

Executive Decision Report

Children's Capital Maintenance Programme 2 (CCMP2) Report 2017/18

Decision to be taken by: City Mayor

Decision to be taken on: 3rd July 2017

Lead director: Ian Bailey & Matthew Wallace



City Mayor

Useful information

- Ward(s) affected: ALL
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- Report version number: 4

1. Summary

- 1.1 Leicester City Council (The Council) has a statutory duty to maintain buildings which support the provision for Early Years, Children, Young People and schools estates. This is to safeguard the building assets from substantial deterioration that could potentially place the health, safety and welfare of children at risk. The Council undertakes a range of measures to make sure that we reduce the risk of school closures due to failures in the buildings structure, fabric and service installations. In addition, The Council maintains a number of education related assets. In the current climate of diminishing resources The Council has to provide sustainable models for maintaining all of The Council's building portfolio.
- 1.2 As more schools move away from being maintained by The Council and convert to Academy status, the responsibility and funding for maintenance for these schools then transfers away from The Council to the Academy, with the Academy then being directly responsible for their own future maintenance. Consequently, The Council has not included any schools that have gained or are listed as 'pending' transfer to Academy status as part of this programme. Therefore the report only highlights works for those schools which are Local Authority maintained.
- 1.3 This programme also excludes Secondary Schools retained estate works which has previously been sought for and approved and is currently being delivered via an alternative programme of works (across a 2 year period).
- 1.4 The first phase of the Children's Capital Maintenance Programme (CCMP1) is currently in progress, this report is to seek approval to complete the next phase of the works as identified through analysis of survey inspection data and specific condition based analysis of Children's Services building elements across the school estate. In summary, Children's Capital Maintenance Programme 2 (CCMP2) will add a further £1M spend on top of the circa £6M forecast spend on schools in 2017/2018 year.

2. Recommendations

- 2.1 It is recommend that the programme of works described in this report (and as per Appendix A) is approved, in order to address the next series of defined high priority areas of Capital Maintenance works across the Children's portfolio, based on current stock condition data & priority of need.
- 2.2 To note the reasons outlined within this report for the extent of the works that has been deemed as being required and the associated costs within the Children's portfolio, it is proposed that the delivery programme for the CCMP2 will span over a single year period and will be integrated into the current CCMP1 programme of works where appropriate and be practically complete at the end of the Summer 2018 (subject to funding approval).
- 2.3 To note the available education capital maintenance funding totalling **£1M** for this financial year 2017/18 is released from the capital programme policy provisions in order to deliver this proposed programme of works over the forthcoming year (completion at the end of the Summer 2018).
- 2.4 The Director of Estates and Building Services be given delegated authority to agree the detailed schedules of works per property and release of sums assigned as provisions, in agreement with the assigned Lead Member for Children and Young People Services and Children and Young People Services senior officers.

3. Supporting information including options considered:

3.1 Background

- 3.1.1 In August 2016 approval was granted for works in relation to the first phase of the Children's Capital Programme (CCMP1), These works are now in delivery stages and all works within the CCMP1 are due to complete for the end of summer 2018.
- 3.1.2 Investigation works identified within CCMP 1 have now been completed and have been considered in respect to the works listed within this CCMP2 report, specifically picking up compliance based issues of immediate concern.
- 3.1.3 The delivery programme for CCMP2 is subdivided into the following categories:
 - 1) Compliance works programme
 - 2) General planned works (works deemed as essential)
 - 3) Reactive works provision
 - 4) Individual Access Needs provision
 - 5) Feasibility Studies and Ofsted Improvement provisions

Further details are provided within the tables found within Section 3.2.3.

3.1. 4 The programme is managed and governed within Estates and Building Services (EBS) for Children and Young People Services. The wider programme for the CCMP is reported on weekly and monthly basis to a project board ensuring transparency of delivery to Children and Young People Services. The overall programme is primarily delivered through a framework of tendered suppliers, the majority of which have worked on The Council's property portfolio for a number of years. This has provided additional knowledge to the various projects and an understanding between the delivery team, designers and suppliers to collaboratively deliver the CCMP 1 programme and whilst this year's approach with CCMP2 differs, The Council is confident that the positive relationships built to date, will continue with the wider stakeholders in implementing the CCMP2 works.

3.1.5 Children and Young People Services are sub-divided into the following service sectors;

- Local Authority Maintained Primary Schools
- Local Authority Maintained Special Schools
- Residential Homes
- Youth Centres
- Playing Field Sports Pavilions
- Adventure Playgrounds
- Individual Access Needs (IAN)
- Suitability inefficiencies where applicable
- Small and Minor works/Reactive
- Detailed Feasibility Studies

Works within the CCMP2 programme could potentially cover any of these service sectors.

3.2 Methodology

3.2.1 The following section outlines a brief insight into the methodology taken when ascertaining the types of works prioritised from the condition survey process and the subsequent analysis of the data to inform the CCMP programmes of work.

