

AT A MEETING of the BUILDINGS, LAND AND PROCUREMENT PANEL held in
the Chute Room, Elizabeth II Court South, Winchester, on
17 December 2013.

Councillors:
p Chairman: M. Kendal
p Vice-Chairman: P. Edgar

p K. House
p F. Pearce

p M. Lyon
a J. Wall

p A. Joy (substituting for Councillor Wall)

23 APOLOGIES

Apologies were received from Councillor John Wall.

24 DECLARATIONS OF INTEREST

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other pecuniary or non-pecuniary interests in any such matter that they might have wished to disclose.

No interests were declared under this item.

25 MINUTES AND MATTERS ARISING

The Minutes of the meeting held on 8 October 2013 were confirmed by Members as a correct record and signed by the Chairman.

26 CHAIRMAN'S ANNOUNCEMENTS

The Chairman provided an update for Members on departmental developments from Property Services. Barncroft Primary School was awarded the Education Civic Building of the Year Award at the ceremony in Bristol in November. The Award was in recognition of good quality public sector architecture. The aim of the awards was to inspire and promote the work carried out in the public sector.

Barncroft Primary School, Ringwood Gateway and Runways End Activity Centre were considered to be of merit at a regional level and had been put forward for consideration by the national pane for the 2014 Civic Trust Awards. The Civic Trust Awards scheme recognised the best in architecture, design, planning, landscape and public art. Awards were given to projects that demonstrated high quality architecture, design, sustainability, were accessible to all users and that made a positive cultural, social or economic contribution

to the local community. Winners would be notified in January 2014 and an awards ceremony was to be held in March 2014.

Steve Clow, Assistant Director and Bob Wallbridge, Head of Design for Property Services, had been invited to take part in a Radio 4 series about architecture and design in the country. This had provided an opportunity to explain the excellent work of Hampshire County Council designers and raise the profile of its in-house property function. Jonathan Glancey, the BBC presenter, celebrated the legacy of over 30 years of good quality school design in the county. The interview took place at Pilgrims Cross primary School in Andover at the latter stages of construction.

27 WINCHESTER DISTRICT ENERGY PROJECT

The Panel considered the report of the Director of Economy, Transport and Environment in relation to the Winchester District Energy Project (Item 6 in the Minute Book).

The Project Manager provided a background to the scheme outlining the Council's aims to deliver a district energy programme in Winchester. The project was considering two possible schemes, focusing on the Council's collection of headquarter buildings and inclusion of local public sector buildings in west Winchester at the hospital, university and prison. The scheme aimed to deliver direct benefits of secure energy as well as to reduce carbon emissions and costs, through more efficient energy use.

A bid for funding had been submitted to the Department for Energy and Climate Change (DECC), which if approved, would fund two thirds of the development work for the next stage of the project. Members noted approvals were requested for project feasibility work and development of the business case, subject to the bid being successful.

Aspects of the business case were discussed including capital costs. It was noted that the scheme would be operated as a public energy service company. The Council could benefit from loan margin differences over the time period to fund the project, and secure a return as revenue income.

Members discussed the potential of the scheme in offering future energy security and savings and adoption of similar schemes by other authorities was acknowledged. Members noted project progress and it was agreed a future update could be provided to the Panel if the bid was approved.

RESOLVED:

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

Should the application for funding to the Heat Network Delivery Unit (HNDU) be successful, that authority be given to commence further feasibility work and business case development on the Winchester District Energy Scheme(s).

28 MAJOR PROJECTS UPDATE

The Panel considered the report of the Director of Culture, Communities and Business Services (CCBS) in relation to the major projects being progressed within the Department (Item 7 in the Minute Book).

The Director updated Members on key projects including the Schools Basic Need Programme, the Havant School project, the Learning Disabilities Transformation Project, and Affordable Housing programme. The Council's Workstyle programme was highlighted as having helped to transform the office estate through relinquishing high lease cost buildings. It was noted that savings would provide approximately £14 million of building capital for new investment.

Members noted updates in relation to the Council's Energy Programme. Plans for the Southern Regional Construction Framework were discussed. The Council currently procured and managed the framework for the South East and London (SEaL framework) and it was proposed that a third framework be approved for medium sized projects.

An update on the Council's fire sprinkler policy statement was given, following a previous meeting action to align it more closely with that of the Hampshire Fire and Rescue Service. Members supported the amendments.

The need for the Council to remain ahead of changes in relation to information technology and property management for schools was discussed. Members outlined that a holistic approach was important. The Director of CCBS highlighted the increasing use of shared buildings between public service partners, estates rationalisation and the increasing provision of joined up IT. Pressures on the capital programme were noted, in particular the rise in birth rates in the county, which significantly increased demand for school places.

Action:

It was agreed that the Director of CCBS would provide a presentation on future Property Services business plan objectives and the context of the construction industry locally and regionally at the next meeting.

It was agreed that the Director would draft a briefing for all Members in relation to energy initiatives being overseen by this panel.

RESOLVED:

The Panel made the following recommendations to the Executive Member for Policy and Resources:

- a) That progress on each of the projects is noted
- b) That the delivery of the Workstyle efficiencies identified within the report be approved, and the work procured and progressed on the basis of the details within the report, to be funded from within the existing approved Workstyle capital allocation, together with contributions from the

Registration Service budget and from the Policy and Resources Landlord's maintenance programme.

