

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker	Buildings, Land and Procurement Panel
Date of Decision	23 March 2010
Decision Title	1. Landlord's Capital Repairs Programme 2010/11 2. Balance of the New Deal for Schools (NDS) Modernisation (Condition) Programmes and Funding for 2010/11
Decision Reference	1375
Report From:	Report by the Director of Property, Business and Regulatory Services

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1. Executive Summary

- 1.1. This report seeks approval to the proposed programme of works to be funded from Landlord Capital Repairs and the balance of the New Deal for Schools (NDS) allocations in 2010/11.
- 1.2. The report also identifies how these programmes support energy and carbon reduction.

2. Overall resources available

- 2.1. The overall level of funding for NDS and capital repairs over the next three years is covered in the Revenue and Capital repairs budget report found elsewhere on the agenda.
- 2.2. The Department for Children, Schools and Families (DCSF) asked local authorities for help to accelerating capital spending originally earmarked for 2010/11. In consultation with the Director of Children's Services, a proposal was put forward to the DCSF to accelerate the NDS spending originally intended for use during 2010/11. This proposal was accepted and the table below reflects the position with reduced NDS resources to allocate in 2010/11.
- 2.3. Table 1 below summarises the key sources of funding based on the current position set out in the finance report elsewhere on the agenda.

Table 1: Total capital repairs resources (excluding fees)

Budget	2010/11	2011/12	2012/13	Notes
	£m	£m	£m	
P&R capital repairs	4.167	3.723	3.721	
DSG capital repairs	10.463	10.463	10.463	
NDS	1.850	2.788	2.788	(1) (2)
Sure Start	0.426	0	0	
Total	16.906	16.974	16.972	

Notes:

- (1) Future NDS allocations have not yet been confirmed by Government beyond 2010/11. With the approaching general election it is anticipated the position on any future NDS programmes will emerge, possibly towards the Autumn budget cycle. The current corporate assumption is that NDS will be cut by 50%. It is considered prudent to prepare for the possible demise of the NDS programme and hence the smoothing of some capital resources proposed in the Revenue and Capital repairs budget report found elsewhere on the agenda.
- (2) NDS totals shown after the impact of the agreed acceleration from 2010/11 into the 2009/10 NDS year.

3. Landlord's Capital Repairs Funding 2010/11

- 3.1. This report focuses on the element of the Landlord's capital repairs funding that is used to address identified health and safety priorities connected with the Corporate Risk Assessment (CRA) for the built estate. For 2010/11 the proposed CRA expenditure amounts to £12.192 million (excluding fees).

4. Consideration of Landlord Capital Repairs and NDS Condition Programme Priorities for 2010/11 and Project Selection

- 4.1. The Landlord's capital repairs programme is used to support a planned approach to capital investment in the built estate. The key objectives of this approach are to:
 - Tackle the backlog of building and engineering repairs and maintenance.
 - Reduce risks and improve the health and safety performance of buildings.
 - Improve efficiency and reduce recurring/running costs.
 - Improve the quality of the built environment for communities and future generations.
 - Help reduce the impact of greenhouse gas emissions in the environment and supporting the Government's climate change agenda.
 - Modernise buildings and make them fit for purpose.

- 4.2. The Landlord's NDS and capital repairs programmes are both directed at managing the backlog of repairs and maintenance liabilities identified in the Asset Management Plan's (AMP's) for schools and the corporate estate. The Strategy for the Built Estate- Mid-year Review report to the Panel on 12 January 2010 proposed a more strategic approach in future to asset management. As this more strategic approach is developed during 2010/11 the backlog position will be integral to this development.
- 4.3. As part of undertaking many capital repair 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.
- 4.4. Landlord's Capital Repairs Programme: Although the Landlord's capital repairs programme is directed at the backlog of repairs and maintenance, the primary driver for this element of expenditure is aimed at managing health and safety risks relating to the built estate. Assessment of the various risks is made each year through the County Council's CRA process. This process is audited annually and provides a robust mechanism for making investment decisions each year. A Landlord's programme of capital repairs investment for 2010/11 is set out in Appendix 1.
- 4.5. A contribution from the Landlord's Capital Repairs Programme of £350,000 has been incorporated into the proposed allocations this year to support a successful bid for Bordon Eco Town grants. This Landlord's Capital Repairs contribution has helped to secure funding from central government for works to improve the energy performance in all five of the County Council's primary schools and the library in Bordon. The bid made under the initial Eco-town funding arrangements has led to DCLG and DCSF awarding £2.3m of grant aid for the project. The range of buildings involved will provide demonstrator projects with progress and performance results to be shared with other authorities in Hampshire, the three other eco-towns and elsewhere in the UK. Additionally the projects have been designed to engage the pupils of the schools and visitors to the library through updates, displays and metering of energy performance.
- 4.6. A further element of the Landlord's capital repairs programme reflected in table 1 above is in respect of the Sure Start "early years" capital grant for repairs associated with the provision of Children's Centres. As previously agreed the funding from this grant is being targeted to re-cladding works at Spring Meadow Children's Centre. These works are due for completion during spring this year. Assessment is now being undertaken across the remainder of children's centres to highlight priorities for the remaining funding. The identified works will be reported to a future meeting and be undertaken by the required spend date in 2012.

