiple increases expected for some products.
103. As well as the issues of cost and availability of these products, there has also been an increase in the lead times from order to despatch. Contractors have identified lead times for labour and material increasing by up to 3.5 weeks on average. Delays with global shipping are anticipated to continue until the third quarter in 2022. China took a "zero-Covid" policy in advance of the Beijing Winter Olympics and the strict Covid prevention measures included factory closures that are likely to affect supplies of some construction products during 2022.
104. The foreign labour market continues to be impacted by the pandemic and changes to the UK immigration systems following the EU exit. Recruitment across the sector is challenging and Property Services has also found it difficult to secure candidates across its professions and building surveyor and engineer vacancies particularly, are impacting the pace with which HCC can develop further projects to take to market.
105. Further disruption to the industry and worldwide economy is likely as the impacts of the crisis in Ukraine and associated sanctions against Russia begin to emerge. However, those Ukrainians arriving in the UK as part of the Homes for Ukraine scheme will be able to seek and take up employment, and their valuable skills will be welcomed into HCC and its supply chain where possible.
106. Contractors continue to be cautious about committing to deadlines and project delivery timescales due to the above challenges and some are preferring to rely on their own in-house workforce which is reducing capacity and ability to deliver work.

## Impact of Market Conditions on Repairs and Maintenance Programmes

107. As noted to the panel in the Autumn, it remains apparent that conditions in the construction industry are having an impact on the ability to deliver all programmes of work.
108. Property Services continues to be careful to ensure that projects only proceed where value for money can be confirmed, and risks of delays or non-completion of a project can be adequately managed without significant disruption to the operation of the sites and the services they provide.
109. To manage the impacts of material and labour shortages, priority continues to be given to any time bound programmes where possible. Projects have been carried over from the 2021/22 programme into the next financial year and work re-phased where safe to do so and the operational needs of the buildings have allowed.
110. Further project appraisals for the 2022/23 programme, including those to increase approved values linked to market conditions, will be brought forward in July and October when detailed design and/or tender activity has been carried out.

## **Conclusions**

111. Property Services continues to implement effective planned and reactive maintenance strategies that improve health and safety and reduce maintenance liabilities across HCC's corporate and schools' built estates, within the available budgets.
112. Priority this year has been given to the projects funded by the £29.4million of grant from the Public Sector Decarbonisation Scheme. When combined with other the contribution from SCA, it will mean that by the summer of 2022, £32million of decarbonisation investment will have been made in the corporate and schools estate.
113. The consequences of Covid-19, the EU Exit and other external factors are having a substantial impact on the supply and cost of labour and materials across the construction industry. This continues to create cost increases and delays to programmes of work in train across Hampshire's built estate.
114. The emerging crisis in Ukraine is a global concern, for the safety and security of those affected and for its associated impacts on the global economy, however Property Services continues to work with the supply chain and the building users to manage the impacts of all the external pressures. HCC and its supply chain will also welcome the valuable skills

that the Ukrainians citizens arriving to the UK bring and offer employment wherever suitable, as part of ongoing recruitment to the sector.

115. The damage sustained during recent storms demonstrates the tangible impact of climate change on the environment and on maintenance budgets. It further underlines the need to establish a long-term built estate strategy for climate change and to increase pace on work that reduces carbon, over-heating, flooding and other climate impacts improving its resilience to the predicted 2°C rise by 2050 scenario.
116. The current repairs and maintenance and de-carbonisation programme will make a substantial contribution to addressing condition liabilities and carbon reduction across the County Council's built estate. However ongoing investment beyond this, particularly across the non-school estate where corporate budgets remain under extreme pressure, will be essential in the coming years to ensure that the built estate remains safe, fit for purpose and to sustain the pace of progress necessary to achieve the County Council's net-zero emissions target by 2050.

