

# Public Document Pack



## NOTICE OF MEETING

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| <b>Meeting</b>       | Buildings, Land and Procurement Panel           |
| <b>Date and Time</b> | Tuesday, 26th March, 2019 at 10.00 am           |
| <b>Place</b>         | Denning Room, Ell Court, The Castle, Winchester |
| <b>Enquiries to</b>  | members.services@hants.gov.uk                   |

John Coughlan CBE  
Chief Executive  
The Castle, Winchester SO23 8UJ

## FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

## AGENDA

### 1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

### 2. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

### 3. MINUTES OF PREVIOUS MEETING (Pages 5 - 8)

To confirm the minutes of the previous meeting held on 9 October 2018.

### 4. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

**5. CHAIRMAN'S ANNOUNCEMENTS**

To receive any announcements the Chairman may wish to make.

**6. THE WORK OF PROPERTY SERVICES**

To receive a presentation from the Director of Culture, Communities and Business Services on the work of Hampshire County Council's Property Services.

**7. DELIVERING FREE SCHOOLS IN HAMPSHIRE**

To receive a presentation from the Director of Culture, Communities and Business Services on delivering free schools in Hampshire.

**8. PROPERTY SERVICES: MAJOR PROGRAMMES UPDATE (Pages 9 - 24)**

To consider a report of the Director of Culture, Communities and Business Services providing an update on major programmes, projects and issues currently being progressed by the Department.

**9. MANAGING HAMPSHIRE'S BUILT ESTATE (Pages 25 - 52)**

To consider a report of the Director of Culture, Communities and Business Services setting out proposals for the County Council's repair and maintenance programmes for the budget allocations for 2019/20.

**10. HAMPSHIRE COUNTY COUNCIL ENERGY SUPPLY CONTRACTS (Pages 53 - 58)**

To consider a report of the Director of Culture, Communities and Business Services regarding proposals for the supply of electricity and gas.

**11. STRATEGIC PROCUREMENT AND COUNTY SUPPLIES CONTRACTING ACTIVITY AND APPROVALS FOR 2019/20 (Pages 59 - 68)**

To consider a report of the Director of Transformation and Governance – Corporate Services seeking approval for various procurement contracts.

**12. EXCLUSION OF THE PRESS AND PUBLIC**

To resolve that the public be excluded from the meeting during the following items of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

**13. STRATEGIC PROCUREMENT AND COUNTY SUPPLIES CONTRACTING ACTIVITY AND APPROVALS FOR 2019/20 (EXEMPT APPENDIX) (Pages 69 - 70)**

To consider an exempt appendix to Item 11 on the agenda.

**14. BUSINESS SERVICES GROUP - BUSINESS PLANS 2019/20 (Pages 71 - 282)**

To consider an exempt report of the Director of Culture, Communities and Business Services seeking approval of the business plans for 2019/20 for the Business Services Group.

**ABOUT THIS AGENDA:**

**On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.**

**ABOUT THIS MEETING:**

**The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact [members.services@hants.gov.uk](mailto:members.services@hants.gov.uk) for assistance.**

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

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# Public Document Pack Agenda Item 3

AT A MEETING of the Buildings, Land and Procurement Panel of HAMPSHIRE COUNTY COUNCIL held at The Castle, Winchester on Tuesday, 9th October, 2018

Chairman:

\* Councillor Mel Kendal

|   |                            |
|---|----------------------------|
| * Councillor Bill Withers Lt Col (Retd) | Councillor Rhydian Vaughan |
| * Councillor Adrian Collett             | Councillor Andrew Joy      |
| Councillor Andrew Gibson                | Councillor Mark Cooper     |
| * Councillor Keith House                | Councillor Jackie Porter   |

\*Present

## 49. **APOLOGIES FOR ABSENCE**

No apologies were received for this meeting.

## 50. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

## 51. **MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on 20 June 2018 were agreed subject to confirmation that Councillor Jackie Porter attended the meeting as the Liberal Democrat substitute and were subsequently signed by the Chairman.

## 52. **DEPUTATIONS**

There were no deputations on this occasion.

## 53. **CHAIRMAN'S ANNOUNCEMENTS**

There were no announcements on this occasion.

**54. PROPERTY SERVICES: MAJOR PROGRAMMES UPDATE**

The Panel considered a report of the Director of Culture, Communities and Business Services (Item 6 in the Minute Book) which gave an update on major programmes that were being progressed within the Department.

During discussion of this item, Members were also made aware of the smaller projects being progressed within the Learning Disability Transformation Programme, including the Meadowcroft site.

The Chairman reported on proposals for the Deer Park School, a new seven form entry secondary school at Uplands Farm Estate in Hedge End and asked that a presentation on this be given to the Panel at its meeting in January 2019.

RESOLVED:

- i. That the Buildings, Land and Procurement Panel notes the progress of each of the programmes.
- ii. That a presentation on the proposals for the new Deer Park School in Hedge End be given to the Panel at its meeting in January 2019.

**55. MANAGING HAMPSHIRE'S BUILT ESTATE UPDATE**

The Panel considered a report of the Director of Culture, Communities and Business Services (Item 7 in the Minute Book) on the County Council's repair and maintenance programmes and budget recommendations for 2018/19.

The Director reported on a number of areas including the work Property Services had undertaken on fire safety and on a range of actions on the priority buildings in the Corporate and Schools' Estates. Works to the residential care accommodation and higher risk office buildings, comprising over 300 individual items of work were now complete and works to SCOLA buildings were progressing well with works to three and four storey buildings mostly complete and a total of over 450 individual items of work completed.

RESOLVED:

- i. Notes the progress being made against the 2018/19 planned and revenue repairs programme across the Maintained Schools and Corporate estates.
- ii. Notes the updated proposals for investment in the corporate office accommodation portfolio, to enable its increased utilisation as part of the wider strategy.
- iii. Supports the additional planned schools programme works contained within this report to be procured through an OJEU compliant procurement route.

56. **ENERGY AND CARBON MANAGEMENT ACTIVITIES UPDATE**

The Panel considered a report of the Director of Culture, Communities and Business Services (Item 8 in the minute book) on the achievements of Phase 2 of the County Council's Carbon Management Strategy.

The Director gave an update on Phase 4 of the Energy Performance Programme which included replacing low energy LED lighting and controls across the corporate estate, which was expected to deliver a revenue saving of £240,000 per year in both energy and maintenance costs. It was reported that the early schemes were already showing good returns on the Council's investment.

Members also discussed the Electric Vehicle charging points and the rolling out of charging points to support the County Council's electric vehicle fleet.

RESOLVED:

- i. That the positive achievements of the Carbon Management Strategy Phase 2 are noted. This has produced a further reduction of 2.1% year on year resulting in an overall reduction of 40.2% against the revised target supported by the Panel of 50% by 2025.
- ii. That the further £185,000 of carbon tax reductions in Phase 2 is noted.
- iii. That a further saving of £102,000 in energy costs over the past year is noted.
- iv. That the good progress in Energy Performance Programmes Phases 4 and 5 is noted.
- v. That the positive engagement with schools is noted.
- vi. That the savings and reduced costs arising from the improved management of the energy supply contracts is noted.
- vii. That the Panel supports the Government's Emissions Reduction Pledge 2020 initiative.

57. **STRATEGIC PROCUREMENT AND COUNTY SUPPLIES CONTRACTING ACTIVITY AND APPROVALS FOR 2018/19 - LESS EXEMPT APPENDIX**

The Panel considered a report of the Director of Transformation and Governance – Corporate Services (Item 9 in the Minute Book) relating to Strategic Procurement and County Supplies Contracting Activity and Approvals for 2018/19.

The Director reported on proposals to move from the current system of 5 contracts to a single supplier for non-educational cleaning.

RESOLVED:

That the Buildings, Land and Procurement Panel makes the following recommendation to the Executive Member for Policy and Resources:

a) That Procurement and spend approvals, as appropriate, be given for the contracts as detailed in Appendix 1.

58. **EXCLUSION OF THE PRESS AND PUBLIC**

59. **STRATEGIC PROCUREMENT AND COUNTY SUPPLIES CONTRACTING ACTIVITY AND APPROVALS FOR 2018/19 - EXEMPT APPENDIX**

The Panel received and noted the exempt appendix to Item 11 on the agenda.

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Chairman,



## HAMPSHIRE COUNTY COUNCIL

### Decision Report

|                          |  |               |                         |
|--------------------------|--|---------------|-------------------------|
| <b>Committee/ Panel:</b> | Buildings, Land and Procurement Panel                  |               |                         |
| <b>Date of Decision:</b> | 26 March 2019  |               |                         |
| <b>Decision Title:</b>   | Property Services: Major Programmes Update             |               |                         |
| <b>Report From:</b>      | Director of Culture, Communities and Business Services |               |                         |
| <b>Contact names:</b>    | Steve Clow   |               |                         |
| <b>Tel:</b>              | 01962 847858   | <b>Email:</b> | steve.clow@hants.gov.uk |

#### Recommendations

- 1.1 That the Buildings, Land and Procurement Panel notes the progress of each of the programmes.
- 1.2 That the Panel recommends to the Executive Member for Policy and Resources that the project appraisal for the Elizabeth II Court South Heating Improvement Works project, to be funded from the Policy and Resources Energy Performance Programme budget be approved at an estimated value of £355,000.

#### 2. Summary

- 2.1 The purpose of this report is to provide an update on the major programmes, projects and issues currently being progressed relating to:
  - Adult Health and Care Programme
  - Children's Services Programme
  - Health and Safety management in the built estate
  - Office Accommodation Efficiency Programme
  - Carbon and Energy Reduction Programme
  - Construction Frameworks Update

#### 3. Adult Health and Care Programme

- 3.1 Property Services continues to support the County Council's Adult Health and Care (AHC) service 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

- 3.2 An initial allocation of capital funds was added to the capital programme in July 2018 as part of the Medium-Term Financial Strategy for the

Adults Health & Care Bed Based Programme. A study has been completed to identify the care provision required by the County Council over the medium to longer term which has taken account of predicted market capacity and conditions, as well as forecast demand and a future need analysis.

- 3.3 Based on the outcome of the above study a high level review of existing and vacant sites has been completed by Property Services. The aim of the review was to identify potential options for addressing growth, future suitability and condition requirements across the AHC estate. The results of the study are currently being shared with AHC colleagues with a view to shaping the future investment proposals.

#### Adults with a Disability Housing Programme

- 3.4 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.
- 3.5 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 two-phase programme, Phase 1 comprises of four projects and a further two projects will be delivered in Phase 2.
- 3.6 The majority of schemes in Phase 1 of the new build programme (Jellicoe Court, Fernhill Court and Mulberry Lodge), have been completed and handed over. AHC, in partnership with the landlord and care provider, have been managing a phased occupation by residents from summer 2018 onwards. The remaining Phase 1 project (Apex Court) in Aldershot has been rescheduled and was due to be handed over to AHC in February 2019.
- 3.7 In phase 2, the Eastleigh project (on the former John Darling Mall site), commenced on site in September 2018 and is scheduled to be completed in summer 2019. Property Services have been commissioned to complete a feasibility study for a second phase of work on this site to deliver a number of units which cater for people with physical disabilities. The Fareham project (on the former Croft House site) has now secured planning approval however, due to ecology issues on site and the need to undertake a detailed cost and budget review, this project has not yet started on site.

#### Older Persons Extracare programme

- 3.8 The updated Strategic Business case for the Older Persons Extracare programme approved in January 2017 identified an amended and more

flexible approach to the delivery of Extracare units on the County Council owned sites through the grants programme.

- 3.9 Preparation for the development of the new Extracare scheme in Romsey is ongoing. Having completed the demolition of the former Nightingale Lodge and Master's House buildings, a number of site investigations have been undertaken. The contract award process is due to be completed shortly to enable work to commence on site. Following the selection of development partners for the Extracare schemes in Gosport (former Addenbrookes Home), New Milton (former Fernmount Centre) and Petersfield (former Bulmer House), contract negotiations are underway and development proposals are being progressed.
- 3.10 In Autumn 2018 the Council took steps to protect the planning permission secured for the Oak House Health & Wellbeing Campus. The re-procurement of the project is ongoing, the outcome of the process will be reported to the Executive Member of Policy and Resources at a future meeting.

