



Corporate Property Improvement Programme 2018/19

Decision to be taken by: City Mayor
Decision to be taken on: 17 October 2018
Lead director: Matthew Wallace

Useful information

- Ward(s) affected: All
- Report author: Sean Atterbury
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- Report version number plus Code No from Report Tracking Database: V1.0

1. Summary

- 1.1 This report seeks approval of a planned programme of works to release £2.35m of capital property maintenance policy provision for the maintenance of Council owned property assets.
- 1.2 Works identified within this report are based on priority of need and as identified by surveyors and engineers based on known issues within the Corporate property portfolio.
- 1.3 Principally these works are to undertake the maintenance and improvement of the Council's assets to ensure the safe and legal usage. Secondly these include works that, if left untreated would lead to systemic damage to assets and therefore incur further cost along with service disruption.
- 1.4 The proposal for the programme is to focus on priority works that can be delivered in a timely manner.
- 1.5 Finally it seeks a funding allocation for the continuation of asset feasibility studies over the next financial year to enable the Council to plan its asset strategy in subsequent years.

2. Recommendations

- 2.1 It is recommended that £2.35million is released from the capital Property Maintenance Policy Provision to meet the costs of the programme of planned works as identified in in section 3.4 of this report

3. Supporting information

Purpose of the programme

- 3.1 The Council has a statutory duty to maintain buildings for which it is responsible. This is done on a planned preventative basis by addressing risk issues as and when they arise. The cost of this is met from revenue budgets including the Central Maintenance Fund (CMF). This day to day maintenance also flags up when building elements are starting to reach the end of their economic life and will need total replacement or where improvements and alterations are required.

3.2 The responsibility for planning capital investment into the Council's estate is that of Estates and Building Services (EBS). The division uses a property management system to check work requirements against existing programmes of work to ensure that long term value for money is achieved.

3.3 The purpose of this programme is to make long term investments to avoid the Council's assets from falling into a state of disrepair and enable them to continue to serve their intended use.

3.4 Summary of schemes

Schemes are categorised into major works, minor improvements and feasibility surveys and described below. All of the schemes are intended to commence immediately subject to the approval of the programme.

3.4.1 Major schemes

a)	Heritage asset restoration – Turret Gateway	The restoration of the Turret Gateway to preserve the Scheduled Ancient Monument. A detailed survey undertaken in conjunction with Historic England suggests that works are required immediately to preserve the structural integrity of the monument and enable the archway to continue to be publically accessible	£143,000
b)	York House lift replacement	Following the purchase of this building it is proposed to replace the two passenger lifts.	£700,000
c)	De Montfort Hall	It is proposed to undertake three schemes that are critical to the operation of the Theatre; the replacement of the stage lift mechanism, the mechanism for the seating lift and the lighting gantry system.	£290,000
d)	Town Hall	Replacement of the fire alarm and associated hardware due to the existing system reaching the end of its serviceable life. Includes interfaces to fire doors.	£165,000
e)	Vaughan College / Jewry wall	Essential maintenance works to replace the asphalt roof which has reached the end of its economic life, address concrete spalling across the	£375,000

externals of the building, and internally remove asbestos to enable this work

Total for Major Schemes **£1,673,000**

3.4.2 - Minor improvement schemes

f)	Vulcan House	External works to the stonework of the building with focus on the dentil work	£18,000
g)	Legionella risk assessment remedial works	These are the outcome of risk assessments undertaken over the past 6 months as part of a regular review programme. Works include multi tasks and typically relate to redundant pipework, tanking and blending valves.	£60,000
h)	Linwood workshops	Electrical upgrade of the mains power supply – owing to the success of the centre, the electrical loading of the building is now reaching its peak which creates the risk of overload.	£40,000
i)	Adult Education Centre	Roof repairs to the Satta Hashem hall. The tiled roof has significant leaks which has caused damage internally.	£36,000
j)	African-Caribbean Centre	Health and Safety improvements to the ceiling grid and lighting system.	£30,000
k)	Fire risk works	Various risk reduction works across Council sites determined by intrusive fire surveys.	£100,000
l)	10 York Road	Works to the roofing to repair the ridge tiles and roof lights	£15,000
m)	City Hall	Accessibility improvement works for public areas.	£25,000
		Total Minor Improvements	£284,000

3.4.3 Feasibilities and professional fees

n)	Fees and charges	Professional fees and delivery costs to enable the undertaking of the above works.	£58000
o)	De Montfort Hall	Investigation into the viability of upgrading the air handling system and comfort cooling within the main auditorium.	£15,000
p)	York House	HVAC feasibility to improve the energy efficiency of the cooling system to the whole building.	£5,000
q)	Asset Capture and condition	To inform future maintenance programmes it is proposed that the Council commence an asset condition capture of its City Centre buildings. This amount is for the phase 1 city centre buildings	£30,000
Total Studies and Fees			£108,000

3.4.4 Provisions

r)	Emergency repairs	To enable the Council to undertake emergency capitalisable repairs to its estate where the need exists during the duration of the programme	£245,000
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3.5 Procurement and delivery

3.5.1 Major work schemes will be packaged for delivery under the Council's Construction Framework (PAN 1068). Schemes will be subject to a mini

competition under the appropriate Lot to ensure quality and value for the Council.

