

AT A MEETING of the BUILDINGS, LAND AND PROCUREMENT PANEL of the County Council held at The Castle, Winchester on 1 April 2011.

Councillors:  
p T.K. Thornber C.B.E.

a A.P. Collett

p B.D. Dash

p C.R.H. Davidovitz

p P. Edgar

p A.D.G. Evans

p R. Ellis

p K. House

p K. Mans

p Mrs J. Porter

a J. Wall

p A. Weeks

## **96 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Collett.

## **97 DECLARATIONS OF INTEREST**

Members were mindful that, where they believed they had a personal or personal prejudicial interest in any matter to be considered at the meeting, they should, normally at the time of the debate, declare their interest and, having regard to the circumstances described in paragraphs 9, 10, 11 and 12 of the County Council's Code of Conduct, consider whether to leave the meeting whilst the matter was discussed save for exercising any right to speak in accordance with paragraph 12 of the Code.

## **98 MINUTES**

The Minutes of the meeting of the Panel held on 11 January 2011 were confirmed as a correct record.

## **99 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman announced that the Elizabeth II Court refurbishment recently won a Commendation at the Government Business Awards. The project received a Commendation in the Sustainability Award category for the introduction of flexible working and increasing the number of staff by 500, which reduced the occupied floor area by 30 percent.

IT Services also received a Commendation at the same awards ceremony for Green ICT Initiatives in the category, Public Sector Energy. The team's work was recognised as innovative in the production of a Green IT Action Plan delivering energy and carbon reductions.

Elizabeth II Court won the Refurbishment Project of the Year award at the Chartered Institution of Building Services Engineers (CIBSE) Building Performance Awards 2011.

Caversham Court Gardens, a project that was designed by Property Services for Reading Borough Council, won the Special Award for Restoration at the British Association of Landscape Industries Awards.

The Chairman congratulated the teams involved in all of the successful projects. He also reminded Members that a site visit to the Minstead Study Centre, Forest Park Primary School and The Bridge Education Centre was arranged for immediately after the meeting.

## **100 CORPORATE PROCUREMENT UPDATE AND COUNTY SUPPLIES CONTRACTING ACTIVITY FOR 2011/12**

The Panel considered the report of the Director of Culture, Communities and Business Services (Item 5 in the Minute Book) detailing the expected programme of contracting activity.

The Director introduced the report highlighting key sections and in particular the significant of changes to energy procurement. She confirmed that safeguards were in place to ensure value for money and high performance from all contracts that were being extended.

It was explained that a switch to a policy of phased energy purchase in advance would remove some element of risk and enable accurate budget planning, which was particularly important for schools. Members agreed that an averaging system fitted the nature of the County Council's business. It was confirmed that the relationship between the County Council and Academy schools was being developed, but that it was likely that they could continue to use energy procured by the County. Concern was expressed regarding the future supply of energy in light of ageing infrastructure and increasing demand. It was acknowledged that this would be likely cause market prices to rise and become more volatile. Members questioned the impact of smart meters and the use of renewable energy and it was agreed that a report on this should be presented at a future meeting of the Panel.

A Member enquired about the value for money of the highway maintenance contract and it was agreed that a report from the Director of Environment should be presented to a future meeting of the Panel.

**RESOLVED:**

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

- a) Approve the procurement of the expected programme of contracting activity as shown in Appendix 1, to be undertaken and supported by

the Corporate Procurement and County Supplies Team, within Culture, Communities and Business Services for the period to September 2012.

- b) Approve the procurement of the following specific projects for Property Services:
- a replacement for the IESE Tier 2 & Tier 3 Contractors Hampshire Framework, to be known as the 'IESE Local Framework', which is due to expire in March 2012. Approximate value of Hampshire County Council (HCC) related projects using the framework is £50 Million.
  - a replacement for the Engineering Term Maintenance, Reactive Building Maintenance and HCC Headquarters (HQ) Maintenance Contracts, which are due to expire in July 2012. Approximate combined contract value is £46 Million.
  - advanced boiler controllers on approximately 560 County Council schools' boilers following allocation of funding from the Schools Forum. Approximate value is £2.7 Million.
  - a replacement for Volumetric Buildings Framework, which is due to expire in July 2012. Approximate value is £12 Million.
  - an IT database to capture contractor, project and performance related information for the IESE Regional and Local Frameworks. Approximate contract value is £65,000.
  - a contractor through the IESE Tier 1 Framework to provide pre-construction services, at an estimated value of £34,000 for the refurbishment and extension of the bus terminal in Andover.
  - a contractor through the IESE Tier 1 Framework to provide pre-construction services, at an estimated value of £50,000 for the expansion of both the Twesledown Infant School and Church Crookham Junior School in Fleet.
- c) Approve a waiver of Contract Standing Orders to extend the following contracts, as permitted and published in the OJEU contract notices:
- the Hard Landscaping and Associated Works Framework from March 2011 to March 2013. Total contract value, plus extensions, is up to £30 Million, the extension is estimated to be £10 Million over two years.
  - the partnership agreement with Mace by one year ending March 2012, with an anticipated annual value of £500,000. The total contract value, including this extension is £1.5 Million.
- d) Approve a waiver of Contract Standing Order 5.2 until 31 March 2012 in order to retain the current procurement model of approximately 30% of property-related projects by value being delivered through Traditional Tendering methods, rather than through framework agreements, where managed by the Director of Culture, Communities and Business Services to ensure competition and best value. This

approach has been in place successfully for some years and will be reviewed in March 2012.