#### Learning Disability Transformation Programme

- 3.11 Work Continues on the objectives set out in latest updated Business Case for this programme dated 7<sup>th</sup> March 2017.
- 3.12 The scheme to construct a new respite service in Locks Heath is now complete and service commenced in early 2019.
- 3.13 Plans to identify a suitable location for a Community Link in Andover are also progressing, with an opportunity being explored for a property in Union Street owned by Test Valley Borough Council. A review is also ongoing with Adult Services focussed to the Keystone Service needed in Totton as to date no suitable opportunities have been identified.

#### **4. Children's Services Programme**

- 4.1 Property Services are continuing to work with Children's Services on the design and delivery of a significant number of new schools, school extensions, new modular classrooms and work to improve existing school buildings and their settings. These include a significant number of projects which will provide additional school places across Hampshire. There are a number of new primary schools being planned and delivered at Kings Barton, Winchester; Chestnut Avenue, Eastleigh; Boorley Green, Hedge End, and for Cornerstones Primary School; North Whiteley. In addition a new primary school, named Endeavour Kirk Campus, has been completed and opened at East Anton in Andover and the extensions at Bishops Waltham Infant and Junior Schools have also been completed. These projects represent a total capital investment of approximately £50m in additional school places.
- 4.2 There has also been good progress on securing funding and developing proposals for new schools and ongoing work with the Department for

Education and academy sponsors for a new secondary school named Deer Park School outside Botley and a new special school Austen Academy at Chineham in Basingstoke. The proposals to relocate Mill Chase Academy 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 progressing on site and the new school site is due to open in the autumn term. These projects provide a further £61.5m investment into improving school facilities and providing additional school places. New free school academies are fully funded directly by the Department for Education.

- 4.3 Feasibility work continues on plans for school provision to add further new school places for the projected additional primary and secondary pupil numbers across the County. These plans and projects will maintain design 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 for new school provision to secure suitable sites and funding contributions for schools in relation to planned new housing developments across Hampshire. These include significant development proposals for Welborne in Fareham and Manydown in Basingstoke.
- 4.4 Design work has commenced on 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 the 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, procurement and delivery of the two school projects in one procurement arrangement.
- 4.5 In addition, the last of a series of new children's homes has been completed and opened in Winchester. This is the sixth and final project in a significant programme of investment in recent years for improved provision across Hampshire. There are also significant remodelling and improvement works now being undertaken on site for Swanwick Lodge, a secure facility that provides a safe and child centred environment for children and young people.

## **5. Health and Safety Management in the Built Estate**

- 5.1 Property Services continues to undertake a range of activities to manage health and safety risks within the built estate. During 2018 Property Services worked closely with the Corporate Health and Safety team to review some of the current health and safety procedures and implement a number of improvements to the systems and processes that support these.
- 5.2 Legionella management has been a key area of improvement. This follows the production of new national guidance, ongoing survey work and the availability of new digital technology. A programme of pipework infrastructure improvements was completed in Spring 2018 and

subsequently further investment has been made to install a comprehensive system of temperature monitoring points throughout the County Councils corporate and community schools estate. Alongside this, an on-line legionella data management and reporting system is being rolled out across the estate. This will support a reduction in the risk of exposure to legionella by improving the accuracy of water temperature measurements and providing early warning of any issues so that these can be appropriately investigated and addressed. This is part of an on-going strategy to take advantage of modern technology to increase the efficiency and effectiveness of the management of the built estate.

- 5.3 Work has also been completed over the last year to conclude improvement works on physical fire precautions across a number of buildings identified as having a higher risk profile in relation to fire. This included 17 elderly persons residential care homes and 139 system built schools with single staircases. Property Services is continuing to work closely with the Corporate Health and Safety team to review the corporate procedures for fire safety management and ensure that the approach to ongoing surveys and associated improvement works is robust.
- 5.5 Alongside these specific improvement programmes, Property Services is reviewing its approach to risk assessment of all health and safety risks in the built estate to ensure that this is consistent with the requirements of the Health and Safety Executives HSG65 guide to Managing for Health and Safety. Given the scale and diversity of the HCC estate, a robust risk assessment process is an essential tool in ensuring that there is a structured approach to identifying areas of higher risk so that appropriate strategies and programmes of work can be put in place to both manage and address the risks. This will continue to be a focus during 2019.

## **6. Office Accommodation Efficiency Programme**

- 6.1 As previously report to the Panel, Property Services has been working on the implementation of the office accommodation strategy agreed in November 2017 linked to the delivery of T19 savings.
- 6.2 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 as part of the Enabling Productivity Programme (EPP). Where office space is released, it is proposed to lease this to third party organisations with a focus on partners, particularly where this supports partnership working as part of operational service delivery models.
- 6.3 Since commencement of the strategy a number of projects have been completed to release buildings or space and secure new lettings to partner organisations to achieve an ongoing revenue saving. In parallel, the planned refurbishment of the ground and first floors in EII South has been completed, increasing the capacity, modernising the workspace

and enabling the re-location of staff who were temporarily decanted to Sheridan House.

- 6.4 A number of further projects are currently underway which are expected to realise in the region of £370k saving. These include: the re-location of staff from Enterprise House to Hampshire House in Eastleigh, with the subsequent release of Enterprise House; the disposal of Old Town Hall in Aldershot; letting of space in Dame Mary Fagan House, Basingstoke to the new Kent and Hampshire joint venture partnership company for agency staff.
- 6.5 Works are also due to be delivered at a number of buildings to improve fire precautions and address maintenance and condition priorities so that the capacity of these buildings can be maximised in the future, in line with the strategy. This includes fire precaution improvement works in Ell South and Castle Avenue in Winchester.
- 6.6 The improvement works following the fire at Three Minsters House are now underway on site and it is anticipated that the building will be ready for reoccupation in the summer. In parallel with this, discussions are ongoing with partner organisations on the potential letting of additional space within our Winchester offices once Three Minsters House is back in use.
- 6.7 During 2018, Property Services has also been working closely with the HCC departments to understand how changes within their operational service delivery models may impact on the future demand for a use of the corporate office accommodation. This work has identified growth in a number of departments and services including an increased number of social workers in Children's Services and additional staff in the Integrated Business Centre (IBC) linked to the onboarding of the three London Boroughs.
- 6.8 To date it has been possible to accommodate all of this growth within the current corporate offices, ensuring that the HCC office portfolio continues to meet the evolving operational needs of the wider organisation. The reoccupation of Three Minsters House will release additional capacity back into the portfolio. However, to ensure that the portfolio continues to have the flexibility to meet emerging operational requirements, for both growth and partnership working, it has been agreed with the Corporate Directors and Chief Executive that no further buildings will be released from the portfolio, until a further review of future requirements is undertaken.
- 6.9 An operational Corporate Property Group is being formed that will bring together representatives from all departments to review future requirements and identify opportunities for further rationalisation or co-location of partner organisations. Projects that emerge from this review will be reported to future Panel meetings.

## **7. Carbon and Energy Reduction Programme**

### **7.1 Electric Vehicle Charging Point framework (EVCP)**

Excellent progress has been made in publicising the new framework managed by the County Councils Property Services. There are now 30 public sector organisations using the EVCP framework set up in 2018. Combined, this amounts to a total anticipated spend of £932,025 across the organisations to fund the installation of around 650 charge points. In addition to these charging points, the EVCP framework supplier has secured £4m of private sector investment for public charging points across the central southern region equating to approximately 1000 charging points.

The framework and the management costs are self funding through a combination of private sector funding and a small rebate on the installation and revenue turnover.

Interest in using the framework continues to grow from across the public sector and the Property Services energy team are engaging at various events around the region to advocate the availability of the route to market.

### **7.2 County Council transition to Electric Vehicles (EVs)**

To facilitate the transition to EVs across the County, 31 charging points have so far been installed including: 2 in the courtyard of Ell Court, 2 at the Bar End County Supplies site, 6 at the Hampshire Scientific Services offices in Southsea and 12 in the various highway depots across the county. Two charge points have been installed in each of the four regional office hubs and, to assist with HC3S (County Council catering service) deliveries charging points have been installed at Merton Junior school, Basingstoke and Old Sarum Primary school.

Fourteen additional points are to be installed in the basement car park of Ell Court for use by elected members, staff, visitors and pool/fleet vehicles. A further 14 are planned to the rear of Athelstan House and 15 more at Capital House for the charging of the pool vehicles in central Winchester.

Good progress has been made in engaging with County Council departments to explain the advantages of EVs and many services are using or have ordered EVs. These include Hampshire Highways, Engineering Consultancy, Scientific Services, Adult Health and Care, HC3S Catering, Countryside, Hampshire Transport Management and Corporate Services.

This is all part of the programme to replace around 150 small vehicles in a phased programme delivering around £240,000 of fuel and other savings. It also demonstrates the Council commitment to the leadership

in relation to zero emission vehicles contributing to improved air quality in cities.

The Director of Culture Communities and Business Services (CCBS) has identified a requirement for charging points at the following Country Parks for fleet and courier vehicles and technical viability studies are currently underway at:

- Sir George Staunton Country Park
- Queen Elizabeth Country Park
- Royal Victoria Country Park
- Manor Farm Country Park

All of the completed and proposed charge point installations have been fully funded by the council, but the Director of CCBS is investigating, through the Southern Regional EV charge point framework, the viability of providing externally funded public charge points. Our charge point framework partner has proposed 5 country park sites and one activity centre being viable for commercial provision:

- Sir George Staunton Country Park
- Queen Elizabeth Country Park
- Royal Victoria Country Park
- Manor Farm Country Park
- Calshot Activity Centre
- Lepe Country Park

To encourage and promote the transition to and adoption of Electric Vehicles (EV's), a pilot scheme is in place in the Winchester Castle complex for an initial six month period. This pilot will be offered to Members, visitors and staff who have an EV or plug in hybrid and have access to central Winchester car parks. To incentivise the pilot scheme and raise interest in EVs it is proposed to supply electricity at no cost. The cost of the electricity is a fraction of fossil fuels and the current number of EV users is anticipated to be very small in the first instance. A charging arrangement will be introduced at the end of the pilot phase using a registration and a card payment system. The pilot will support the publicity of the EV transition programme and the charging point roll out programme across county and region.

The Directors of CCBS and Environment are continuing to actively develop and review options and technical solutions for public on street charging.



### 7.3 Major Solar Photovoltaic (PV) Programme

The last three PV installations at Hampshire Records Office, Bishops Waltham Depot and Royal Victoria Country Park Chapel have been tendered and the contract has been awarded. Installation work is expected to be complete by the end of the spring period.

In April 2019 the Feed in Tariff will cease which will affect the business case for installing further PV. The Director of CCBS will continue to periodically review the market and assess whether the financial viability improves. Property Services have now managed the installation of over 60 PV arrays across the Councils corporate and schools. All of the technically viable sites have been identified and completed across the corporate estate.

### 7.4 Major Corporate LED Programme

Projected spend for the LED programme for 1208/19 is approximately £1m. A schedule of buildings has been prepared and viability studies carried out for the next phase 2019/20 programme and will be updated on a regular basis once viability has been determined. Annual savings are anticipated to be in excess of £100k per annum arising from the 2018/19 programme. This is all part of a £1.7m programme which is already delivering significant energy and carbon reductions.

### 7.5 Schools Energy Reduction and Performance Programmes

Interest from schools continues to grow and the Property Services energy team are liaising with those schools who have expressed an interest. A further four schools (3 primary and 1 secondary) will have their Energy Performance Programme projects started in the February half term and 4 primary schools are programmed for the Easter holidays.

An additional 6 schools have recently returned their MoU's and business cases will be prepared for them in due course. This now means that a total of xx schools have engaged with the programme. The programmes are at no cost to the schools and use Salix interest free loan arrangements to fund the works and time of Property Services to manage the contracts.

### 7.6 Battery Storage

The Director of CCBS has engaged with a specialist provider through the Laser energy supply framework and selected site visits have been undertaken to establish the viability of Council sites for battery storage. As a result of this analysis, 2 sites have earmarked for technical feasibility studies; Ell Court in Winchester and Dame Mary Fagan House in Basingstoke.