- 4.7. NDS Programme: Of the NDS resources available in 2010/11 a balance of £400,000 remains to be allocated. It is proposed these NDS funds are used to meet the joint commitment with the Executive Lead Member for Children's Services to the latest phase of the swimming pools strategy.
- 4.8. Significant progress has been made at improving the schools estate since the inception of the NDS funding in 2000. Despite having invested nearly £120 million of NDS condition funding over the last decade, the backlog of repairs and maintenance in the schools sector is still significant. Schools across Hampshire have benefitted from NDS investment. Through prudent procurement and delivery of capital repairs on the recent NDS programme a saving of £1million has been made which will allow a further significant addition to the programme this year. It is proposed these savings, to which current market conditions have contributed, will deliver a programme of external decorations at 50 schools and some additional engineering improvements to four others. Appendix 2 contains the proposed work.
- 4.9. As also referred to in the Revenue and Capital Repairs budget allocations report, the accelerated programme of NDS funded schemes reported to the Panel in March 2009 is currently in the process of being delivered. It is anticipated the total 2009/10 and 10/11 NDS programmes will be delivered on schedule for the end of August this year.
- 4.10. The next major opportunity beyond the NDS programmes is the DCSF's Building Schools for the Future (BSF) investment strategy which aims to renew/modernise every secondary school in the country. The planned investment through the Primary Capital Programme should be a further opportunity to improve a substantial proportion of the primary and primary age special school stock over a fifteen year period. Following the approval of Hampshire's PCP strategy in November 2008 detailed discussions and consultations with schools have taken place in 2009 in respect of the planned investment programme for 2010/11 for Havant and Gosport. Proposals for projects to be included in the capital programme were developed and approved by the Executive Member for Children's Services on 17 December 2009. It is anticipated that the 2011/12 and 2012/13 allocations will be about £3m for each year.

5. Opportunity for Improved Energy Performance of Buildings and Reduced Carbon Dioxide Emissions

- 5.1. As reported in the Landlord Capital and NDS programme report in March 2009 around 80% of the County Council's built estate was constructed before thermal performance standards became part of the Building Regulations. Where possible, the investment of capital repairs resources are being used to help improve the thermal performance of the building stock. Table 2 below provides an indication of the potential opportunity for energy savings and reduced carbon dioxide emissions.

Table 2: Distribution of NDS Programme for 2010/11 showing opportunity for Energy and Carbon Dioxide Emission Reductions

Priority Category of Work	Landlord's NDS and Capital Expenditure 2010/11 Schools			Landlord's Capital Expenditure 2010/11 Corporate Estate		
	£'000	Indicative Energy Saving MWh	Indicative CO2 Reduction Tonnes	£'000	Indicative Energy Saving MWh	Indicative CO2 Reduction Tonnes
External Walls and Windows (SCOLA re-cladding/ window replacements)		621	118		5	1
Mechanical Services (Boiler systems, heating systems and underground mains)		452	86		5	1
Roofs		536	102		-	-
Electrical Services (Light, power, fire alarms and mains distribution)		-	-		-	-
TOTAL		1,609	306		10	2

Savings for the whole estate – 308 Tonnes CO₂

6. Outline of Options

6.1. The NDS and capital repairs programme contained in this report are produced from interrogation of the AMP data and the extensive knowledge of the County Council's built estate held within Property Services. The available funding is directed at the areas of highest liability across the built estate focusing on the key building elements to address the objectives set out in 3.1 above.

8. Conclusions

8.1. No government commitment to future allocations of NDS beyond 2010/11 have been made. It is prudent to anticipate a reduction and possible end of the NDS programme, the corporate assumption currently is that NDS will be reduced by 50%. The allocation of NDS Condition Funding provided to the County Council has amounted to nearly £120 million since 2000. Further NDS allocations are likely to be at best uncertain but NDS investment to date have had a very significant impact. Whatever the outcome of any future announcement on NDS strategic capital investment will continue in schools and the impact of any change in policy on NDS will be assessed as this becomes clearer over the coming year.