- c) That approval be given to a lease of space at the Test Valley Borough Council Offices on terms to be agreed by the Director of Culture, Communities and Business Services.
- d) That approval is given to proceed with phase 1 of the next generation of Photovoltaic installations on 3 corporate office buildings to deliver energy and cost reductions together with increased resilience of supply, the cost of £250,000 to be funded from existing Policy and Resources Landlord Capital Programmes and approval to spend is given accordingly. That approval is given to procure phase 1 of the programme utilising OJEU compliant frameworks available for use by Hampshire County Council.
- e) That approval is given to the Director of Culture, Communities and Business Services to lead, manage and procure a Southern Construction Framework as detailed in this report.
- f) That approval is given to the Director of Culture, Communities and Business Services to lead, manage and procure the Mid-value Construction Framework is given.
- g) That the County Council's Sprinkler Policy wording is updated to reflect and align with the recent Sprinkler Position Statement as approved by the Hampshire Fire Authority. Revised wording to be as stated in the report. This is in line with the formal Partnership for Fire Safety which exists between the two organisations to continue to better this important issue.
- h) That a total of up to £100,000 (25%) accumulated surplus from the Caretaking and Cleaning Support Services trading unit be reinvested in improved data collection and an Asset Management system during 2013/14 and 2014/15.

29 CALTHORPE PARK SECONDARY SCHOOL, FLEET

The Panel considered the report of the Director of Culture, Communities and Business Services in relation to project proposals for the expansion of the School. (Item 8 Minute Book).

The Director updated members on plans which included a 300 place extension and infrastructural improvements. It was noted that this was the first of a number of major secondary school extension projects required due to increase in pupil numbers and new housing developments.

Members discussed the future strategic challenge for the Council in managing the continued growth of secondary schools and the required financial investment in longer term school building.

Developer contributions were clarified. Members noted that future plans would include numerous developers, requiring an integrated approach to securing funding contributions. Members enquired about financial aspects of the

project and the procurement route, which was confirmed as being taken through the SEaL framework.

RESOLVED:

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

- a) The project proposals for the expansion of Calthorpe Park Secondary School in Fleet, at an estimated total cost of £12, 750,000 be approved.

30 ENERGY PERFORMANCE PROJECT – PHASE 1

The Panel considered the report of the Director of Culture, Communities and Business Services in relation to the Council's Energy Performance Project (Item 9 in the Minute Book).

The Director updated Members about plans in relation to the Council's corporate built estate. Actions to reduce energy consumption across its top 25 energy consuming buildings in 2014/15 were noted. Elements of the business case were discussed including capital costs of approximately £1.4 million and it was noted that financial payback was forecast from year six.

Members noted the benefits of the project and future potential for the Council to develop energy services to schools and other public service organisations.

RESOLVED:

The Panel made the following recommendations to the Executive Member for Policy and Resources:

- a) That an Energy Performance Programme (EPP) is designed and delivered to the top 25 energy consuming buildings in the corporate estate. This is to be funded from Capital Allocations already budgeted for Energy related projects in the 2013/14 Capital Programme.
- b) A capital allocation of £1.42 million is set aside for the Energy Performance Project from the Capital programme allocation for Energy Projects for delivery of the design and construction work in 2013/14 and 2014/15.
- c) The Energy Performance Programme (EPP) is added to the Capital Programme 2013/14.
- d) The fee of £175,000 is made available to the Director of CCBS to progress the scheme design and procurement in 2013/14.

31 REVIEW OF RESIDENTIAL RENTS

The Panel considered the report of the Director of Culture, Communities and Business Services in relation to rental levels for the Council's domestic properties in 2014 (Item 10 in the Minute Book).

The Director updated Members about the planned rise in rents for the Council's domestic properties in 2014/15. The current increase was deemed to be appropriate in comparison to market rates and members noted that there had been no increase levied on the properties three years previously.

Members were satisfied with the proposed increases for 2014/15.

RESOLVED:

That the Panel recommends to the Executive Member for Policy and Resources:

- a) That rents charged in respect of Hampshire County Council dwellings let to staff and other tenants be increased by 5% with effect from 1 April 2014.

32 STRATEGIC ASSET MANAGEMENT – RISK MANAGEMENT 2013/14

The Panel considered the report of the Director of Culture, Communities and Business Services in relation to the Department's Asset Management Strategy (Item 11 in the Minute Book).

The Director updated Members on the Risk Management Strategy for the Council's built estate. Larger liabilities and revised resource allocations for 2013/14 were highlighted. Members noted the Council's revised strategy and enhanced programme of work for Legionella.

Achievements as highlighted within the risk matrix report were noted, in particular with regards to the Council's good performance rating for asbestos management. It was confirmed that academies which did not purchase the Property Services SLA (Service Level Agreement) managed their own asbestos risk.

Members enquired about the Capital Maintenance Grant (CMG) for the schools estate. The Director explained that this represented one year's allocation and that coordinated programmes were maximised between Property and Children's Services.

RESOLVED:

That the Panel make the following recommendations to the Executive Member for Policy and Resources:

- a) That the implementation Plan for Property Services – Strategic Risk Register for 2013/14 as set out in Appendix 1 and the Summary of Planned Actions for Implementation in 2013/14 as set out in Appendix 1 be approved.
- b) That additional funding of £300,000 is made available to the Policy and Resources Capital budget for 2014/15 from general contingencies/ reserves to deliver the Corporate Estate Technical Risk Assessment and associated remedial works programme with regards to the management of Legionella.