Site specific technical data is currently being assembled to progress the study and initial financial assessments have identified a simple payback

of around 8 years which is positive. More work is now planned to test and refine the initial case based on further technical studies.

#### 7.7 Conversion of Street lighting and street furniture to LED lamps

Officers from CCBS and ETE are actively reviewing options for the deployment of LED street lighting and street furniture to establish what opportunities exist. Use of the Salix loan fund is also being investigated. It is expected that savings on street lighting will form part of the next Transformation programme to deliver a significant revenue saving.

#### 7.8 Salix Recycling Fund for Energy Programmes

The Director of CCBS submitted an expression of interest in December 2018 for the Salix Recycling Fund (renamed Salix Clean Growth Fund) for both the County Council and the Office of the Police and Crime Commissioner with a view to implementing projects in the 19/20 financial year.

The County Council proposes to commit £500k of the unallocated corporate energy fund which would be matched by Salix for energy further programmes of LED lighting, thermal efficiency, PV and heating improvements. Salix continues to be successfully utilised to lever additional loan funding to deliver more programmes of work and to a larger scale. The return on investment to the Public Sector is short and represents excellent value.

#### 7.9 EII South Office Heating Improvement Works – Project Appraisal

7.9.1 The Panel will be aware of the Corporate Energy Performance Programmes previously approved in 2016 and updated annually thereafter, most recently in June 2018. The Energy Performance Programmes continues to support the Councils Carbon Reduction Strategy delivering cost, energy and carbon savings to support Phase 2 of the Programme (from 2015–2025), which aims to reduce 2010 levels by 50% by 2025.

7.9.2 To support the strategy a review of all corporate office accommodation was undertaken as the programme progressed. This review confirmed Elizabeth II Court South as being a key building for energy performance improvements to its mechanical heating services. It is now proposed to undertake a programme of internal improvements to the buildings heating pipework and control systems to modernise its effectiveness and improve efficiency and save energy making the buildings heating system fit for the future.

7.9.3 The proposed improvement works include:

- replacement and upgrades to the Building Management System (BMS), to provide modern services infrastructure and support energy and environmental information gathering to optimise the internal comfort of working spaces.
- installation of pipework insulation
- new thermostatic radiator controls to provide improved local office space heating control and effectiveness
- change of plant, equipment and pipework within the boiler room to support the efficiency and control of the heating system.
- commissioning and seasonal review and re-commissioning of the heating systems performance.

7.9.4 The estimated value of the works is £355,000 including professional fees. The heating improvement work and energy performance contract works will be funded from the Policy and Resources Energy Performance Programme budget which has been previously approved by the Executive Member Policy and Resources, as noted in 1.9.1, and as set out in the 'Energy Programmes Update Reports' annually since 2015.

7.9.5 As the value of this project exceeds the £250k threshold a specific project appraisal is required and this is therefore included in this report as a recommendation to the Executive Member Policy and Resources

7.9.6 It is proposed to procure the contract through the Minor Works Engineering Services Framework, with works commencing in Spring 2019. It is anticipated that the building will be fully occupied for the duration of the contract with only minor local disruption, and complete before Autumn 2019.

7.10 It is proposed that the Panel recommends to the Executive Member for Policy and Resources that the project appraisal for the Elizabeth II Court South Heating Improvement Works project, to be funded from the Policy and Resources Energy Performance Programme budget be approved at an estimated value of £355,000.

#### 7.11 **Energy supply and contract management**

A report elsewhere on this Panels agenda recommends the procurement of the next generation of framework for energy supply to maximise the buying power of the County Council and its partners. Work is ongoing to manage the existing contract to maximise the efficiency and billing methods as reported to previous meetings of this panel.

### **8 Frameworks Update**

8.1 As reported to the meeting in June 2018, the new Southern Construction Framework (SCF) is currently being tendered in partnership with Devon County Council and will be in place for April 2019. A replacement intermediate value framework for projects ranging

up to £4m is also currently being tendered for County Council projects which will be accessible to 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 Property Service. In the current financial year, the overall framework income will be in the region of £800,000 which will return a surplus over and above cost of 16%.

- 8.2 There are proposals to enter into discussions with Devon County Council and Manchester City Council to jointly develop regional and national consultancy arrangements to compliment existing regional construction frameworks. Future reports to this panel will provide further details of these proposals.
- 8.3 The following is intended as an update for the panel on the achievements of SCF:
- SCF has provided evidenced savings of £200m to the Cabinet Office since 2015. These savings have been included in their reports to the Government Construction Board. These savings represent 5% of total turnover. Hence, any project using SCF can be said to guarantee 5% savings through early contractor involvement and team collaboration
  - SCF now holds data on over £6bn building projects which have been delivered through the framework since 2006, and is possibly the largest construction database in the UK. We have agreed an arrangement with Oxford University to analyse the data in more detail to produce a picture of the successes of the framework
  - SCF has also agreed to jointly sponsor a research project with Manchester City Council representing the North West Construction Hub, and the Greater Manchester Chamber of Commerce to carry out academic research into the benefits for collaboration and integrated team working in construction
  - SCF continues to chair the National Association of Construction Frameworks which has grown since its inception in 2014. The frameworks facilitate the delivery of now nearly £2bn of public sector construction projects nationally every year, and support the work of the Local Government Association.
  - SCF is used by a wide variety of public sector clients and central government. The projects include
    - Nearly 1000 houses for the Army servicemen and women and their families over three sites near Salisbury Plain
    - Three major science and research projects
    - Leisure centres across the South of England

- Social Value and localism is a key objective of the framework. SCF has now delivered over 220 years of apprentice employment through our innovative scheme with the contractors.

8.4 SCF levy income is being used to sponsor a Constructing Excellence led initiative in the South East to raise awareness of the variety of careers in construction to school children. Commencing in Hampshire, the aim is to pair individual schools with construction industry organisations to establish a programme of events. The initiative is called Inspiring Future Talent, and future reports to this panel will provide updates on progress.

**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.)

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:

An equalities impact assessment has /has not been considered in the development of this report as access requirements are always considered during the design stages of building maintenance projects and are often improved.

### **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.

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## HAMPSHIRE COUNTY COUNCIL

### Report

|                         |  |
|-------------------------|--|
| <b>Committee/Panel:</b> | Buildings, Land and Procurement Panel                  |
| <b>Date:</b>            | 26 March 2019  |
| <b>Title:</b>           | Managing Hampshire's Built Estate                      |
| <b>Report From:</b>     | Director of Culture, Communities and Business Services |

**Contact name:** Steve Clow

**Tel:** 01962 847858

**Email:** [steve.clow@hants.gov.uk](mailto:steve.clow@hants.gov.uk)

#### 1. Recommendations

That Buildings, Land and Procurement Panel recommends to the Executive Member for Policy and Resources to:

- Approve the proposal to carry forward the balance of the landlord repairs and School Condition Allocation budgets 2018/19 that are not expended by year end to 2019/20 to meet the commitments made against these budgets.
- Approve the Landlord's corporate estate repair and maintenance programme for 2019/20 as set out in Appendix E.
- Approve the planned schools revenue and Schools Condition Allocation (SCA) programmes for 2019/20 as set out in Appendix F.
- Note the progress made to reduce health and safety risks and the maintenance liability in the corporate estate in the context of the available budgets.
- Note the progress in addressing the health and safety risks and condition liabilities in the school estate and the continuing maintenance pressures arising from of the system buildings of the 1960s and 1970s.
- Note the projected 2018/19 budget outturn position for reactive and planned repairs budgets.

#### 2. Executive Summary

- 2.1 The purpose of this report is to set out proposals for the County Council's repair and maintenance programmes and budget allocations for 2019/20.
- 2.2 The report provides a forecast outturn position for planned and reactive repairs budgets for the current financial year (2018/19) and identifies known and provisional budgets available for the next financial year (2019/20) based on anticipated levels of funding.

- 2.3 The report also identifies the high level priorities against the available budgets and provides a schedule of planned programmes of work in appendices E and F. As not all the budgets are currently confirmed, the final programmes of work will be adjusted from those proposed in appendices E and F to match the available funding. If it is necessary to reduce the scope of the programme the highest priority items will be addressed first and any deferred works reported to a future Panel meeting.

### **3. Managing the County Council's Built Estate**

- 3.1 The April 2015 report to the Executive Member Policy and Resources (EMPR) set out the strategies that Property Services adopts to address the maintenance challenges within the corporate and maintained schools estate. This builds on the context set out in the County Council Strategic Asset Management Plan (SAMP). These strategies continue to deliver sound outcomes within the available budgets. The strategies take account of the two distinct portfolios within the estate which have different pressures and challenges – the 'schools' and the 'corporate' estates.
- 3.2 The projects and programmes of work in this report total around £43 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. The programme will be 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 programmes nationally.
- 3.3 Funding for the corporate estate (offices, adult and children's residential homes, libraries etc.) is provided within the County Council's revenue budgets. In the case of schools, funding comes from the following sources:
- government grant for school condition improvement;
  - schools revenue funding contributions to Property Services Service Level Agreement (SLA) arrangements.
  - County Council funding to support key landlord responsibilities for health and safety priorities, which includes retained funding from the dedicated schools grant (DSG) in consultation with the schools forum to support the County Council's statutory responsibilities for schools.

### **4. Management of Health and Safety**

- 4.1 In line with HCC health and safety policies and procedures, Property Services is responsible for the management of a number of key health and safety risks within its built estate. This includes the management of risks associated with fire and arson, legionella, building fabric and trees. Property Services also works closely with the Hampshire Asbestos Management Team on the management of asbestos across the estate.

- 4.2 In addition to undertaking services in line with statutory requirements and legislation, Property Services is working closely with the corporate health and safety team to identify and address the most significant health and safety risks across the built estate through programmes of inspections, surveys and improvement works and to ensure a seamless interface with local management arrangements for buildings.
- 4.3 Property Services is currently undertaking a review of the risk assessment process used to assess health and safety priorities in buildings and this will inform future priorities for investment and funding levels.

#### Management of Fire and Arson

- 4.4 In response to the heightened awareness of fire safety since the Grenfell Tower fire in June 2017, Property Services undertook a programme of surveys and improvement works to the physical fire precautions in those buildings assessed as having a higher risk in relation to fire taking account of their construction, condition and use of the building. This included adult residential and nursing homes, corporate office buildings, SCOLA system-built schools and schools with a single staircase.
- 4.5 Improvements to the adult residential and nursing homes were completed during 2018 and a significant and prioritised programme of improvement works in schools will be completed during 2019. Improvement works in a number of corporate offices are also planned for 2019, which will support the increased utilisation of these buildings in line with the corporate office accommodation strategy.
- 4.6 For 2019/20, funding has been allocated in the budgets to provide additional resources to undertake an increased programme of fire precautions survey work and resulting improvements on both those buildings identified as higher risk within the estate and on a sample basis across the remainder of the estate. This approach will ensure that improvement works continue to be targeted at those buildings identified as highest risk while also informing the understanding of the improvement work that may be required elsewhere in the estate, so that future funding requirements can be assessed.

#### Management of Legionella

- 4.7 Following a programme of infrastructure improvements completed in 2018, legionella management has been a key area of further improvement across the estate over the last year. Significant investment has been made to install a comprehensive system of water temperature monitoring points through the County Council's corporate and community schools estate. In addition, Property Services, working closely with the corporate health and safety team, has set up an online legionella data management and reporting system. These improvements will support a reduction in the risk of exposure by improving the accuracy of water temperature measurements and providing early warning of any issues so that these can be appropriately investigated and addressed. This is part of an on-going strategy to take advantage of modern technology to increase the efficiency and effectiveness of the management of the built estate. Additional corporate revenue funding of £320,000 has been approved at full Council in February 2019 and is

included in the budgets for 2019/20 to support the continued proactive management and mitigation of any legionella risks.