3.5.2 Minor works will be delivered under the current PAN 1066 small works or the most economically advantageous alternative pursuant with the Council's published procurement rules.

3.5.3 The scheme to the Turret Gateway is subject to Scheduled Ancient Monument consent and therefore the appointed contractor must also be approved by Historic England.

3.5.4 Before commissioning work on any particular site, care will be undertaken to ensure that the building is not likely to be taken out of use or substantially changed under any of the Spending Review processes, (e.g. Transforming Neighbourhood Services, Technical Services). Any such works will be re-appraised and subject to a change control procedure .

5. Financial, legal and other implications

5.1 Financial implications

It is proposed to release £2.350m from the property maintenance capital policy provision for the 2018/19 works programme, being £1.673m for major works, £324k for minor improvements, £108k for feasibilities and surveys, and £245k for emergency works. The balance remaining in the policy provision will be £1.4M which will be the subject of future reports in due course.

Colin Sharpe, Head of Finance, ext 37 4081

5.2 Legal implications

5.2.1. The Council has, in respect of the state of its buildings, a duty of care to anyone on its premises (including any lessees or tenants) and to its employees, under the provisions of the Health and Safety at Work Act 1974 (as amended). The extent of the action necessary under this duty of care should be determined as a result of a risk assessment. The Council also owes a statutory duty of care to its employees and others in its workplaces and a common law duty of care to visitors etc.

5.2.2. In addition, in respect of those properties subject to leases/tenancies, the Council will be required to ensure that these are repaired and maintained in order to comply with the Council's obligations as landlord.

5.2.3. As explained 3.5 above, the Council should ensure compliance with its legal obligations in respect of the procurement of maintenance works in accordance with its

Contract Procedure Rules (the works are below EU thresholds). If internal or external frameworks are used to procure the relevant works then the call off procedure will need to be complied with to ensure compliance and robust terms and conditions apply.

J McIvor, Principal Lawyer, Legal Services, ext. 37 1409

5.3 Climate Change and Carbon Reduction implications

Please contact climatechangeimplications@leicester.gov.uk for implications

The climate change implications associated with the proposed non-schools property maintenance programme for 18/19 are limited because most of the works relate to statutory compliance and Health & Safety.

Improvements to roofing and replacement low-energy lifts represent opportunities to improve the energy performance of the buildings.

5.4 Equalities Implications

Maintenance of assets/buildings along with improvements identified in the programme such as accessibility improvements and lift upgrades will have positive impacts on service users and staff across all protected characteristics.

It is important to consider the council's inclusive design standards when making changes/upgrades to ensure that buildings provide maximum access to and throughout.

Buildings and spaces designed to be accessible can become inaccessible if not maintained and managed effectively.

Service providers and employers are required by the Equality Act 2010 to make reasonable adjustments to any physical feature which might put a disabled person at a substantial disadvantage compared to a non-disabled person.

Surinder Singh Equalities Officer tel. 37 4148

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

6. Background information and other papers:

7. Summary of appendices:

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

Expenditure exceeding £1m

In determining whether it is a key decision you will need consider if it is likely:

- to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council’s budget for the service or function to which the decision relates.
- to be significant in terms of its effects on communities living or working *in two or more wards in the City*.

Expenditure or savings will be regarded as significant if:

- (a) In the case of additional recurrent revenue expenditure, it is not included in the approved revenue budget, and would cost in excess of £0.5m p.a.;
- (b) In the case of reductions in recurrent revenue expenditure, the provision is not included in the approved revenue budget, and savings of over £0.5m p.a. would be achieved;
- (c) In the case of one off or capital expenditure, spending of over £1m is to be committed on a scheme that has not been specifically authorised by Council.

In deciding whether a decision is significant you need to take into account:

- Whether the decision may incur a significant social, economic or environmental risk.
- The likely extent of the impact of the decision both within and outside of the City.
- The extent to which the decision is likely to result in substantial public interest
- The existence of significant communities of interest that cannot be defined spatial