



Leicester  
City Council

CABINET

July 2005

---

**Approval to proceed to the next phase of the Property Health Programme**

---

**Report of the Corporate Director of Resources, Access & Diversity**

**1. PURPOSE**

To seek approval to the release and expenditure of £2.55m from the Resources for Premises approved funding of £10m.

**2. SUMMARY**

**2.1 Background**

A Report to Cabinet 9 July 04 approved expenditure of £10m for Resources for Premises. Cabinet approved in principal the initial budget estimate for undertaking the Property Health Programme (surveys and plans) of £2.75m.

Approval was given to release £200,000 to undertake a "Pilot" in order to accurately establish costs. The pilot has now been successfully completed and approval is sought for the release of the remaining part of the allocation.

**2.2 Project Overview**

The full programme comprises the collection of property data to obtain both dimensional and conditional information on Council owned properties.

There are two distinct phases, namely:

- **Surveys.** Includes a condition survey of the building, fabric and services such as heating, electricity, air conditioning, water, gas etc.
- **Plans.** Production of accurate drawings showing the building envelope and services in CAD format that will be available for all departments to access

## **2.3 Benefits**

LCC will be able to identify the maintenance needs of individual properties, which will enable effective prioritisation of the planned programme assuring value for money.

In addition, the drawings will provide a major contribution toward the council meeting its requirements for managing asbestos, water hygiene, lath and plaster ceilings.

Importantly, the drawings will assist service managers on a day-to-day basis with managing their service.

In addition the drawings will form a vital part of data for the Property Area Review

## **2.4 Survey and Plans**

### **2.4.1 Survey (Methodology)**

The programme is being delivered in full compliance with the DfES and OPDM guidelines to obtain comprehensive data on size and condition of our property portfolio

#### **Programme Stages**

There are 4 stages to the Programme:

Stage 1(Pilot), one property was selected as representative of the portfolio; Stage 2 (Pilot), comprises nine different types of properties to better represent the portfolio; Stage 3, thirty to forty properties, utilising initially the existing £200,000, funding were selected, but being supported by further funding; and finally Stage 4 includes all the remaining properties within LCC portfolio.

The Programme will be completed over the next 3 financial years (2005/06, 2006/07 and 2007/08) with completion by September 2007.

### **2.4.2 Plans (Output)**

Drawings of properties will typical indicate usage, condition, room size, and numbers together with services layout.

Extensive consultation with all departments has taken place and this has enabled us to “rationalise” or “tailor” plans to suit individual properties/departments and hence reduce costs.

We will continue to investigate further methods /practices of reducing costs during the initial phase of the next stage although this may

necessitate a variation to the individual cost elements, however, it will be contained in the overall budget.

## 2.5 Programme Costs

The Property Health Programme costs have been established based on detailed costs obtained from the Pilot (stage 1 and partly 2). The envisaged expenditure of £2.55m over the next three years is as follows:

	<b>£000</b>
• Surveys	£1,160
• Plans	£790
• Asbestos Surveys	£600
<b>Total</b>	<b>£2,550</b>

**Note:** The £2.55m excludes £200,000 previously approved funding for the Pilot. Due to a cost savings being identified, it is proposed to allocate £600,000 from this £2.55m to the Asbestos Programme.

## 3. RECOMMENDATIONS

Cabinet are requested to:

- Approve the release of £2.55m funds within the “Resources for Premises” budget for the completion of the Property Health Programme as described above including the purchase of additional IT packages at a cost of £50,000 to aid future drawings surveys,
- Approve the expenditure of £600K from the £2.55m to the Asbestos Programme over the next 3 financial years.
- Delegate authority to the Corporate Director of Resources, Access and Diversity in consultation with the Cabinet Lead Member for RAD, to agree any variations in the spend between the various elements.

## 4. 4. FINANCIAL AND LEGAL IMPLICATIONS

### Financial Implications

- Cost of the Property Health Programme is £2.55m to be expended over 3 years, namely, 2005/06 , 2006/07 and 2007/08. Cost includes purchase of new IT equipment of £50,000.