#### Management of Asbestos

- 4.8 Property Services works closely with the Hampshire Asbestos Management Team to address risks associated with asbestos containing materials within the built estate. Allowance is made in the 2019/20 budgets for the continued funding of statutory surveys and reinspection programmes together with the remedial works arising from these. Where appropriate, allowance is made within the scope of maintenance and refurbishment projects for the permanent removal of asbestos containing materials in order to continue to reduce the risk from asbestos across the estate.

#### Management of Trees

- 4.9 Property Services is responsible for the surveying and management of trees on the corporate and maintained schools estate, 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.
- 4.10 The funding allocated for tree surveys and arboriculture works has been increased for 2019/20 to reflect the increased risk arising from Ash dieback disease. Property Services is currently working with colleagues in the Countryside and Highways services to agree an appropriate strategy for the management of this risk and Property Services will implement the agreed approach across the schools and corporate estate.

#### Management of Building Condition

- 4.11 Funding is allocated in the 2019/20 budget to support ongoing surveys to assess health and safety risks arising from the condition of the building fabric and to inform future investment programmes. The external redecoration programme continues to play a significant role in Property Services' approach to the maintenance of buildings as the condition of the external fabric plays a significant role in preventing the deterioration of buildings.

### **5. Corporate Estate**

- 5.1 The corporate estate comprises all of the non-school properties within the County Council's building portfolio. There continues to be significant changes in some parts of the estate, driven by evolving operational service strategies in response to changes in demographics, service demand levels and transformation of service delivery models.
- 5.2 Property Services continues to work closely with colleagues in all departments to develop asset strategies that align with and enable service transformation. Maintenance investment in the corporate estate takes account of the longer term plans for the buildings alongside current health and safety priorities and operational needs.

- 5.3 The overall maintenance liability in the corporate estate is estimated to be over £50m based on periodic survey work. In recognition of this significant liability, the County Council has protected the annual revenue maintenance budget from reductions during the last two years and will do so again for 2019/20.
- 5.4 The County Council has also recognised that additional investment is needed to target the backlog of repairs and reduce the maintenance liability. An additional one off budget of £3million was approved by Council and will be committed over the two financial years from 2019/20 to 2020/21.
- 5.5 This funding will be used to accelerate the programme of investment in improvement works to address key health and safety risks across the estate and condition improvement on a number of priority assets. A schedule of proposed projects for 2019/20 is provided at Appendix E of this report.

#### Office Accommodation Investment

- 5.6 To support the strategy to increase the utilisation of the County Council's office portfolio and to enable growth in departments and services, increased partnership working and ongoing revenue savings, funding from the corporate repairs and maintenance budget is being used to invest in improvements to a number of corporate office buildings. This includes improvements to the physical fire precautions, building fabric and services and other alterations to maximise building capacity.

## **6. The School Estate**

- 6.1 Schools represent 80% of the County Council's total portfolio of buildings. The overall condition liability in the school estate is estimated from surveys to be £350m.
- 6.2 In 2014 the Department for Education (DfE) published a "condition dashboard" for Hampshire schools which reflects the relatively high need in this county. This was consistent with our understanding of the school estate and resulted in Hampshire receiving a higher Schools Condition Allocation (SCA) grant in recent years than would otherwise be the case. The SCA grant for 2019/20 has not been formally confirmed yet, however the DfE has announced recently that the allocation would be calculated in the same way as in 2018/19. It is therefore anticipated that the County Council will receive a grant in the region of £17million.
- 6.3 The DfE is currently working on an updated Condition Data Collection (CDC) surveys. These surveys include a check on the earlier generation of Property Data Survey (PDS) together with a compliance check to ensure that the buildings are being effectively managed. The surveys are being conducted nationally at all schools, including Academies, over a 2 year period starting in Spring 2017. It is expected these surveys will inform and support future funding allocations for SCA grant. Property Services is supporting schools where appropriate in responding to this data collection and is also represented on the DfE working group for the CDC programme.

- 6.4 Significant progress has been made to reduce the maintenance backlog liability in schools over two decades of targeted risk based investment and this is the result of sound maintenance strategies using pooled revenue (via the schools' SLA) and capital investment (SCA). The most significant maintenance challenge in the schools' portfolio is the high proportion of 'system buildings' including the SCOLA and timber frame systems used extensively in the 1950s, 60s and 70s.

#### SCOLA buildings

- 6.5 SCOLA buildings represent 40% of the floor area of the school estate in Hampshire. All SCOLA Mark 1 buildings have been reclad and good progress has been made in modernising Scola Mark 2/3 buildings.
- 6.6 The recladding undertaken to SCOLA schools gives the building a new lease of life, not only addressing maintenance backlog issues but also significantly improving the internal building environment and energy efficiency.
- 6.7 The County Council was successful in securing five projects in the initial bidding round for the DfE's Priority Schools Building Programme 2 (PSBP2) programme. Four of these were SCOLA recladding schemes with a total investment £10,672,845 at Wootey Junior School, Talavera Infant School, Overton Church of England Primary School and Oliver's Battery Primary School. These projects have all now been completed on site.
- 6.8 A number of additional schemes are also in progress at 3 schools funded from the 2018/19 SCA programme and funding has been identified within the 2019/20 SCA allocation for further projects to be undertaken in the coming financial year.

#### Management of Timber Frame Buildings

- 6.9 As reported previously, the highest condition priorities in the maintained schools estates are two remaining 2-storey timber buildings at Grange Junior (Gosport) and Fryern Junior (Chandlers Ford) Schools.
- 6.10 It was previously proposed to advance fund these schemes with the costs ultimately met by the government SCA grant with allocations profiled across a number of years. However, following a review of priorities within the SCA programme for 2018/19, it is now proposed that the funding will be taken in full from the 2018/19 SCA grant allocation, enabled by the rescheduling of a number of other schemes in the 2018/19 programme to 2019/20.
- 6.11 The schemes at Grange and Fryern Junior schools have now been added to the 2019/20 Childrens Services capital programme with funding carried forward from the 2018/19 SCA grant. Project appraisals will be submitted for both schemes later this year. These projects will realise much needed improvements at both sites and remove a significant condition liability from the school estate.

#### 2019/20 SCA programme

- 6.12 Following the decision to fully fund the Grange and Fryern from the 2018/19 SCA grant, a number of schemes previously identified in the 2018/19 SCA

programme have been deferred to 2019/20. These schemes, together with a number of additional schemes are identified in appendices E and F.

#### Property Services Service Level Agreement (SLA) for Schools

- 6.13 The Property Services SLA continues to attract a high level of support amongst schools with 96% of all community and aided schools buying into it. The key principle of the SLA is that all schools make a fair contribution to a pooled fund based on their number on roll and floor area. The pool of funding is then used to manage the statutory compliance and day to day maintenance requirements on a priority basis for those schools.

#### Academy Joint Working Agreement (JWA)

- 6.14 A number of Academies have confirmed that they will be leaving the Joint Working Agreement (JWA) at the end of the current financial year. Property Services will continue to provide maintenance services to those academy schools that wish to remain in the agreement during 2019/20 but the scope of this arrangement is currently being reviewed in consultation with those schools to ensure that it is affordable within the agreed funding levels. Over the next few months, Property Services will also consider the future of these arrangements beyond 31 March 2020, in discussion with the schools, so that we can ensure that any ongoing arrangement is sustainable.

### **7.0 Property Services' delivery model**

#### Supplier arrangements

- 7.1 Property Services has a number of term contract and framework arrangements with suppliers. These include term maintenance contracts for building fabric and building services maintenance which were procured during 2017 and will run for a 5 year period with an option to extend for a further 5 years and the Minor Works Framework for larger maintenance projects and programmes of work.
- 7.2 These arrangements are used to provide maintenance services and programmes of works for the school and corporate estates as well as to the Police and Fire estates under the shared service arrangements with the Police and Fire Services. This common delivery model maximises the County Council's purchasing power in the market to achieve value for money. Property Services supports these arrangements through contract and supplier management which seeks to maximise the benefit from improved management information and the use of digital technology alongside a high level of service delivery.

#### Digital and Smarter working

- 7.3 Property Services continues to seek opportunities to secure efficiencies, modernise service delivery and improve the customer experience through the introduction of new ways of working enabled by digital technology. During 2019/20 this will include working on the replacement of the current Property Asset Management System (PAMS) and development of an improved online property interface for schools as part of the development of a new digital Schools Portal.

7.4 With the roll out of mobile technology under the corporate Enabling Productivity Programme, Property Services staff are also able to adopt new ways of working that make efficient use of resources to capture asset intelligence and plan and deliver maintenance services across the estate.

## **8. Conclusions**

8.1 This report sets out the strategies, funding and programmes of work that Property Services is proposing to manage the County Council's estate to ensure statutory compliance, manage health and safety risks and address maintenance requirements to ensure that the buildings continue to support the operational needs of departments, services and building users.

8.2 The funding for the corporate estate is a combination of the annual Policy & Resources revenue allocation for repairs and maintenance with an additional allocation of £3 million across 2019/20 and 2020/21 and an additional corporate allocation for management of legionella risks.

8.3 The funding for the school estate is from a combination of schools' revenue contributions to the SLA pooled fund, SCA grant allocation and retained dedicated schools grant (DSG) funding. Additional corporate funding has been allocated to support the implementation of the new legionella management system.

8.4 There continues to be a significant maintenance backlog liability across the estate. To ensure that the key health and safety and maintenance risks are addressed, this funding is prioritised to achieve the following key outcomes:

- Statutory compliance and management of health and safety risks through appropriate servicing, survey and inspection regimes and remedial works;
- Reduction in health and safety risks through improvement works targeted at the highest priority issues on a risk assessed basis;
- Ongoing investment in planned maintenance works so that core buildings are retained fit-for-purpose and in good condition;
- Targeted investment in planned improvements to buildings which will be retained in the long term.

8.5 Property Services continues to work closely with the departments and services that occupy the buildings to ensure that maintenance investment is aligned with operational strategies and priorities wherever possible.

8.6 Through ongoing review of its service delivery model and supplier arrangement, Property Services also continues to maximise its buying power and capitalise on new ways of working and digital technology to deliver value for money, increase efficiency, capture and make best use of asset intelligence and improve customer service.



## **Appendices**

- Appendix 1: Corporate and Legal Information
- Appendix 2: Impact Assessments
- Appendix 3: Repair and Maintenance Budget Report 2018/19 and Programmes for 2019/20.
- Appendix A: P&R Reactive and Planned Repairs 2018/19 (expenditure on the corporate estate excluding schools)
- Appendix B: Schools Reactive and Planned Repairs 2018/19
- Appendix C: Corporate Planned and Reactive Maintenance Budgets 2019/20 and Proposed Allocation
- Appendix D: Schools Condition Allocation Grant Proposed Allocations 2019/20
- Appendix E: Corporate Estate (excluding schools) Planned Investment Programme 2019/20
- Appendix F: Schools Planned Investment Programme 2019/20

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

|   |            |
|---|------------|
| <b>Hampshire maintains strong and sustainable economic growth and prosperity:</b> | <b>Yes</b> |
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| <b>People in Hampshire enjoy being part of strong, inclusive communities:</b>     | <b>Yes</b> |

**Other Significant Links**

|  |                    |
|--|--------------------|
| <b>Links to previous Member decisions:</b>         |                    |
| Managing Hampshire's Built Estate - Report to EMPR | Date<br>25.04.2019 |

**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.)**

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## **IMPACT ASSESSMENTS:**

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- 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.

### **2. Equalities Impact Assessment:**

2.1 The programmes represent an expenditure of £43M on the estate (£32M Schools and £11M Corporate) which will address the highest priority condition and maintenance issues. This expenditure will lead to enhanced environments for a range of ages in Hampshire Including Schools and Elderly Persons. For the full EIA assessment see the following link.

2.2 [Equalities Impact Assessment](#)

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

3.1 The programmes of work include replacement of major building components such windows, doors and cladding. These improvements have a beneficial impact on the security of the County Councils Estate.

### **4. Climate Change:**

4.1 There will be a positive impact on climate change from the works undertaken to improve thermal performance through recladding, double glazing and roof insulation improvements. Additionally, schemes to renew boilers and boiler controls will incorporate more efficient systems.