- 8.2. One of the next opportunities for further major investment in secondary schools will come from the DCSF's 'Building Schools for the Future' programme. Proposals in this report for investment in capital repairs have been made in the context of and reflect the BSF wave 1 programme. The planned investment through the Primary Capital Programme is a further opportunity and should improve a substantial proportion of the primary and primary age special school stock over a fifteen year period. It should however be noted that the current financial climate offers potential challenge to all capital programmes.
- 8.3. The available capital funding falls short of the overall condition liability and backlog of repairs and maintenance, which means that risks associated with the building stock cannot be eliminated. The Strategy for the Built Estate- Mid-year Review to panel on 12 January 2010 makes reference to the backlog of repairs. The January report to the Panel also highlighted the importance of the CRA mechanism for making investment decisions in the built estate to target effective risk management and risk reduction where possible.

9.0 Recommendations

That the Panel advises the Executive Member for Policy and Resources that:

- (a) The Programmes of Landlord's capital repairs and NDS for 2010/11 as set out in appendices 1 and 2 be approved.
- (b) The contribution the Landlord's repairs and maintenance programmes make towards reducing carbon dioxide emissions be noted.

CORPORATE OR LEGAL INFORMATION:

LINKS TO THE CORPORATE STRATEGY		
Hampshire safer and more secure for all		Yes x
Corporate Business plan link no (if appropriate)	<input style="width: 100%;" type="text"/>	No <input type="checkbox"/>
Maximising well-being		x
Corporate Business plan link no (if appropriate)	<input style="width: 100%;" type="text"/>	No <input type="checkbox"/>
Enhancing our quality of place		x
Corporate Business plan link no (if appropriate)	<input style="width: 100%;" type="text"/>	No <input type="checkbox"/>
OR		
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:		

OTHER SIGNIFICANT LINKS:					
Links to Previous member decisions:					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Ref</th> <th style="width: 50%;">Date</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">31 Mar 2009</td> </tr> </tbody> </table>	Ref	Date		31 Mar 2009
Ref	Date				
	31 Mar 2009				
Direct Links to Specific Legislation or Government Directives					
Title	Date				

Section 100 D - Local Government Act 1972 - background documents	
<p>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.)</p>	
<u>Document</u>	<u>Location</u>

COMPREHENSIVE RISK & IMPACT ASSESSMENT:

Race and Equality Impact assessment

Race and equality impact assessment has been considered in the development of this report and no adverse impact has been identified.

Crime prevention issues

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. This strategy for the built estate will, establish revenue and capital investment programmes that positively support managing and reducing crime and disorder in the community. The principal mechanisms for achieving this is through the County Council's vandalism/ arson reduction work as well as capital investment for improved fire precautions - upgrading existing buildings and fire detection systems.

Climate Change

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

This report details a range of Landlord's capital repairs that will improve and upgrade the thermal performance of buildings and the energy efficiency of engineering services that will provide the opportunity for local managers to reduce energy consumption and carbon dioxide emissions. Table 2 in the report gives an approximate quantification of the energy and carbon dioxide emissions benefits.

How does what is being proposed consider the need to adapt to Climate Change and be resilient to its large term impacts?

Whilst the programmes in this report focuses principally on mitigation measures, other major work is taking place to adapt buildings for climate change e.g. the now completed work to Ashburton Court and in the future work to develop BSF programmes.

Appendix 1

Landlord's Corporate Risk Assessment Capital Repairs Programme 2010/11

Schemes £50k- £100k	
Property	Scheme
Great Hall	Stonework repairs
Various Properties Electrical Services	Remaining remedials on Corporate Estate
Woodcroft School, Waterlooville	Boiler replacement
Various Properties	Test & Replace safety valves
Quilley School of Engineering, Eastleigh	Rolsa Roofing
Fernhill School & Language College, Farnborough	Rolsa Roofing
Cams Hill (Foundation), Fareham	Roofing
Petersfield School (Foundation)	Main Block Reroofing (phase1)
Test Valley School, Stockbridge	ROSLA Block roof
Testwood School, Totton	Structural Fire Precautions Improvements
Various Properties	Replace buried steel LPG pipework medium risks
Oaklodge Special School, Dibden Purlieu	SCOLA 2 cladding
Various Properties Electrical Services	Code 1 remedials >£1000
Neville Lovett Community School, Fareham	Sports Hall roof
Hamble Primary, Hamble	Pipework replacement
Various Non Schools	External Decs Programme
Energy Performance and Buildings Directive	DEC for buldings on Campus sites
Petersfield School (Foundation), Petersfield	External Decorations
Schemes £100k- £250k	
Property	Scheme
Basingstoke Library	Screens/ doors/ rooflights
Fairfields Primary, Basingstoke	Pitched roofing
Hampshire Record Office	Repository Works Dehumidification
Law Courts	Contribution to next phase of refurbishment
Oakwood Infant, Hartley Wintney	Pitched roofing
Portchester Community School, Portchester	External Decorations
Ringwood School, Ringwood	Structural Fire Precautions Improvements
Various primary schools	Kitchen decorations
Various primary schools	Fire precautions works
Various Properties Electrical Services	Balance of T&I works
Various Schools	Support for Joint Fire Safety Audits
Fernhill School & Language College, Farnborough	Maths Block Reroofing
Wavell School, Farnborough	External Decorations
Cherrywood Primary, Farnborough	Flat roofing
Marnel Junior, Basingstoke	Flat roofing