£600,000 to be expended on Asbestos Programme (included within £2.55m)

Finance have no objections.

**5. Legal Implications (Joanna Bunting – Assistant Head of Legal Services)**

None.

Legal have no objections.

**REPORT AUTHOR / OFFICER TO CONTACT**

Stephen B Silverwood  
Head of Service  
Property Services – Projects  
Resources, Access, & Diversity  
Extn 8001

**DECISION STATUS**

<b>Key Decision</b>	?
<b>Reason</b>	?
<b>Appeared in Forward Plan</b>	?
<b>Executive or Council Decision</b>	?



Leicester  
City Council

CABINET

July 2005

---

Authorisation to perform future work on Property Health

---

**Report of the Corporate Director of Resources, Access & Diversity**

## **SUPPORTING INFORMATION**

### **1. REPORT**

#### **1.1 Background**

A Report to Cabinet 9 July 04 approved expenditure of £10m for Resources for Premises. Cabinet approved in principal the initial budget estimate for undertaking the Property Health Programme (surveys and plans) of £2.75m.

Approval was given to release £200,000 to undertake a Pilot in order to accurately establish costs and specific needs of the full Programme for individual properties in consultation with departments.

The pilot has now been successfully completed and approval is sought for the release of the remaining part of the allocation.

#### **1.2 Project Overview**

The full programme comprises the collection of property data to obtain both dimensional (floor plans and layouts) and conditional (details of current condition of property elements, fabric and services) information on Council owned properties.

There are two distinct phases, namely:

- **Surveys.** Includes a condition survey of the building, fabric and services such as heating, electricity, air conditioning, water, gas etc.
- **Plans.** Production of accurate drawings showing the building envelope and services in CAD format that will be available for all departments to access.

### **1.3 Benefits**

The key operational benefits of having this additional information are that it:

- Enables identification of the maintenance needs of individual properties both in terms of building fabric and services.
- Enables effective prioritisation of those needs to ensure resources are targeted effectively
- Enables rationalisation of existing property drawings throughout all departments.
- Enables all departments to have access to a Drawings Register and Property Health Programme Reports to assist them in the management of their services.
- Is a vital part of the data required for the Area Property Reviews.
- Provides support to meet HSE guidelines HSG 227 and requirements to managing asbestos containing materials
- Provides support to ensure that LCC is addressing Water Hygiene matters.

In particular, the following key issues/initiatives will be supported by the data collected in this Programme:

- Maintenance prioritisation
- Determination of Asset Value
- Health and Safety
- EMAS/Environmental
- DDA Compliance
- Asbestos
- Water Hygiene
- Ceilings
- Reducing future reactive (repairs) maintenance liability
- Reducing asset closure/disruption

### **1.4 Survey and Plans**

The objective of the Programme is to collect data in terms of both “plans” and “condition” of the Councils property to enable more effective management of the portfolio and ensure that the Councils statutory responsibilities in terms of Health and Safety, Environmental etc. are discharged.

In addition it will support the Council’s planning and strategic decision-making processes and contribute towards improved service delivery by improving the quality of our buildings and the environment within which our services are delivered.

### 1.4.1 Survey (Methodology)

The programme is being delivered in full compliance with the DfES and OPDM guidelines.

Extensive consultation with all departments has taken place to review the original specification of drawing compilation/layout this has enabled us to “tailor” plans to suit individual property/departmental needs whilst minimising cost. This review has assisted in the reduced budget requirement for the completion of the programme.

The following represents the current specification types agreed with departments.

- **Level 0 Specification** No drawing required
- **Base 1 Specification.** Basic block plan with minimum detail gross internal floor area and room internal floor area.
- **Level 2 Specification.** Basic block plan showing services entry and positions and the above.
- **Level 3 Specification.** Basic block plan showing services entry and positions including common areas door swings and window positions and the above.
- **Level 4 Specification.** Basic block plan showing services entry positions including common areas door swings, window positions and drainage details external car parking and vehicle entry points.

This “tailoring “ has significantly reduced the costs for this part of the Programme, whilst still delivering the needs of all departments.