## Repair and Maintenance Budget Report 2018/19 and Programmes for 2019/20

### 1. Budget Context in Planning for the 2019/20 Financial Year

- 1.1. The School Condition Allocation (SCA) grant for 2019/20 has not been confirmed, however the DfE has stated that the methodology for calculating the grant will stay the same as in 2018/19 and therefore the County Council should anticipate a grant of just over £17m.
- 1.2. The DfE has indicated that there will continue to be condition funding in future years but it is reviewing the methodology for the allocation of grants to responsible bodies. It is not yet known how this will impact on Hampshire County Council.

### 2. Total Repair and Maintenance budgets 2019/20

- 2.1. The repair and maintenance budgets for 2019/20 are set out in Table 1. The values in the table are base gross budgets without inclusion of carry forwards reported elsewhere in this report.

Table one.

| Budget   | 2019/20<br>(assumed) | Comments  |
|--|----------------------|---|
|  | £'000                |   |
| Landlord Repair and Maintenance  | 7,809                | Annual P&R revenue budget   |
| Additional Landlord Repair and Maintenance allocation (£3m for period 2019/20 - 2020/21) | 1,500                | First year allocation against the total 2 year funding                        |
| R&M Reserve  | 691                  | To support improvements and dilapidations in the corporate office portfolio   |
| R&M reserve 2019/20 contribution   | 545                  | Annual allocation   |
| Schools SLA and Academies JWA Pooled revenue contributions                               | 15,487               | Estimate only - to be confirmed when 2019/20 contributions are finalised      |
| School Condition Allocation (SCA) grant  | 17,000               | Estimate only - to be confirmed when grant allocation is confirmed by the DfE |
| <b>Total</b>   | <b>43,032</b>        |   |

2.2. Property Services has agreed the schools programmes proposed within this report with the Childrens Services department to ensure a coordinated approach with the Basic Need Capital Programme.

### **3. Landlord's Capital Repairs and Schools Planned Maintenance Programmes 2019/20**

3.1. Landlord's Planned Repairs Programme: A Landlord's programme of planned repairs investment for 2019/20 is set out in Appendix E.

3.2. Schools Planned Maintenance Programme: A Schools Planned Maintenance programme of investment for 2019/20 is set out in Appendix F. This incorporates both the planned revenue works funded from the Schools SLA and the Schools Capital Allocation and is in line with the joint condition priorities agreed with Children's Services.

3.3. The majority of the capital programme works reported in Appendices E and F will be procured through OJEU compliant framework arrangements or via traditional single stage competitive tender. The procurement route selected for each project will be determined taking into account the specific details of the project and market intelligence at the time of the tender. Flexibility in the buying strategy will allow the Council to take advantage of the construction market.

3.4. The maintenance and repairs programmes contained in this report are produced from interrogation of the data held on the condition of buildings and the extensive knowledge of the County Council's built estate held within Property Services. The planned programmes of works are used to support a planned approach to investment. The available budgets are focused on addressing the identified health and safety priorities identified through a risk assessment process across the built estate. Alongside the health and safety priorities other key objectives for the maintenance and repair budgets are:

- Undertaking regular cyclical maintenance including external redecoration in accordance with good property management principles
- Tackling the maintenance liabilities.
- Reducing risks and improving the health and safety performance of buildings.
- Improving efficiency and reduce recurring/running costs.
- Improving the quality of the built environment for communities and future generations.
- Modernising buildings and making them fit for purpose.

As part of undertaking many repair and maintenance works it is often necessary to manage existing installations of asbestos. The County Council has robust management practices for the management of asbestos which are closely adhered to. Allowance is made within the cost estimates of all works proposed on the attached appendices to safely remove or manage asbestos as necessary.

## Condition priorities in the school estate

3.5. As noted above Property Services and Childrens Services have an integrated approach to the prioritisation of the SCA. It is proposed planned works are targeted at the highest known priorities against the following themes:

- External decoration and internal decoration of school kitchens
- Renewal of roof coverings including improving insulation
- Recladding of SCOLA 2 /2A buildings.
- Recladding of timber frame primary schools.
- Refurbishment of toilet facilities.
- Removal of asbestos installations requiring particular attention
- Installation of new fire alarm systems and associated structural fire precautions works to single staircase, multi storey schools.
- Boiler and heating system renewal.
- Water supply pipework renewal.
- Lighting replacement including renewal of ceilings.
- Ventilation improvements to school kitchens.

#### 4. Key Projects for 2019/20

##### Stoke Park Infant School

4.1. It is proposed to renew the roof coverings at Stoke Park infant school. An extensive survey and review of the existing roof coverings has been undertaken and a full re-roof is required. The work is currently anticipated to cost £900,000 and will be programmed to work around the schools to minimise disruption and inconvenience as much as possible.

##### Bishops Waltham Junior School

4.2. It is proposed to undertake SCOLA recladding at Bishops Waltham Junior school to include new windows, new insulated cladding panels, new roof coverings including increasing insulation, asbestos removal and associated internal refurbishment. The work is currently anticipated to cost £1.3M and will be programmed in conjunction with the school

##### St Michaels Junior School, Aldershot

4.3. It is proposed to renew the roof coverings at St Michaels junior school. An extensive survey and review of the existing roof coverings has been undertaken and a full re-roof is required. The work is currently anticipated to cost £250,000 and will be programmed to work around the schools to minimise disruption and inconvenience as much as possible

##### Various Schools, Toilet refurbishment

4.4. A prioritised programme at Various Primary schools will have pupil toilet refurbishment work undertaken. The programme has an anticipated cost of £350,000 the work will be undertaken starting in summer 2019 with

completion in Spring 2020. The works will include replacement of all sanitary ware, cubicles and brassware, replacement of flooring and upgrading ventilation.

#### Various Schools, External Decorations

- 4.5. A prioritised programme at Various Secondary, Primary and Special schools will have a programme of repairs and decorations undertaken. The work will be undertaken starting in summer 2019 with completion in 2020. The works will include pre-decoration repairs, redecoration of previously painted surfaces, inspection of high level gutters, coping stones and other high level building elements and redecoration of the school meals kitchen.

#### Various Schools, Fire Precautions improvements

- 4.6. It is proposed to continue with a programme of fire precautions improvements at various Primary, Secondary and Special Schools. The programme will be prioritised in high risk buildings and across a sample of the schools estate and will include improvements to fire barriers in ceiling voids, upgrading of doors and walls and installation of fire alarm systems. The programme will be ongoing throughout the year.

#### Various Schools, Kitchen improvements

- 4.7. It is proposed to continue with a programme of kitchen ventilation improvements at various Primary and Special Schools. The programme will be prioritised using information from the test and inspection programme and will include the provision of new extract systems linked to gas safety system improvements. The programme will be ongoing throughout the year

#### Various Schools, Hard Landscape improvements

- 4.8. It is proposed to continue with a programme of hard landscape improvements at various Secondary, Primary and Special Schools. The programme will be prioritised using information from the inspection programme and will include playground resurfacing and drainage improvements. The programme will be ongoing throughout the year.

#### Update to Existing Approvals

- 4.9 Testbourne School, SCOLA re clad – Following a review of the scope of works it is proposed to extend the recladding project to include a full re clad of both the single and 2 storey blocks on the site. Options are also being considered to take the opportunity to undertake further internal alteration and refurbishment work. A full project appraisal will be taken to a future Executive Member for Education decision day

#### Office Accommodation – EII South Fire Precautions Improvements

- 4.10 Following a fire strategy review during 2018, it is proposed to undertake works to improve the fire precautions in EII South offices to maximise the capacity of the building in line with the corporate office accommodation strategy. Planned works including lobbying of staircases, upgrade of the fire alarm, installation of additional powered and/or new doors for segregation and installation of additional detection. Completion of these works will increase the capacity of the building by approximately 300 people, enabling the current utilisation levels to be increased to meet

operational growth. It is anticipated that the works, which are subject to a listed building consent, will commence in the summer 2019.

Office Accommodation – Castle Avenue Fire Precautions Improvements

- 4.11 Following a fire strategy review of Castle Avenue offices, it is planned to undertake some works to improve the fire precautions and means of escape in the Castle Avenue to maximise the capacity of the building to support increased utilisation in line with the office accommodation strategy. Planned works include additional fire doors, opening up of an additional fire exit, fire exit signage and emergency lighting upgrades and additional smoke detection in specified areas of the building.



**P&R Reactive and Planned Repairs 2018/19**  
**(Expenditure on the Corporate Estate - excluding schools)**  
 Projected Commitment by 31 March 2019

|   | <b>Budget</b> | <b>Commitment</b> |           |
|---|---------------|-------------------|-----------|
|   | £'000         | £'000             | %         |
| <b>Budgets 2018/19</b>  |               |                   |           |
| Policy and Resources Cash Limited Budget                      | 7,124         | 7,124             | 100       |
| Legionella  | 583           | 507               | 87        |
| Additional Resources (£4.5m for 2016-19)                      | 3,139         | 1,976             | 63        |
| Flexible working & dilapidations (carry forward from 2017/18) | 1,146         | 455               | 40        |
| R&M Reserve   | 545           | 545               | 100       |
| <b>Total Budgets</b>  | <b>12,537</b> | <b>10,607</b>     | <b>85</b> |

**Breakdown of expenditure against 2018/19 budgets**

|   |               |
|---|---------------|
| Engineering reactive maintenance and servicing                | 3,564         |
| Health and safety risk management priorities                  | 1,087         |
| Planned programmed works                                      | 3,252         |
| Building fabric reactive maintenance                          | 1,389         |
| Flexible working & dilapidations (carry forward from 2017/18) | 455           |
| Estates and County Farms support                              | 90            |
| Structural inspections of the estate                          | 180           |
| Historic buildings  | 34            |
| External works  | 11            |
| R&M Reserve   | 545           |
| <b>Total</b>  | <b>10,607</b> |

Notes

1. All figures above are inclusive of professional fees.
2. A balanced outturn position is projected for 31 March 2019 but any remaining balances will be carried forward to 2019/20.

**Schools Reactive and Planned Repairs 2018/19**  
All Projected Commitment are to 31 March 2019

| <b>Budgets 2018/19</b>                           | <b>Budget</b> | <b>Commitment</b> |           |
|--|---------------|-------------------|-----------|
|  | £'000         | £'000             | %         |
| Schools revenue budget from SLA contributions    | 15,952        | 15,952            | 100       |
| SCA contribution to health and safety priorities | 2,000         | 2,000             | 100       |
| Legionella                                       | 967           | 683               | 71        |
| <b>Total Budgets</b>                             | <b>19,029</b> | <b>18,745</b>     | <b>99</b> |

**Breakdown of expenditure against 2018/19 budgets**

|   |               |
|---|---------------|
| Health and safety risk priorities           | 3,689         |
| Building fabric reactive maintenance (TMC)  | 3,897         |
| Engineering maintenance and servicing (TMC) | 7,377         |
| Planned works                               | 3,117         |
| Modular buildings                           | 162           |
| Structural Inspections of the Estate        | 335           |
| External Works                              | 168           |
| <b>Total</b>                                | <b>18,745</b> |

**Schools Condition Grant 2018/19**

| <b>Budgets 2018/19</b>               | <b>Budget</b> | <b>Commitment</b> |            |
|--------------------------------------|---------------|-------------------|------------|
|                                      | £'000         | £'000             | %          |
| SCA Budget 18/19                     | 17,264        | 17,264            | 100        |
| SCA Grant Carried Forward from 17/18 | 8,055         | 8,055             | 100        |
| <b>Total Budgets</b>                 | <b>25,319</b> | <b>25,319</b>     | <b>100</b> |

Notes

1. All figures above are inclusive of professional fees which are charged at 12% on SLA works and 16.5% on SCA funded works.
2. A balanced outturn position is projected for 31 March 2019 across revenue budgets and a full commitment against the SCA Grant.