Poulner Infant, Ringwood Energy Performance and Buildings Directive	Flat roofing Air conditioning inspections
Schemes £100k- £250k	
Property	Scheme
Mill Chase Technology College, Bordon Anstey Junior School, Alton New Milton Junior School, New Milton Various schools Various Non Schools Henry Beaufort School, Winchester Elderly Persons Homes Old Town Hall - Aldershot Various Properties Electrical Services	External Decorations Window renewals Window renewals Security Patrols Support for Joint Fire Safety Audits SCOLA Block Maths/Science Roofing Contribution to Joint Investment Proposals in EPHs Roof Replacement Code 2 Remedials from 2010 programme
Schemes £250k- £500k	
Property	Scheme
Calthorpe Park School, Fleet Special Schools Oakfield Primary School, Totton Bordon Eco Town Various Properties Electrical Services	Re clad dining block Structural Fire Precautions Improvements scola 1 recladding Contribution towards Eco Project 2010 T&I programme

Landlord's NDS Capital Repairs Programme 2010/11

Schemes up to £50k

Property	Area	NDS External decorations Schemes
All Saints Ce Primary School	Winchester	External Decorations
Bartley Ce Junior School	Southampton	External Decorations
Beaumont Junior School	Aldershot	External Decorations
Belle Vue Infant School	Aldershot	External Decorations
Bordon Junior School	Bordon	External Decorations
Bramley Ce Primary School	Tadley	External Decorations
Calmore Infant School	Southampton	External Decorations
Chalk Ridge Primary	Basingstoke	External Decorations
Chandlers Ford Infant School	Chandlers Ford	External Decorations
Cherrywood Community Primary	Farnborough	External Decorations
Cove Junior School	Farnborough	External Decorations
Crandall Primary School	Farnham	External Decorations
Cupernham Junior School	Romsey	External Decorations
Elson Junior School	Gosport	External Decorations
Fair Oak Junior School	Eastleigh	External Decorations
Fairfield Infant School	Basingstoke	External Decorations
Four Lanes Junior School	Basingstoke	External Decorations
Greatham Primary School	Liss	External Decorations
Hart Plain Junior School	Waterlooville	External Decorations
Hawley Primary School	Camberley	External Decorations
Heatherside Infant School	Fleet	External Decorations
Henry Tynedale Special School	Farnborough	External Decorations
Kings Worthy Primary School	Winchester	External Decorations
Limington House School	Basingstoke	External Decorations
Lymington Infant School	Lymington	External Decorations
Lymington Junior School	Lymington	External Decorations
Medstead CE Primary School	Alton	External Decorations
Meonstoke CE School	Southampton	External Decorations
Orchard Lea Infant School	Fareham	External Decorations
Orchard Lea Junior School	Fareham	External Decorations
Our Lady and St Joseph	Lymington	External Decorations
Overton CE Primary School	Basingstoke	External Decorations
Owslebury Primary School	Winchester	External Decorations
Pennington Infant School	Lymington	External Decorations
Potley Hill Primary	Yateley	External Decorations
Rowledge CE Primary School	Farnham	External Decorations
Rucstall Primary School	Basingstoke	External Decorations
Saint James CE Primary (West End)	Southampton	External Decorations
Silchester CE Primary School	Reading	External Decorations

Schemes up to £50k		
Property	Area	NDS External decorations Schemes
South Baddesley CE Primary	Lymington	External Decorations
South View Junior School	Basingstoke	External Decorations
Steep CE Primary School	Petersfield	External Decorations
The Samuel Codey School	Farnborough	External Decorations
Wallisdean Infant School	Fareham	External Decorations
West Meon CE Primary School	Petersfield	External Decorations
Whitchurch CE Primary School	Whitchurch	External Decorations
William Gilpin CE Primary School	Lymington	External Decorations
Wootey Junior School	Alton	External Decorations
Schemes £50k to £100k		
Property	Area	NDS External decorations Schemes
The Petersfield School	Petersfield	Increase in works to include boiler controls
Testwood Sports College	Southampton	Increase in works to include boiler controls
Hardley School & Sixth Form	Southampton	New Fire Alarm Scheme
Hurst Community College	Tadley	Gas main and boiler conversion to the south block
Schemes £250k to £500k		
Property		Scheme
Various schools		contribution to the swimming pools strategy