## **Appendices**

- Appendix 1: Corporate and Legal Information
- Appendix 2: Impact Assessments
- Appendix 3: Project appraisals for named capital projects
- Appendix 4: Project appraisals site location plans

**REQUIRED CORPORATE AND 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>Date</u>
<a href="#">Managing Hampshire's Built Estate report March 2019</a>	26/03/19
<a href="#">Managing Hampshire's Built Estate report March 2020</a>	24/03/20
<a href="#">Cabinet - Financial Update and Budget Setting and Provisional Cash Limits 2021/22</a>	24/11/20
<a href="#">CCBS Capital Programme January 2021</a>	03/12/20
<a href="#">Managing Hampshire's Built Estate Report – 17/03/21</a>	19/02/21
<a href="#">Schools Condition Allocation Projects – 20/07/21</a>	17/03/21
<a href="#">Managing Hampshire's Built Estate Report – 11/10/21</a>	20/07/21
<a href="#">CCBS Capital Programme 2022/23 to 2024/25</a>	11/10/21
	19/01/22
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>
N/A	N/A

**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	



## **EQUALITIES IMPACT ASSESSMENT:**

### **Equality Duty**

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

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

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

### **Equalities Impact Assessment:**

2.1 The expenditure identified in this report will ensure that the County Council's built estate continues to provide a safe, compliant and suitable environment for the delivery of public services. The programmes of work identified will have a positive impact on children of school age through improvements to school buildings and older persons in the County Council's residential care homes through delivery of planned health and safety and condition works.

## 2022/23 SCHOOLS CONDITION ALLOCATION – PROJECT APPRAISALS

### Warblington School – Thermal improvements Grade II Listed building

#### Overview

1. At the [Executive Member for Commercial Strategy, Human Resources and Performance Decision Day](#) on 17 March 2021 it was agreed to fund another phase of work to the building fabric of Warblington School in Havant.
2. That project is brought back to the Buildings Land and Procurement Panel for further review due to its revised strategy to carry out the work and to request further funding be made available from the 2022/23 Schools Condition Allocation (SCA) grant, due to its increased scope and as it can no longer meet the criteria of funding under the Public Sector Decarbonisation Scheme.
3. The school was built in 1955-56, and part of the building now has Grade II listed status for reasons of Architectural and Historic interest, being a rare survivor of a BAC-type secondary school designed by Richard Sheppard and Geoffrey Robson.





X.

4. The various original buildings on the site have suffered from overheating and poor levels of insulation and ventilation, but two phases of work have been completed since 2016, on buildings to the north of the site. Planning for the next phase of work has been complicated by the recent listing of part of the site as a rare survivor of a BAC-type secondary school design.
5. An outline project appraisal was included in the March 2021 [Managing Hampshire's Built Estate report](#). It proposed to insulate the listed block internally and make improvements externally to benefit its thermal performance without impacting the appearance of the façade. Works intended to internally insulate the roof, dismantle and reassemble elements of façade with new sealing strips and weatherproofing, provision of solar control glazing film, mechanical ventilation, heat recovery and cooling.
6. However, the March 2021 report highlighted a number of uncertainties; and detailed design has exposed greater challenge in undertaking the work than had originally been anticipated. Delivering an operationally viable solution that is compliant with its listed building status is necessitating a significantly different strategy to be brought back to the Panel.
7. The original project had sought to repair and retain as much of the existing building as possible to meet the requirements of planning. However, several issues were identified in terms of methodology and associated material constraints. Identification of a satisfactory alternative has established that the listed conditions will allow new “vacuum cavity” glazed window units to be installed. This provides a better outcome than could have been achieved under the original scope, but at significantly higher cost. The revised solution increases safety through toughened safety glass, better weatherproofs the external façade and provides much greater thermal performance and user comfort while substantially reducing carbon and energy consumption.
8. The increase in cost (as noted in the financial section below), is predominantly attributable to the significant change in strategy to delivering a compliant and practical way forward. Market pressures in this instance have been a lesser

but contributory factor, with costs for the retained areas of scope increasing by around a 4%, and at a similar level for the newly specified approach.

9. It had been proposed to fund part of the original £2.5million project via the Public Sector Decarbonisation (PSDS) grant. Due to the necessary time to identify alternative strategy and the associated additional work, it has been concluded that the project cannot meet the strict delivery deadline of the scheme. The PSDS grant attributed to Warblington has therefore been returned to the overall HCC windows programme and re-allocated elsewhere. This created an associated shortfall in funding for the project of circa £0.5million; in addition to the further necessary uplift to fund the scope change and cost increases. It is proposed to address both issues by an increase in funding from the 2022/23 SCA allocation. A breakdown of the original and revised costs and funding proposals are noted in the financial section below.
10. Work is planned to start on site in the late spring 2022 and complete in the summer of 2023. The school site will remain in use during the construction period and local management arrangements will be put in place to manage the health and safety impact to all users. Four alternative classrooms will be used throughout the project and works to the science laboratories carried out during the summer holiday. This minimises disruption to the curriculum while avoiding the need for temporary classrooms.