3.2.2 The condition survey data categorises the condition of each element using a condition priority grading system as outlined in the table below;

| Condition Grading | Status | Examples |
|-------------------|------------------|--|
| Grade A | Good | Performing as intended and operating efficiently |
| Grade B | Satisfactory | Performing as intended but exhibiting minor faults / repairs |
| Grade C | Poor | Exhibits major or multiple defects and or not operating as intended |
| Grade D | Defective/Failed | Life expired. Exhibits major deterioration Serious risk of imminent failure or a health and safety hazard. |
| Grade N/A | N/A | LONG TERM - required outside of 5 years planning to prevent possible deterioration of the fabric / service. Ongoing planned cyclical works |

| Priority Grading | Classification | Examples |
|----------------------------------|---|---|
| Priority 1 – Within 1 year | Urgent works that will prevent immediate closure of premises and/or address immediate high risk to H&S and/or remedy a serious breach of legislation. | These were predominantly included within CCMP1 works. E.G. This includes Roofs, windows, & boiler replacements, Mech. & Elec works, lighting incl. emergency lighting etc. |
| Priority 2 – Within 1 to 2 years | Essential work required within 2 years in order to prevent serious deterioration of the fabric or services and/or address medium risk to H&S of occupants and/or remedy less serious breach of legislation. | Essential works are captured within the proposed CCMP2 programme and are as listed above but assessed as a lesser priority. An assessment has been made on the immediacy of priority 2 works against current condition. |
| Priority 3 – Within 3 to 5 years | Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to H&S of occupants and/or remedy a minor breach of legislation. | This includes work of a cyclical nature, for example periodic redecoration. |
| Priority 4 – Outside 5 years | Long term work required outside the 5 year planning period that will prevent deterioration of the fabric. | |

3.2.3 The delivery programme for the Children’s Capital Maintenance Programme is subdivided into the following programme of works “workstreams”, as defined on the following page:

Compliance

Compliance covers works in relation to the following areas; Legislative works relating to Electrical and Mechanical, Water Hygiene and Asbestos etc. Fire in relation to fire alarms, internal fixtures and fittings, H&S works covering items such as emergency lighting. It should be noted that Compliance works were predominantly actioned within the CCMP1. CCMP2 compliance works include for fire safety works (deemed to be immediately necessary) to Children and Young People Services Buildings following the review of CCMP1 investigations.

Essential Works

Essential works are planned project works (with a Priority grading of 2) that are deemed to be essential to be undertaken within the next two years but are not of as significant priority or urgency as Priority 1 works. Noting the two year period, an assessment has been made on the work schedule within this final programme of works in order to profile it accordingly to the requirements of a single year window.

Reactive work provision

A provision has been allocated for reactive work in order to accommodate for ad-hoc and unforeseen works identified through survey inspections of school buildings in-year. This could extend from internal reconfiguration works to increase pupil place provision to responding to urgent roof leaks etc.

Individual Access Needs provision

A provision to cover demand led individual access needs of pupils with Special Educational Needs, equality, disabilities etc. Typical works would include access ramps and lifting hoists etc.

Feasibility Studies & Ofsted Improvement provision

This provision is allocated for demand led feasibility studies that are required in-year to develop future programmes of work or Ofsted improvement works for schools.

3.3 Procurement Routes

3.3.1 Professional Services - Estate and Building Services Division are undertaking partnership working with Arcadis and thereby have a blended approach for the professional service delivery of CCMP2 works over the forthcoming year (Using The Council's own Construction Professional Services Framework). Where appropriate, this programme of work will be integrated with the current CCMP1 works currently being delivered.

3.3.2 Contractor supply chain

Existing frameworks (Scape, EEM, ESPO) is always considered for use on programmes above the OJEU thresholds (currently £4.1m). CCMP2 is well below this threshold.

Programmes like CCMP2 that are below the OJEU threshold can be competitively tendered through Source Leicestershire and managed either by the Capital Projects team or Building Maintenance teams within Estates and building Services and dependent upon the size and value of the projects.

Due to the nature of the works within CCMP2 The Council would expect small call-offs under the Council's existing Building Maintenance – responsive repairs and small works contract, (for works up to £10k in value for any one order).

For schemes that need to be in place over the summer months, The Council will also resource using our existing Building Maintenance – responsive repairs and small works contract, (for works up to £10k in value for any one order).

The 'Repairs & Maintenance' framework for work potentially up to £100k in value for any one order, based on National Schedule of Rates and running parallel to the contract referred to above.

EBS have already ensured that early engagement with both corporate procurement and legal services has commenced in order to seek early advice regarding the best and legally compliant procurement route available.

3.4 Delivery of the Planned Capital maintenance Programme

3.4.1 Resource - EBS will manage the overall delivery of the programme and will call on resource capability and capacity via the Construction Professional Services

Framework (led by Arcadis).