**Corporate Buildings Planned and Reactive Maintenance Budgets 2019/20  
and Proposed Allocation (excludes schools)**

|  | <b>Budget</b> |
|--|---------------|
|  | £'000         |
| <b>Budgets 2019/20</b>                   |               |
| Policy and Resources Cash Limited Budget | 7,809         |
| Additional Resources (£3m for 2019-21)   | 1,500         |
| Carry Forward from 2018/19               | 2,739         |
| R&M Reserve                              | 691           |
| R&M Reserve 19/20 contribution           | 545           |
| <b>Total Budgets</b>                     | <b>13,284</b> |

**Proposed Allocations against Budgets Above**

|  |               |
|--|---------------|
| Planned inspections of the estate              | 365           |
| Building fabric reactive maintenance           | 1,327         |
| Engineering reactive maintenance and servicing | 3,537         |
| Engineering breakdown repairs                  | 649           |
| Compliance monitoring                          | 293           |
| Health and safety risk management priorities   | 973           |
| Planned programmed works                       | 3,447         |
| Carry forward from 2018/19                     | 1,457         |
| R&M reserve (carried forward)                  | 691           |
| R&M reserve 19/20 contribution                 | 545           |
| <b>Total</b>                                   | <b>13,284</b> |

Notes

1. All figures above are inclusive of fees which are charged at 12% on revenue works.
2. A balanced outturn position is projected for 31 March 2019 across most corporate revenue allocations but a projected carry forward of uncommitted funds is highlighted above. Any further uncommitted funds will be carried forward into 2019/20.

**Schools Revenue and Planned Maintenance Proposed Allocations**  
**2019/20**

|                           | <b>Budget</b> |
|---------------------------|---------------|
| <b>Budgets 2019/20</b>    | £'000         |
| SLA funding contributions | 15,487        |
| SCA grant 19/20           | 17,000        |
| <b>Total Budgets</b>      | <b>32,487</b> |

**Proposed Allocation of Budget against Budgets Above**

|  |               |
|--|---------------|
| Planned inspections of the estate              | 856           |
| Building fabric reactive maintenance           | 3,426         |
| Engineering reactive maintenance and servicing | 5,693         |
| Engineering breakdown repairs                  | 2,733         |
| Compliance monitoring                          | 380           |
| Health and safety risk management priorities   | 1,205         |
| Planned programmed works                       | 13,221        |
| Deferred programme from 2018/19                | 4,973         |
| <b>Total</b>                                   | <b>32,487</b> |

Notes:

1. The amounts are inclusive of professional fees
2. The final value of the 19/20 SCA Grant has yet to be confirmed. The programmes are based on an estimated allocation of £17.0m. Programmes will be adjusted accordingly when the final grant value is confirmed.

| <b>Corporate Estate (excludes schools) Planned Investment Programme 2019/20</b> |   |
|---|---|
| <b>Property</b>   | <b>Works</b>                                    |
| <b>Schemes £0 to £50,000</b>  |   |
| Fareham Horticultural Group   | Installation of double glazed windows and doors |
| Great Hall  | Gallery remedial works                          |
| Queen Elizabeth Country Park  | New roof covering and insulation upgrade        |
| Rockbourne Roman Villa  | Deck remedial works                             |
| Royal Victoria Country Park Empire tea rooms                                    | Cedar shingle replacement                       |
| Royal Victoria Country Park Empire tea rooms                                    | Installation of double glazed windows and doors |
| Solent Mead   | kitchen ventilation works                       |
| Staunton Country Park   | roof covering replacement                       |
| Staunton Country Park   | roof covering replacement                       |
| Staunton Country Park   | Soakaway Replacement                            |
| Various Corporate properties  | Internal Decs                                   |
| Various Corporate properties  | Hard Landscape & Fencing                        |
| Various Corporate properties  | Energy support                                  |
| <b>Schemes £50,000 to £100,000</b>  |   |
| Bishopstoke Community Centre  | Tower remedial works                            |
| Forest Arts Centre Entrance   | Installation of double glazed windows and doors |
| Various Corporate properties  | Electrical T&I remedials works                  |
| Various Corporate properties  | Arboriculture                                   |
| <b>Schemes £100,000 to £150,000</b>   |   |
| Calshot Activity Centre   | Replacement of ceilings                         |
| Calshot Hangar  | Window remedial works                           |
| Various Corporate properties  | Replacement sewage treatment plant              |
| Various Corporate properties  | Asbestos repair instruction works               |
| <b>Schemes £150,000 to £250,000</b>   |   |
| Bar End Unit 1  | Roof covering replacement                       |
| Bridgemary Library  | New boiler & HWS improvements                   |
| Homewood  | Installation of double glazed windows and doors |
| Hook Depot  | Electrical infrastructure works                 |
| Lymington Offices Avenue Rd   | New roof covering and insulation upgrade        |
| Various Corporate properties  | Structural repair instruction works             |
| Various Corporate properties  | Boiler Repairs & Replacement                    |

|   |                         |
|---|-------------------------|
| Various Corporate properties                                | Fire Precaution works   |
| Various Corporate properties                                | External Decoration     |
| Various Corporate properties                                | Building & roof repairs |
| Various Corporate properties incl.<br>Castle Avenue offices | Fire Precaution works   |
| <b>Schemes £250,000 to £1,000,000</b>                       |                         |
| EII South Offices   | Fire precaution works   |
|   |                         |

Note: All schemes below £100,000 are to proceed under delegated Chief Officer Approval, but are shown here for information.

| <b>Schools Planned Investment Programme 2018/19</b> |  |
|---|--|
| <b>Property</b>                                     | <b>Works</b>   |
| <b>Schemes up to £50,000</b>                        |  |
| Alderwood School (Secondary site)                   | Installation of double glazed doors and windows                  |
| Alver Valley Infant and Nursery School              | External repairs and decorations                                 |
| Alver Valley Junior School                          | External repairs and decorations                                 |
| Barncroft Primary School                            | External repairs and decorations                                 |
| Baycroft School                                     | Damp improvement works   |
| Bentley CE (C) Primary School                       | Upgrade Mains Water supply                                       |
| Binsted Ce (c) Primary School                       | External repairs and decorations                                 |
| Brighton Hill Sec School                            | Replace Supply Air AHU for Drama Theatre                         |
| Brockhurst Primary School                           | External repairs and decorations                                 |
| Brookfield Community School and Language College    | Upgrade of boundary fencing                                      |
| Brookfield School                                   | Replace Distribution boards in 025X 026X & 028X in year 5 (2021) |
| Brookfield School                                   | Replace ECC switchgear & DBs in 001G                             |
| Brookfield School                                   | Replace switchgear & DBs in 001X in year 5 (2021)                |
| Brookfield School                                   | Replace switchgear & DBs in 001C                                 |
| Brookfield School                                   | Replace Macwood auto doors                                       |
| Burnham Copse Primary School                        | External repairs and decorations                                 |
| Buryfields Infant School                            | External repairs and decorations                                 |
| Butts Primary School                                | External repairs and decorations                                 |
| Calthorpe Park School                               | Distribution board upgrade                                       |
| Clanfield Junior School                             | External repairs and decorations                                 |
| Cliddesden Primary School                           | External repairs and decorations                                 |
| Court Moor School                                   | Drainage improvements  |
| Cove Junior School                                  | External repairs and decorations                                 |
| Cranford Park Ce (c) Primary School                 | External repairs and decorations                                 |
| Crestwood College                                   | installation of new doors  |
| Crestwood College (Shakespear Rd. site)             | Hard landscape improvements                                      |
| Crofton Anne Dale Infants                           | Replace main intake switch panel                                 |
| Crofton School                                      | Replace switchgear in 002A 003X 004X                             |
| East Meon Ce (c) Primary School                     | External repairs and decorations                                 |
| Elson Infant  | Improvements to gutter systems                                   |
| Elson Junior School                                 | External repairs and decorations                                 |
| Emsworth Primary School                             | External repairs and decorations                                 |
| Fairfields Primary School                           | External repairs and decorations                                 |
| Fernhill College                                    | Hard landscape improvements                                      |
| Fordingbridge Junior School                         | External repairs and decorations                                 |
| Foxhills Junior School                              | Replace Mains & Distribution Boards                              |

|                                 |   |
|---------------------------------|---|
| Freegrounds Infant School       | External repairs and decorations  |
| Frogmore College (Main Block)   | Replace existing CWS tanks, consider removing tanks and convert to all mains water service where possible |
| Frogmore Infant School          | External repairs and decorations  |
| Froxfield Ce (c) Primary School | External repairs and decorations  |
| Grayshott Ce (c) Primary School | External repairs and decorations  |
| Hamble school                   | Hard landscape improvements   |
| Hamble School                   | Improvements to ceilings and lighting   |
| Harrow Way                      | Pupil toilet refurbishment  |
| Haselworth                      | Damp improvement works  |
| Hayling college                 | Flooring improvements   |
| Hayling School (005A)           | Replace pipework in sports block  |
| Heathfield School               | Replace main intake switchgear & Federal DBs  |
| Henry Cort                      | Replace old Federal DBs in location 001X vis 126  |
| Henry Cort                      | Playground resurfacing and drainage improvements  |
| Herne Junior School             | External repairs and decorations  |
| Horndean College                | Hard landscape improvements   |
| John Hanson School              | Replace Macwood auto doors  |
| Kings Copse Primary School      | External repairs and decorations  |
| Kings school                    | Hard landscape improvements   |
| Lee on Solent Infants           | Replace main intake switchgear panel & DBs  |
| Limington House School          | External repairs and decorations  |
| Liphook Ce (c) Junior School    | External repairs and decorations  |
| Liphook Infant School           | External repairs and decorations  |
| Locks Heath Junior School       | External repairs and decorations  |
| Manor Ce (c) Infant School      | External repairs and decorations  |
| Manor Infant, Holbury           | Upgrade of Patent Glazing   |
| Maple Ridge School              | External repairs and decorations  |
| Marnel Community Junior School  | External repairs and decorations  |
| Mengham Infant School           | External repairs and decorations  |
| Micheldever Primary             | Damp improvement works  |
| Morelands Primary School        | External repairs and decorations  |
| Newtown Ce (c) Primary School   | External repairs and decorations  |
| Nightingale Primary School      | External repairs and decorations  |
| Norman Gate School              | External repairs and decorations  |
| Northern Infant School          | External repairs and decorations  |
| Northern Junior School          | Replace main intake switchgear and local DBs  |
| Oakley Infant School            | External repairs and decorations  |
| Oakridge Infant and Junior      | External repairs and decorations  |
| Oakridge Infant and Junior      | External repairs and decorations  |
| Orchard Infant School           | External repairs and decorations  |



|   |  |
|---|--|
| Orchard Junior School                                     | External repairs and decorations                       |
| Orchard Lea Infant School                                 | Replace main intake switchgear                         |
| Padnell Junior School                                     | External repairs and decorations                       |
| Park School   | Flooring improvements                                  |
| Peel Common Infant School                                 | Replace main switchgear                                |
| Petersfield Infant School                                 | External repairs and decorations                       |
| Portchester Community School                              | Pupil toilet refurbishment                             |
| Purbrook Junior School                                    | External repairs and decorations                       |
| Purbrook Park   | Installation of double glazed windows                  |
| Purbrook Park School                                      | Replace DBs in 003 & 004                               |
| Purbrook Park School                                      | Replace switch panel & DBs in 001A in year 2 (2017/18) |
| Rachel Maddocks School                                    | New gas pipework and interlock                         |
| Ranvilles Infant School                                   | External repairs and decorations                       |
| Ranvilles Junior School                                   | External repairs and decorations                       |
| Red Barn Primary School                                   | Replace Obsolete switch gear & DBs                     |
| Romsey Primary School                                     | External repairs and decorations                       |
| Samuel Cody   | Distribution board upgrade                             |
| Sarisbury Infant School                                   | Replace obsolete DBs                                   |
| Saxon Wood School   | External repairs and decorations                       |
| Shepherds Down Special School                             | External repairs and decorations                       |
| South Wonston Primary                                     | Damp improvement works                                 |
| Springwood Infant School                                  | External repairs and decorations                       |
| St Francis Ce (a) Primary School                          | External repairs and decorations                       |
| St James Ce (c) Primary School                            | External repairs and decorations                       |
| St James Primary (Emsworth)                               | Replace Switchgear & DBs                               |
| St John The Baptist Ce (c) Primary School (Waltham Chase) | External repairs and decorations                       |
| St Michael And All Angels Ce (a) Infant School            | External repairs and decorations                       |
| St Thomas Infant Ce (c) School                            | External repairs and decorations                       |
| Steep Ce (c) Primary School                               | External repairs and decorations                       |
| Stoke Park Infant School                                  | External repairs and decorations                       |
| Stoke Park Junior School                                  | External repairs and decorations                       |
| Swanmore college  | Hard landscape improvements                            |
| Swanmore College  | Replace Ballard switchpanel in 006X 006A year 2 (2018) |
| Swanmore College  | Replace DBs in 004X-004A in year 2 (2018)              |
| Swanmore College  | Replace switchgear in 002 year 3 (2019)                |
| The Clere School  | replacement of fascia panels                           |
| Uplands Primary   | Upgrade of Patent Glazing                              |
| Vyne School   | Hard landscape improvements                            |
| Wallisdean Infant School                                  | External repairs and decorations                       |
| Wallop Primary School                                     | Replace mains intake switchgear & DBs                  |