- e) Approve delegation of the decision to select the most appropriate route for the procurement of electricity from autumn 2011 for one year and for gas, electricity and liquid fuels from autumn 2012, for up to four years, to the Director of Culture, Communities and Business Services.

## **101 REVENUE AND CAPITAL REPAIRS BUDGETS OUTTURN FOR 2010/11 AND PROGRAMMES 2010/11**

The Panel considered the report of the Director of Culture, Communities and Business Services (Item 6 in the Minute Book) regarding revenue and capital repairs budgets.

The Director explained that the report covered the year that was ending and the forthcoming year and that all the projects proposed were listed in the report appendix. She highlighted key features, in particular confirming that the winter maintenance funding was fully committed and noting that the New Deal for Schools funding was coming to an end. The withdrawal of the Building Schools for the Future programme had reduced school capital allocations nationally, but this had not significantly affected Hampshire capital allocations from the Department for Education (DfE) and in conjunction with money from Children's Services it had been possible to programme the major renovation of Park Community School. It was also explained that the restructuring of grants had made it easier to address Hampshire's strategic needs.

**RESOLVED:**

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

- (a) The 2010/11 budget outturn position and budget provisions for Revenue and Capital Repairs budgets be noted.
- (b) The Landlord's capital repairs and Schools Capital Maintenance Programmes for 2011/12, as set out in Appendices 5 and 6, be approved.
- (c) The contribution of the Landlord's repairs and maintenance programmes towards reducing carbon dioxide emissions be noted.

## **102 MAJOR PROJECTS UPDATE**

Councillor Porter declared a non-prejudicial interest as she was involved in three schools with temporary classrooms.

Councillor Weeks declared a non-prejudicial interest with regard to the Ringwood Gateway project as a Member of New Forrest District Council

The Panel considered the report of the Director of Culture, Communities and Business Services (Item 7 in the Minute Book) providing an update on major projects currently being progressed.

The report and the recommendations were outlined to Members. It was confirmed that the increased expenditure on the Havant Public Service Village project required authority from the Executive Member for Policy and Resources as it was a Hampshire County Council procured project, however all the additional funding will come from the Borough Council.

Members enquired about the current strategy for deploying temporary buildings on school sites. It was agreed that a report on the current temporary classroom strategy should be presented to a future meeting of the Panel.

Members were informed of an additional recommendation to increase the amount of funding to Havant Academy. It was explained that this was due to DfE (academy) funding for ICT being provided via the County Council rather than directly to the school as had been expected and therefore a formal decision was required to increase the funding envelope.

RESOLVED:

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

- a. That progress on each of the projects be noted.
- b. That in respect of the refurbishment of the Havant Public Service Village Civic Suite the Panel advises the Executive Member for Policy and Resources to approve the additional expenditure for the project, which will be funded from increased contributions by Havant Borough Council.
- c. That the addition of a Government grant of £904,250 to the 2011/12 Children's Services capital programme, in order to fund ICT investment at Havant Academy and additional funding from unspent balances from Staunton Community Sports College of £116,000 together with a contribution of £100,000 from the Academy be approved.

### **103 EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That in relation to the following items the public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

### **104 SHARED SERVICES UPDATE**

The Panel considered the exempt report of the Director of Culture, Communities and Business Services (Item 9 in the Minute Book) concerning shared services activities.

The Director explained that there was a lot of shared services activity and proposed that this should become a regular report to the Panel. She confirmed that authorities had an increased inclination to work together and to use expertise where they were available. This allowed authorities to save money and enabled strong teams to be retained. In response to Members' concerns she clarified that throughout any partnership work, delivering Hampshire's services remained the priority. It was also confirmed that there would always be some areas where shared service would not be appropriate. The Panel was supportive of the initiatives that were being taken and recognised that partnership working was central to efficient service delivery.

RESOLVED:

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

- a) That, in respect of Property Services – Shared Services;
  - I. A Shared Services Partnership Agreement for Property Services be formalised with Surrey County Council.
  - II. A Shared Services Partnership Agreement be formalised with East Hampshire District Council and Havant Borough Council.
  - III. The renewal of the Service Level Agreement for Property Services with Hampshire Fire and Rescue Service until March 2016 be approved.
  - IV. The Business Development Strategy for Property Services, relating to collaboration and shared services be noted.
- b) That, in respect of Partnership working between Hampshire Scientific Services and Hampshire Constabulary Scientific Services;

- I. Work being undertaken to establish a shared forensic science service be noted, fully supported and further developed.
- c) That, in respect of IT Services – Collaboration and Shared Services;
  - I. Work being progressed on two projects including a reciprocal IT Disaster Recovery/Business Continuity arrangement and the amalgamation of SAP configuration and technical support be noted.

## **105 BUSINESS SERVICES GROUP – BUSINESS PLANS 2011 - 2012**

The Panel considered the exempt report of the Director of Culture, Communities and Business Services (Item 10 in the Minute Book) concerning business plans of the Business Services Group.

The key points of the report were highlighted. In particular the success of Hampshire Caterers HC3S who had successfully increased the uptake of school meals. County Supplies had been able to increase prices below the rate of inflation. Hampshire Transport had been able to lower prices. Difficult market conditions had led to a proposed restructure and relocation of Hampshire Printing Services (HPS).

An error in paragraph 3.4.2 of the report was noted as £84,000 should have read £840,000.

The Panel expressed their congratulations to HC3S for both their business success and maintaining high standards.

**RESOLVED:**

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

The 2011/12 business plans for the Business Services Group (BSG) and the proposal to restructure Hampshire Printing Services are approved.