### **Climate Change Impact Assessment**

11. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
12. The Adaptation Project Screening Tool identifies that the predominant vulnerabilities are heat waves, high winds and extreme storms, arising from climate change, which could affect the building. The scheme is considered to have a low vulnerability in both factors, and a low vulnerability overall.
13. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
  - Vacuum cavity, solar control glazing – to make the building weathertight, reducing ingress of rainwater and drafts and improve winter heat retention and reduce summer solar gain

- Natural Ventilation Heat Recovery units – reducing energy consumption and providing better indoor air quality
- Various other thermal performance items including loft Insulation, curtains and blinds

## Finance

14. This project is brought back to the Buildings Land and Procurement Panel for review due to the revised strategy, and shortfall of funding due to the loss of the PSDS grant and increases in scope and cost. The Executive member for Commercial Strategy, Estates and Property is also requested approve allocation of a further £1.485million of SCA grant as the only viable and compliant way forward to reduce its significant health and safety, maintenance and climate change liabilities in this this listed building and progress the project to site. The updated value of this “Key Project” to be notified to Cabinet is now £3.489million.

15. The funding currently approved for this scheme is as follows:

<b>Financial Provision for Total Scheme</b>	<b>Buildings £</b>	<b>Fees £</b>	<b>Total £</b>
P&R School Condition Allocation (SCA) 2021/22 (Main works)	1,570,000	259,050	1,829,050
P&R School Condition Allocation (SCA) 2021/22 (Decorations)	150,000	24,750	174,750
Public Sector Decarbonisation Scheme (PSDS) grant	427,000	70,455	497,455
<b>Total</b>	<b>2,147,000</b>	<b>354,255</b>	<b>2,501,255</b>

16. The revised anticipated cost for this project and amended proposed funding for the scheme is now as follows:

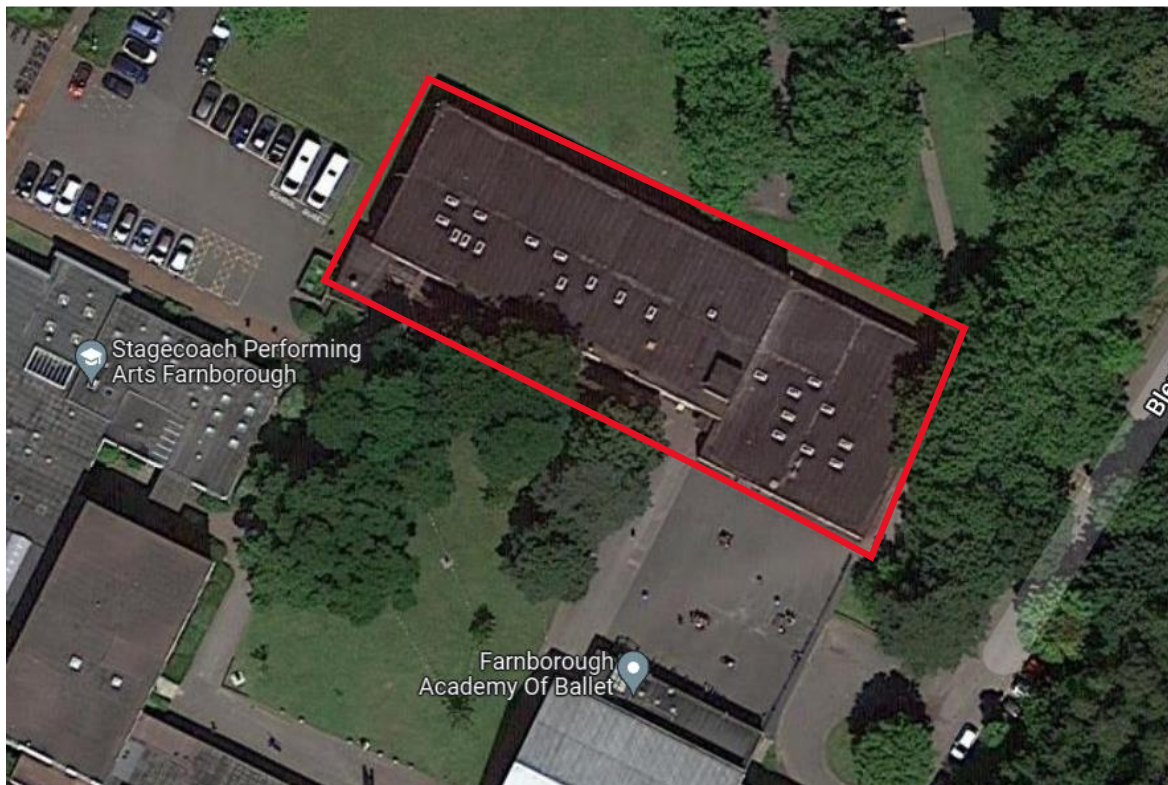
<b>Financial Provision for Total Scheme</b>	<b>Buildings £</b>	<b>Fees £</b>	<b>Total £</b>
P&R School Condition Allocation (SCA) 2021/22 (Main works)	1,570,000	259,050	1,829,050
P&R School Condition Allocation (SCA) 2021/22 (Decorations)	150,000	24,750	174,750
Reversal of Public Sector Decarbonisation Scheme (PSDS) grant	(427,000)	(70,455)	(497,455)
P&R School Condition Allocation (SCA) 2022/23 (to offset returned PSDS grant)	427,000	70,455	497,455
P&R School Condition Allocation (SCA) 2022/23 (Scope complexity and cost pressures)	1,275,000	210,170	1,485,950
<b>Total</b>	<b>2,995,000</b>	<b>494,000</b>	<b>£3,489,000</b>