|  |  |
|--|--|
| Waterside Primary School                               | External repairs and decorations   |
| Wavell School  | Replacement of roof lights   |
| Wellow Primary   | Upgrade of glazed link   |
| West Meon Ce (c) Primary School                        | External repairs and decorations   |
| Wootey Infant School                                   | External repairs and decorations   |
| Yateley School   | Pupil toilet refurbishment   |
| Yateley School (B Block 001X)                          | B Block 001X Replace CWS tanks or take tanks out of use and convert to mains |
| Yateley School (Sports Hall 007A)                      | Sports Hall, replace CWS tank or take tank out of use and convert to mains   |
|  |  |
| <b>Schemes £50,000 to £100,000</b>                     |  |
| Alderwood School                                       | Installation of double glazed windows  |
| Alderwood School                                       | Pupil toilet refurbishment   |
| Aldworth School  | Sports hall ridge and clerestorey double glazed window installation          |
| All Saints Winchester                                  | Roof covering renewal and insulation upgrade                                 |
| Ashley Infant  | Installation of double glazed windows  |
| Balksbury Junior                                       | New boilers and HWS with controls  |
| Beaulieu Primary                                       | Roof covering renewal and insulation upgrade                                 |
| Brighton Hill Community College                        | Roof covering renewal and insulation upgrade                                 |
| Brighton Hill Community College                        | Roof covering renewal and insulation upgrade                                 |
| Brookfield Community School                            | Roof covering renewal and insulation upgrade                                 |
| Calthorpe Park School                                  | Drainage improvements  |
| Church Crookham Junior School                          | External repairs and decorations   |
| Clere School   | replacement of fascia panels   |
| Cove School  | Installation of double glazed windows  |
| Cove School  | Playground resurfacing and drainage improvements                             |
| Cranbourne College                                     | Refurbishment of covered walkways  |
| Crestwood College                                      | Roof covering renewal and insulation upgrade                                 |
| Crestwood College (Cherbourg site)                     | Roof covering renewal and insulation upgrade                                 |
| Crofton School   | Replace main intake switchgear   |
| Crookham Junior school                                 | Roof covering renewal and insulation upgrade                                 |
| Elvetham Heath Primary School                          | External repairs and decorations   |
| Horndean College                                       | Roof covering renewal and insulation upgrade                                 |
| Horndean College                                       | replacement of fascia panels   |
| Hurst Community College                                | Installation of double glazed windows  |
| Kings Furlong Jur                                      | New boilers and HWS with controls  |
| Park Primary   | Upgrade of Patent Glazing  |
| Portchester Community School                           | Installation of double glazed windows  |
| Sherborne St John Pri - Window replacement and upgrade | Installation of double glazed windows  |

|                                       |   |
|---------------------------------------|---|
| Swanmore College                      | Replace boilers/plant and controls W block                            |
| Test Valley School                    | Pupil toilet refurbishment  |
| Tower Hill Primary                    | Roof upgrade to kitchen   |
| Toynbee School                        | Roof covering renewal and insulation upgrade                          |
| Various Primary Schools               | Swimming pool repairs   |
| Vernham Dean Gillums Primary          | Installation of new Sewage treatment plant                            |
| Vyne School                           | Oil to gas conversion   |
| Wavell School                         | Replace switch gear & Distribution boards 001X,A,B,C year 5 (2023/24) |
| Wavell Sec School                     | Boiler Replacement in Sports Hall                                     |
| Wickham Ce (c) Primary School         | External repairs and decorations                                      |
| Yateley School                        | Replace switch start lighting to various areas                        |
| <b>Schemes £100,000 to £150,000</b>   |   |
| Brockhurst Primary (North Campus)     | Replace obsolete Ballard switch panel & Federal DBs                   |
| Elson Inf                             | New boilers and HWS with controls                                     |
| Elson Junior                          | New boilers and HWS with controls                                     |
| Frogmore infant                       | Roof covering renewal and insulation upgrade                          |
| Heatherside Infant                    | Installation of double glazed windows                                 |
| Kings school                          | Replace pipework in block 013X  |
| Manor Junior School, Farnborough      | New boilers and HWS with controls                                     |
| North Waltham Primary                 | Upgrade of Patent Glazing   |
| Porchester School                     | Roof covering renewal and insulation upgrade                          |
| Swanmore College                      | Roof covering renewal and insulation upgrade                          |
| Various Primary Schools               | H&S works (ceilings, gutters)   |
| <b>Schemes £150,000 to £250,000</b>   |   |
| Crofton School                        | Roof covering renewal and insulation upgrade                          |
| Hurst Community College               | External repairs and decorations                                      |
| Kings School                          | External repairs and decorations                                      |
| Locks Heath Junior                    | Installation of double glazed windows                                 |
| Ranvilles Junior                      | Roof covering renewal and insulation upgrade                          |
| Various Schools                       | Structural repair instruction works                                   |
| Various Schools                       | Arboriculture remedial works  |
| Various Schools                       | Electrical T&I remedials  |
| Various Schools                       | Asbestos repair instruction works                                     |
| Various secondary schools             | Various - MPM   |
| <b>Schemes £250,000 to £1,000,000</b> |   |
| St Michaels Junior                    | Roof covering renewal and insulation upgrade                          |
| Stoke Park Infant reroofing           | Roof covering renewal and insulation upgrade                          |
| Testbourne School                     | Scola recladding  |
| Various Primary Schools               | Fire Precaution upgrades  |
| Various Primary Schools               | Provision of new kitchen ventilation                                  |
| Various Primary Schools               | Toilet refurbishment and upgrade                                      |

|                                    |  |                                 |
|------------------------------------|--|---------------------------------|
| Various Primary Schools            | Playground resurfacing and drainage improvements |                                 |
| Various secondary schools          | Engineering projects -                           |                                 |
| Various secondary schools          | Fire Precautions                                 |                                 |
| Wavell School                      | Scola recladding                                 |                                 |
| <b>Schemes Exceeding £1million</b> |  |                                 |
|                                    |  | <b>Estimated Contract Value</b> |
| Bishops Waltham Junior             | Scola recladding                                 | £1.2 million                    |
| Testbourne Community School        | Scola recladding                                 | up to £2.5 million              |

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

|                        |  |               |  |
|------------------------|--|---------------|--|
| <b>Decision Maker:</b> | Buildings, Land and Procurement Panel                  |               |  |
| <b>Date:</b>           | 26 March 2019  |               |  |
| <b>Title:</b>          | Hampshire County Council Energy Supply Contracts       |               |  |
| <b>Report From:</b>    | Director of Culture, Communities and Business Services |               |  |
| <b>Contact name:</b>   | Keith Heard<br>Johann Toubkiss                         |               |  |
| <b>Tel:</b>            | 01962 845903   | <b>Email:</b> | <a href="mailto:keith.heard@hants.gov.uk">keith.heard@hants.gov.uk</a><br><a href="mailto:Johann.toubkiss@hants.gov.uk">Johann.toubkiss@hants.gov.uk</a> |

#### 1. Recommendation:

That Buildings, Land and Procurement Panel recommends to the Executive Member for Policy and Resources to:

- 1.1 It is recommended that a contract is let with Laser (a public sector energy buying organisation) for the supply of electricity and gas using the new enhanced supply framework for the period 2020-2024. The annual spend is estimated to be in the order of £20 million for Hampshire County Council and its partners.

#### 2. Executive Summary

- 2.1. The current framework, with Laser, for the supply of electricity and gas used by the Council and its partners, including schools, Fire, Police and a number of other Local Authorities since 2016 is expiring in September 2020. A decision on replacement is required now to allow enough time to complete the procurement and purchase energy one year in advance.
- 2.2. The new OJEU compliant, competitively tendered framework has now been awarded by Laser for the period October 2020 to September 2024.
- 2.3. A thorough benchmarking exercise of alternative routes to market has been conducted by the Director of Culture Community and Business Services to analyse available purchasing arrangements. It has been concluded that Laser's new framework remains the best option offering the most value at lowest cost for the Council and all its partners. It will deliver cost savings and access to additional support, products and services whilst strengthening the customer's protection and manage risk.
- 2.4. The framework will allow the Property Services energy team to continue developing strategic relationships with suppliers and to investigate innovative

ways of reducing carbon emissions and energy consumption. The track record of the Council is strong to date with a 43% reduction in energy consumption since the introduction of the Energy Strategy and Carbon Management Plan approved by Cabinet in 2010.

### **3. Contextual information**

- 3.1 An option appraisal has been completed to evaluate other potential routes to market. It has been concluded that Laser is best placed to continue delivering a strong performance at lowest cost through its new framework with a number of new additional benefits.
- 3.2 The principal alternative national route to market (an energy purchase framework) has been delayed by Crown Commercial Services delayed and is now not due to be awarded before June 2019.
- 3.3 Time constraints (including framework evaluation; the contracting process; and the time required to buy energy in advance to smooth market volatility) prevent the Council from waiting until June 2019 for the framework to be awarded. It is critical for the Council and its partners to have finalised and contracted its procurement arrangement by September 2019 at the latest.
- 3.4 Other public sector buying organisations in the market are regional organisations based in the Midlands and North with a purchasing power significantly less than the two national organisations. Furthermore, they lack the capacity and depth of expertise available from Laser.
- 3.3 In the absence of credible national options other than the Crown Commercial Service the new Laser framework has been evaluated as the best available and it will deliver additional benefits from the current framework and therefore is a true improvement on the current arrangement.
- 3.4 The evaluation criteria comprised commercial terms; structure of the packages; range of suppliers available; products and service offering; quality and depth of account management; overall service available; trading capabilities; framework terms and the contracting process.

### **4. Finance**

- 4.1 The annual spend on energy for Hampshire County Council and its partners is circa £20m (£16m for electricity and £4m for gas). It is worth noting that 40% of the price is the actual energy cost with the remaining charges made up transmission and distribution costs, taxes and subsidies. The supplier margin is less than 1%.
- 4.1. The framework delivers financial benefits of around £70k through reduced supply margins as a result of bulk purchasing and the like.
- 4.2. Laser offer a helpful service to provide support for budget setting for the Council and its Partners. This is of particular interest to schools who want to have confidence about energy costs in advance to avoid variations during a financial year.

### **5. Performance**

5.1. The new framework has developed further Key Performance Indicators to monitor and manage the suppliers' performance. It also provides access to a Customer Portal to supply information and manage queries. Additional resource will be dedicated to the development of strategic relationships for large local authorities like Hampshire.

## **6. Consultation**

6.1. All partners including Fire, Police and schools will be consulted in the lead up to the decision by the Executive Member Policy and Resources. The benefits of the collaborative arrangement will be explained together with the additional improvements available as a result of the accessing the new Laser framework.

## **7. Other Key Issues**

7.1 One improvement initiative which Property Services will investigate is the opportunity to set up of an "autonomous basket" dedicated to the Council and its partners. This would enable the alignment of the energy purchasing window to the public sector financial year and in turn bring more accuracy in the budget forecasting and setting process.

A "basket" is an aggregation of various customers' capacity who choose to use a similar risk management strategy. Each basket is then traded by Laser's specialists on the wholesale market.

The risk management strategy will remain in line with current practice reducing the impact of volatility in the market to a minimum while providing the best value price of energy.