### 1.4.2 Plans (Output)

Traditional methods of plan production are resource intensive usually requiring two people to take measurements, record information and then transfer that information into a digitised plan format.

As part of the Pilot we have in consultation with other Departments researched other alternative methods of data collection, which utilizes Blue tooth technology. This involves the use of electronic measuring devices, which automatically transfer information directly to a hand held computer in a digitised format whilst on site. This method has been successfully used in other authorities.

After initial trials of two new IT drawing support packages, we believe the cost of completing future surveys could be reduced by 15%-20%, representing a cost saving of £200 - £250k. The

purchase cost and additional training and support for either of the packages is estimated at only £40k-£50k.

A decision as to which is the best system to procure will be made after further consultation with the suppliers and our colleagues in ICT subject to Cabinet approval being given to proceed.

## 1.5 Programme Stages

There are 4 stages to the programme, namely:

- **Stage 1 (Pilot)** One property selected that is representative of the portfolio namely Marlborough House. The “Pilot”, has enabled more accurate cost estimates for each individual type and style of building to be established.
- **Stage 2 (Pilot)** Nine different types of properties to better represent the portfolio comprising Barnes Heath House, Belgrave Hall, Knighton Park, The Lancaster School, Lansdowne Road NHC, New Parks Leisure Centre, 16 New Walk, Southfields Library, and Taylor Road School.
- **Stage 3** Thirty to forty properties initially utilising the existing £200,000 funding.
- **Stage 4 (Subject to Cabinet approval)** All remaining properties within LCC portfolio.

The Programme will be completed over the next 3 years (2005/06, 2006/07 and 2007/08) with completion by September 2007.

This process has enabled us to indicate cost estimates for each individual type and style of building. Departments have also been consulted regarding building numbers to be surveyed and priorities. This information forms the basis of our expected future funding requirement.

## 1.6 Programme Costs

The Programme costs established following successful completion of the Pilot are:

### (A) Property Health Programme

(a) Survey	£000
• 2005/06	£264
• 2006/07	£696
• 2007/08	£200
<b>Sub Total</b>	<b>£1,160</b>



**(b) Plans**

- 2005/06 £122
- 2006/07 £464
- 2007/08 £204

**Sub Total £790**

**(B) Asbestos Surveys**

- 2005/06 £200
- 2006/07 £300
- 2007/08 £100

**Sub Total £600**

**Total £2,550**

**Notes:**

1. This Cabinet Report seeks the release/expenditure of a further £2.55m, £200,000 has been expended in 2004/05, approved in July 04 Cabinet.
2. Refer to Appendix A for a cost breakdown of the above figures.

**1.7 Consultation Process**

All Departments have been actively involved in the Programme to date including decisions regarding both:

- Output (Plans), and
- Methodology (Survey)

**FINANCIAL LEGAL AND OTHER IMPLICATIONS**

**1. Financial Implications - None**

**2. Legal Implications - None**

**3. Other Implications**

<b>Other Implications</b>	<b>Yes/No</b>	<b>Paragraph References within this Report</b>
Equal Opportunities	No	
Policy	No	
Sustainable and Environmental	No	

Crime and Disorder	No	
Human Rights Act	No	
Elderly Persons/People on Low Incomes	No	

#### 4. Background Papers – Local Government Act 1972

Full Compliance to:

- Section 3 of the DfES guidelines.
- ODPM guidelines.

#### 5. Consultations

All Departments have been actively involved in the Programme to date including decisions regarding both:

- Output (Plans), and
  - Methodology (Survey)

#### 6. Recommendations

Cabinet are requested to approve:

Cabinet are requested to:

- Approve the release of £2.55m funds within the “Resources for Premises” budget for the completion of the Property Health Programme as described above including the purchase of additional IT packages at a cost of £50,000 to aid future drawings surveys.
- Approve the expenditure of £600K from the £2.55m to the Asbestos Programme over the next 3 financial years.
- Delegate authority to the Corporate Director of Resources, Access and Diversity in consultation with the Cabinet Lead Member for RAD, to agree any variations in the spend between the various elements