- 3.4.2 Proposed future programmes of work in relation to condition data held for Council assets within the education portfolio will be subject to review on an annual basis. This will enable any subsequent changes to be captured within the Children's estate thus allowing for accuracy and flexibility when programming planned works for future years based on condition. This also enables those schools that transfer to Academies to do so more efficiently.
- 3.4.2 The full extent of the works within the CCMP2 and associated costs required within the Children's portfolio is based on priority of 'need', as defined within the condition survey data and subsequent analysis to determine condition priority, Details of this is provided within Appendix A. It is proposed that this programme of works will take until the end of the School summer holiday period in 2018 to complete due to packages of works being complex in some areas, grouping of works packages in order to drive efficiency savings, school access arrangements, and lead in times for some of the materials/goods required. Therefore The Council would look to deliver these works, subject to funding approval over the course of the next calendar year.
- 3.4.3 It is proposed that the Planned Capital Maintenance Programme will be delivered as a Programme of works within its own right. It does however feed into other identified workstreams for which wherever possible works will be co-ordinated in order to gain efficiencies in terms of value for money, through economies of scale and minimising impact/disturbance caused to the end user / operators.
- 3.4.4 Identified Work Streams/Programmes of works within Children's Services excluding all Secondary Schools are;
- Primary School Expansion Programmes (temporary and permanent)
 - Designated resource units/SEN expansions
 - Pupil Referral Units and Additional Provision
 - Children's Residential Homes and Contact Centres
 - CCMP1 works programme
- 3.4.5 Where appropriate CCMP2 works will be co-ordinated and project managed with all other works planned to that specific school (i.e. Buy Back, CMF, CCMP etc.).
- 3.4.6 EBS have made early engagement with Planning, Building Control and Highways is to plan the works identified thoroughly and confirm agreement prior to actual delivery.
- 3.4.7 We are preparing a Communications Plan/Strategy for schools/ end users in order to consult effectively regarding the planned works and seek authorised

access in accordance with the programme schedule and subsequent updates following progress made throughout the actual programme delivery period.

4. Details of Scrutiny

N/A

5. Financial, legal and other implications

5.1 Financial implications

Funding streams available for 2016/17 expenditure:

£1M Capital maintenance funding policy provision 2017/18

This report is requesting £1m funding for the next phase of the Children's Capital Maintenance Programme (CCMP2). This is in addition to the £6m CCMP1 works planned for 2017/18 which have already been approved (£8.1m approved in total for CCMP1) giving an overall £7m planned expenditure on CCMP in 2017/18.

There is £33.9m remaining capital policy provision within the current capital programme from which the requested £1M can be released.

Simon Walton, Accountant (Education & Children's Services Finance)

5.2 Legal implications

Though the use of LCC Frameworks offer a compliant route to market this is only the case where used correctly. Legal should be engaged early on to review and advice as to the way in which the framework can be used.

If a school identified for works within the programme goes on to look to convert to an academy prior to the works being carried out a decision will be required as to whether the proposed works will still be carried out at cost to the Council. Property colleagues will need to engage with the conversion process and ensure this is fully discussed and agreed upon in order to be dealt with in the legal document.

Emma Horton, Head of Law (Commercial, Property & Planning) ext. 37 1426

5.3 Climate Change and Carbon Reduction implications

It is important that energy improvements are made to school buildings to help the

council meet the corporate targets to reduce operational emissions and city-wide emissions by 50% by 2025. Any proposed works to heating systems, replacement windows, roof replacements (which should improve insulation) and lighting replacements will contribute to this.

Mark Jeffcote, Environment Team (ext 372251)

5.4 Equalities Implications

The Equality Act 2010 carries over the same duties as previously existed under the Disability Discrimination Act 1995 and 2005 (although these continue to be commonly referred to as 'DDA' requirements). Under the Equality Act 2010 there is a wide duty for service providers to make reasonable adjustments to physical features (paragraph 7.51 of the Equality and Human Rights Commission's statutory code of practice for service, public functions and associations), to avoid putting disabled people at a substantial disadvantage caused by a physical feature. In addition, under the Equality Act 2010 there is a duty for schools to prepare an accessibility plan for improving the physical accessibility to the school for disabled pupils so that they are able to take advantage of education and associated services provided or offered by the school. Having reviewed the proposals within this programme it looks as though equality needs are being met with clear consideration be made with the Individual Access Needs provision.

Irene Kszyk, Corporate Equalities Lead, ext 374147.

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

- 5.5.1 To seek approval in order to gain access for contractors to undertake some of the works over the school summer holiday period, thus optimising this window of opportunity via the National Schedule of Rates Contractors where possible in order to commence works asap.
- 5.5.2. Commencement dates would be dependent in the first instance on agreed access arrangements with schools and co-ordination of suitable Contractors and their availability.
- 5.5.3 The overall programme of works is planned to be delivered over a single year period, progress monitoring and financial reporting (% spend to date etc.) to take place during each monthly Children and Young People Services operational board meetings.

6. Background information and other papers:

N/A

7. Summary of appendices:

Appendix A – Summary of programmes of work and associated costs for
2017/18 – 2021/21

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

Yes

10. If a key decision please explain reason

Yes as capital expenditure in excess of £1M will be incurred on a scheme not specifically authorised by The Council.