## **8. Future direction**

8.1. The Director of Culture Community and Business Services will continue developing the strong relationship with Laser in line with the strategic goals of energy and carbon reduction and the use of new products and services available through the framework.

**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.)

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:** An EIA is not required in this instance.

### **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:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The framework and its suppliers' capabilities will continue to support HCC in its ability to monitor and report on energy cost and consumption at Customer (HCC or external customers) or site level. This capability along with

availability of associated products and services will continue to support energy efficiency initiatives.

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

As detailed above, the energy supply framework will be a key tool for HCC to address climate change making the products and services available to reduce consumption, improving resilience where possible and roll-out new technologies to adapt to changing market conditions such as new transport modes (electric vehicles for example).

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

|                        |  |
|------------------------|--|
| <b>Decision Maker:</b> | Buildings, Land and Procurement Panel  |
| <b>Date:</b>           | 26 March 2019  |
| <b>Title:</b>          | Strategic Procurement and County Supplies Contracting Activity and Approvals for 2019/20 |
| <b>Report From:</b>    | Director of Transformation and Governance – Corporate Services                           |

**Contact name:** Belinda Stubbs

**Tel:** 01962 846235

**Email:** Belinda.stubs@hants.gov.uk

#### 1. Recommendation(s)

- 1.1. That the Buildings, Land and Procurement Panel make the following recommendation to the Executive Member for Policy and Resources.
- 1.2. That spend approval, as appropriate, be given for the contracts as detailed in Appendix 1.

#### 2. Executive Summary

- 2.1. The purpose of this paper is to present the relevant procurement approvals in relation to the contract identified within the Appendix 1. This approval request is in accordance with the County Council's Contract Standing Orders and Constitution.
- 2.2. This County Council's Contract Standing Orders (CSO) requires that the procurement of a Contract (not including a Framework Agreement) is subject to the approval of the relevant decision maker who has the authority to give approval for the relevant expenditure under the Constitution.
- 2.3. Framework agreements are not linked to specific one-off purchases or projects but provide for the ongoing routine goods and services requirements of a large number of individual budget holders, either through direct call-offs or mini-competitions as required by each framework agreement. Therefore the framework agreement values are only estimates and expenditure will be determined by the actual commitments made by the budget holders keeping within their approved budgets.

#### Contextual information

- 2.4. The programme of procurements contained within this report includes arrangements for use by the County Council, Hampshire Constabulary and Hampshire Fire and Rescue Service, schools and other external partners and

customers, with a total estimated value over £1 million. Contracts with a total value of under £1 million are approved by the relevant budget holder under the scheme of delegation

2.5. Whilst all the latest finalised procurement proposals are included in this report, further procurement projects are planned during 2019 and 2020. Once fully developed, these proposals will be reported to this Panel prior to seeking Executive Member for Policy and Resources approval.

2.6. Background and further context has been provided for the procurements in the Appendix 1.

**2.7. Fuel Cards and Ancillary Services for Hampshire Transport Management**

The current contract that Hampshire Transport Management operates is due to expire in January-2020 and needs replacing. Hampshire Transport Management requires a solution for the provision of fuel cards that cover fuel and associated services, providing regional, nationwide and European coverage. This is an ongoing requirement with budgetary allocation to support all HCC Fleet Vehicles. The arrangement supports HCC, in the management and controlling of fleet costs, providing an easy method of payment for fuel and detailed management information for efficient fleet management.

**2.8. Provision of Insurance Services**

Hampshire County Council's current insurance provision expires in 2020 and needs replacing. It is necessary to provide insurance cover to limit the risk exposure of the Council's self-insurance provision and where the Council is required to purchase insurance under contract.

The costs of some of these insurance policies have risen substantially since the last tender of this contract. This reflects market volatility, increasing claims costs and the effect of legal changes to the way that long term catastrophic injury cases are calculated (known as the "discount rate").

All insurance premiums are subject to Insurance Premium Tax, which is currently charged at 12%, but is forecast to rise within the next 5 year period. Unlike VAT, this is non-recoverable.

**2.9. Membership, Booking and Electronic Point of Sale**

Culture, Communities and Business Services (CCBS) require a software solution for membership, bookings and electronic point of sale (EPOS) system from May 2019. The contract will implement the solution across Country Parks, Hampshire Outdoor Centres, Hillier Gardens, as well as the installation of new Electronic Point of Sales Tills across other services including Libraries, HC3S, the Great Hall, and Archives and Records. The Call off Contract value for the CCBS in-scope services is £3 Million and within this amount there is a contingency to allow for other HCC Departments to utilise the solution if necessary.

The introduction of an EPOS system is part of the Transformation programme for T21 and will transform services, allowing for a better customer experience for new memberships, reduce membership misuse and allows for targeted marketing while standardising systems across all services. The system will improve data gathering which in turn will improve business critical decision making.

## 2.10. **Provision of Cleaning Services for Non-Educational Establishments**

As part of the HCC FM Strategy, Hampshire County Council are looking to move a single supplier for Non-Educational Cleaning. To facilitate this, a Dynamic Purchasing System (DPS) was established in March 2018 with the scope to include additional sites in line with the FM strategy.

Site information is in the process of being collated and finalised to create a call off for the Non-Educational establishments across both HCC and Hampshire Fire & Rescue Service against this DPS. This new arrangement will also incorporate window cleaning requirements.

This is planned to be out to market to allow for award and mobilisation by the 1<sup>st</sup> October 2019. Permission is therefore required to extend the 6 current contracts which will have reached the end of their term prior to the award of the new contract (use of Regulation 72 under the Procurement regulations) to maintain the current service until the 1<sup>st</sup> October 2019.

Further information is contained within the Confidential Appendix as to the contracts being extended.

## **3. Consultation and Equalities**

- 3.1. This report seeks approval for spending on individual procurements and no equality impacts have been identified.

**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 |

**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.)

Document

Location

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:

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- 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:**

This report seeks approvals for spending on individual projects and no equality impacts have been identified.

### **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:**

Positive impacts on climate change will be considered at the time of each procurement and its strategy. This report seeks solely procurement approvals and is not appropriate to set out specific impacts on climate change for each individual procurement.

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| <p><b><u>Project Title</u></b><br/>                     Brief project description<br/>                     (including scope of project, customer, procurement route, other relevant bodies)</p>   | <p>Contract /<br/>                     framework<br/>                     term &amp; Start<br/>                     date</p>  | <p>Anticipated<br/>                     HCC value<br/>                     over term</p> | <p>Anticipated<br/>                     Total Value<br/>                     over term</p> | <p>Approval<br/>                     required /<br/>                     project update</p> |
|---|---|--|--|---|
| <p><b><u>Fuel Cards and Ancillary Services for Hampshire Transport Management.</u></b></p> <p>The current contract that Hampshire Transport Management operates is due to expire in January-2020 and needs replacing.</p> <p>Hampshire Transport Management requires a solution for the provision of fuel cards that cover fuel and associated services, providing regional, nationwide and European coverage. This is an ongoing requirement with budgetary allocation to support all HCC Fleet Vehicles. The arrangement supports HCC, in the management and controlling of fleet costs, providing an easy method of payment for fuel and detailed management information for efficient fleet management.</p> | <p>Jan-2020<br/>                     to<br/>                     Jan-2024<br/>                     4 years</p>  | <p>£1.6 Million</p>  | <p>£1.6 Million</p>  | <p>Approval to spend</p>  |
| <p><b><u>Provision of Insurance Services</u></b></p> <p>Hampshire County Council's current insurance provision expires in March 2020 and will therefore need to be replaced.</p> <p>The County Council needs to purchase commercially obtained insurance:<br/>                     a) where it is legally or contractually required to purchase insurance (e.g. lease requirement).<br/>                     b) to cap the cost of losses to its self-insurance arrangements, specifically third party and employer's liability claims.</p>   | <p>April - 2020<br/>                     to<br/>                     April - 2025<br/>                     with options<br/>                     to extend by<br/>                     2 years (+1<br/>                     +1).<br/>                     7 years</p> | <p>£15 Million</p>   | <p>£15 Million</p>   | <p>Approval to spend</p>  |

|  |                  |                   |                   |                    |
|--|------------------|-------------------|-------------------|--------------------|
| <p>The County Council's Insurance requirements include:</p> <ul style="list-style-type: none"> <li>• Property insurance including buildings/property assets, catastrophe cover, material damage and money;</li> <li>• Casualty comprising Employers Liability, Public &amp; Products Liability (including Libel and Slander) Hirers Liability, Libel / Slander, Officials Indemnity (including Land Charges and Public Health Act cover) and Pollution Liability;</li> <li>• Professional Indemnity;</li> <li>• Motor;</li> <li>• Travel and personal accident policies;</li> <li>• Industrial and Commercial Properties;</li> <li>• Contractors' All Risk insurance;</li> <li>• Medical malpractice;</li> <li>• Aviation (drone);</li> <li>• Foster Carer's property;</li> <li>• Legal expense cover for Foster Carers.</li> </ul> <p>The costs of some of these insurance policies have risen substantially since the last tender of this contract. This reflects market volatility, increasing claims costs and the effect of legal changes to the way that long term catastrophic injury cases are calculated (known as the "discount rate").</p> <p>All insurance premiums are subject to Insurance Premium Tax, which is currently charged at 12%, but is forecast to rise within the next 5-year period. Unlike VAT, this is non-recoverable.</p> |                  |                   |                   |                    |
| <p>Memberships, Bookings and Electronic Point of Sale</p>  | <p>May- 2019</p> | <p>£3 Million</p> | <p>£5 Million</p> | <p>Approval to</p> |

|  |  |   |   |  |
|--|--|---|---|--|
| <p>Culture, Communities and Business Services (CCBS) require a software solution for membership, bookings and electronic point of sale (EPOS) system from May 2019.</p> <p>The contract will implement the solution across Country Parks, Hampshire Outdoor Centres, Hillier Gardens, as well as the installation of new Electronic Point of Sales Tills across other services including Libraries, HC3S, the Great Hall, and Archives and Records. The Call off Contract value for the CCBS in-scope services (listed above) is £3M within this amount there is a contingency to allow for other HCC Departments to utilise the solution if necessary.</p> <p>The introduction of an EPOS system is part of the Transformation programme for T21 and will transform services, allowing for a better customer experience for new memberships, reduce membership misuse and allows for targeted marketing while standardising systems across all services. The system will improve data gathering which in turn will improve business critical decision making.</p> | <p>to May- 2023 with options to extend by 6 years (+2+2+2). 10 years</p> |   |   | <p>spend</p>   |
| <p><u>Provision of Cleaning Services for Non-Educational Establishments</u></p> <p>A position has been adopted by HCC’s FM team, in accordance with the published FM strategy, that HCC will not be procuring any individual contracts for cleaning to cover the period prior to the appointment of a single provider to cover the Estate, incorporating both HCC and HFRS, against the Cleaning DPS.</p> <p>The scope of the Non-Educational cleaning requirement has therefore been extended to include additional sites and the window cleaning</p>   | <p>April-2019 to Sept-2019 6 months</p>                                  | <p>£715,696 extension and £7.6 Million over the full term</p> | <p>£715,696 extension and £7.6 Million over the full term</p> | <p>Authority to extend current arrangements to 30<sup>th</sup> Sept-2019 and Approval to Spend</p> |

|  |  |  |  |  |
|--|--|--|--|--|
| <p>provision which was not previously included.</p> <p>It is planned to go out to market for this single provider to leverage the market and allow for award and mobilisation by the 1<sup>st</sup> October 2019. It is necessary to extend/modify the current agreements until the replacement contract can be awarded.</p> <p>Failure to undertake the proposed interim measures would present a clear health and safety concern for those parts of the Estate that would find themselves out of contract prior to the appointment of a new contractor.</p> <p>Permission is therefore required to extend the 6 current contracts identified in the confidential appendix which will reach the end of their term prior to award of the new contract and its mobilisation. The use of Regulation 72 under the Procurement Regulations will be used to maintain the current services until the 30<sup>th</sup> September 2019.</p> <p>The detail of the 6 current contracts that require extending has been included within the confidential appendix.</p> |  |  |  |  |
|--|--|--|--|--|

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