## Wavell School – SCOLA Recladding

### Overview

17. The project to reclad “B Block” at Wavell School in Farnborough was originally identified to the [Buildings, Land and Procurement Panel](#) in March 2019 with an outline project appraisal included in the [Managing Hampshire’s Built Estate report](#) in March 2020. A smaller item to refurbish the toilets in the same block was also identified in 2019/20 to be funded within the overall toilet refurbishment programme. It is now to be absorbed within the overall project.
18. Following more detailed scoping, an uplift in funding was requested as part of the 2021/22 CCBS Capital Programme and was approved by the [Executive Member for Commercial Strategy, Human Resources and Performance](#) at the Decision Day on 19<sup>th</sup> January 2021. A breakdown of existing funding for this project is noted in the financial section below:
19. The tender was returned in early March 2022 and has exceeded the pre-tender estimate due to supply chain cost increases. Working is currently being undertaken by the team to fully evaluate the tender, but at the time of writing, it is likely that it will be necessary to increase the approved funding for the project by a further £0.67million. This brings the overall cost of the project to £3.402m a breakdown of the proposed funding is noted in the financial section below.
20. Wavell School, Farnborough was built in the early 1970s with the SCOLA B Block now requiring “re-cladding”. The predominantly 2-storey block provides teaching accommodation for technology, IT, drama, art/textiles and modern languages. In total there are 11 general teaching spaces, 9 specialist teaching spaces as well as staff offices, ancillary rooms and staff and pupil toilets.
21. B Block has had minimal investment except for regular servicing and repairs of the engineering services and building fabric. The boilers serving this block were replaced a number of years ago and remain serviceable and the lighting in some areas has been replaced with modern LED fittings. The remaining building fabric is the original construction with single glazed windows and panels, a poorly insulated flat roof, old ceiling tiles other areas where the lighting remains inefficient. The pupil toilets are in poor condition will now be addressed within this project by absorbing a smaller item that had been due to be funded within the overall 2019/20 toilet refurbishment programme.





22. The building has very poor thermal performance, being cold in the winter and suffering from overheating in the summer. Some of the opening windows have been fixed in the closed position as they are unsafe to operate and present a health and safety risk. Other windows fail to close properly, exacerbating the lack of heating in the winter.
23. Neither the thermal performance nor the ventilation of the classrooms complies with current regulations or best practice and therefore carbon generation on the site is significant. Since the original project was identified in 2019, the emphasis on carbon reduction has grown, reflecting HCC's declaration of a Climate Emergency and target to be net zero emissions by 2050. HCC's specification of SCOLA refurbishments has also therefore developed and this updated project seeks to make improvements that will further reduce the energy used to heat the building.
24. The work will comprise of re-cladding the building with high performance insulation and an outer covering of render or brick slip panels and replacing the existing glazing with double glazed windows. The flat roofs will be upgraded with insulation to improve the thermal performance, together with the installation of Natural Ventilation Heat Recovery (NVHR) units to ensure compliance with current legislation. The refurbishment will give the block a new lease of life and enhance the learning environment (warmer in the winter

and cooler in the summer), deliver a more thermally efficient building with reduced heating bills and enhanced fire safety.

25. Following a full refresh of scope to reflect the most current approach in delivering a carbon efficient SCOLA refurbishment, the project was tendered in early March 2022 absorbing the smaller toilet refresh project for efficiency. This was tendered via the new HCC Minor Works Framework with the Lot 3 contractor Greendale Construction. The higher tender return reflects the NVHR scope change and the supply chain cost inflation being experienced across the industry.
26. Work is planned to start on site in the late spring 2022. The school site will remain in use during the construction period and local management arrangements will be put in place to manage the health and safety impact to all users. Temporary classrooms will be installed on site to facilitate the project and ensure the school can continue to teach a full curriculum. The project is expected to complete in the summer of 2023

### **Climate Change Impact Assessment**

27. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
28. The Adaptation Project Screening Tool identifies that the predominant vulnerabilities are heat waves, high winds and extreme storms, arising from climate change, which could affect the building. The scheme is considered to have a low vulnerability in both factors, and a low vulnerability overall.
29. The carbon mitigation tool does not calculate emissions for refurbishment projects so is not applicable. However, the project will incorporate the following features to reduce energy consumption and mitigate the impact of climate change:
  - Increased roof insulation to reduce the amount of heat loss in winter and heat gain in the summer
  - High performance insulated outer covering of render or brick slip panels
  - Replacement of existing glazing with double glazed windows
  - Natural Ventilation Heat Recovery units – reducing energy consumption and providing better indoor air quality

### **Finance**



30. This project is brought back to the Buildings Land and Procurement Panel for review due the funding shortfall associated with the NVHR scope change and supply chain cost inflation. The Executive Member for Commercial Strategy, Estates and Property is requested approve allocation of a further £0.67million of SCA grant to progress the project to site. The updated value of this “Key Project” to be notified to Cabinet is now £3.402million.

31. The funding currently approved for this scheme is as follows:

<b>Financial Provision for Total Scheme</b>	<b>Buildings £</b>	<b>Fees £</b>	<b>Total £</b>
P&R School Condition Allocation (SCA) 2019/20 (SCOLA)	800,000	132,000	932,000
P&R School Condition Allocation (SCA) 2019/20 (Toilet Upgrade)	70,000	11,600	81,600
P&R School Condition Allocation (SCA) 2020/21	1,174,000	194,000	1,368,000
P&R School Condition Allocation (SCA) 2021/22	301,000	49,000	350,000
<b>Total</b>	<b>2,345,000</b>	<b>386,600</b>	<b>2,731,600</b>

32. The revised anticipated cost for this project and amended proposed funding for the scheme is now as follows:

<b>Financial Provision for Total Scheme</b>	<b>Buildings £</b>	<b>Fees £</b>	<b>Total £</b>
P&R School Condition Allocation (SCA) 2019/20 (SCOLA)	800,000	132,000	932,000
P&R School Condition Allocation (SCA) 2019/20 (Toilet Upgrade)	70,000	11,600	81,600
P&R School Condition Allocation (SCA) 2020/21	1,174,000	194,000	1,368,000
P&R School Condition Allocation (SCA) 2021/22	301,000	49,000	350,000
P&R School Condition Allocation (SCA) 2022/23	575,000	95,000	670,000
<b>Total</b>	<b>2,920,000</b>	<b>481,600</b>	<b>3,401,600</b>