

AT A MEETING of the BUILDINGS, LAND AND PROCUREMENT PANEL of the County Council held at The Castle, Winchester on 12 October 2010.

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

p 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

p J. Wall

p A. Weeks

69 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.

70 MINUTES

The Minutes of the meeting of the Panel held on 27 May 2010 were confirmed as a correct record.

The deputy director of Property Services updated the Panel on the trading company for Property Services and confirmed that an agreement had been reached with Reading Borough Council.

71 CARBON AND ENERGY REDUCTION WORKS TO WEYFORD INFANT AND JUNIOR SCHOOLS, BORDON

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 5 in the Minute Book) concerning improvement of the energy performance of Weyford Infant and Junior schools in Bordon. The Director outlined the proposals to undertake significant development with the installation of a biomass boiler. This would be a first for a Hampshire school and would have the benefit of making the school's heating carbon neutral although would not have a direct cost saving.

The availability and suitability of the boiler's wood pellet fuel was questioned and it was confirmed that there are a number of UK suppliers, which ensures both continuous supply and supplier competition. The

Director explained that wood pellets were selected rather than wood chips, due to storage limitations as pellets have a higher energy content and therefore a smaller storage volume. Building greater storage capacity on the school site was neither practical nor cost effective. It was noted that as fossil fuel energy prices continue to rise this form of energy could deliver energy cost reductions.

The Panel discussed behavioural change with regard to energy usage reductions. The Director confirmed that “smart meters” were being installed in all Hampshire buildings including schools as part of a programme that was expected to be complete by January 2011 and would include a remote monitoring facility. A second phase to do the same for other buildings was undergoing a procurement process. Examples of smart meter technology successfully changing behaviour and reducing energy use at the Minstead Study Centre were highlighted and the Panel agreed introducing it to other buildings was a positive step. The Chairman proposed that the Panel visit Minstead Study Centre to see how sustainability is being taught to young people.

RESOLVED:

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

1. Approve the design proposals for energy efficiency improvement works at Weyford Infant and Junior Schools, Bordon, at a total estimated cost of £997,000 (including fees of £107,000)
2. Authorise the Director of Property, Business and Regulatory Services to agree the detail of the remaining works in the demonstration project and work up proposals for a second phase in consultation with local schools, East Hampshire District Council and other interested parties

72 YATELEY INFANT SCHOOL – FORMATION OF CRANFORD PARK (CofE) PRIMARY SCHOOL, YATELY

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 6 in the Minute Book) concerning a project appraisal for the formation of a new 1 FE Primary School at the existing Yately Infant School and the demolition of St. Peters Junior School upon completion.

The Director explained the amalgamation proposal to the Panel and noted that this scheme was supported by both schools involved.

Members supported the project and highlighted the fact that it also had community support. Tribute was paid to the former Executive Member for Children’s Services for supporting and investing in the school buildings for this amalgamated primary school. It was noted that there was a strong desire to retain a portion of the former school site for Community uses such

as allotments

It was asked whether sufficient car parking had been included in the plans for the new school and the Director confirmed that the school was in agreement with the number of spaces.

RESOLVED:

That the Panel advises the Executive Member for Policy and Resources that the design proposals for the extension and refurbishment of Yateley Infant School, in order to form the new 1FE Cranford Park (CofE) Primary School, including the demolition of the former St Peter's Junior School upon completion of the works, at an estimated total cost of £1,900,000 (including fees), be approved.

73 RINGWOOD GATEWAY – PROPOSALS AND PROCUREMENT ARRANGEMENTS

Councillor Weeks declared a non-prejudicial interest as a Member of the New Forest District Council.

Councillor Collett declared a non-prejudicial interest as a Member of the Hampshire Police Authority

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 7 in the Minute Book), detailing the delivery of a joint project to construct a small shared use public building in partnership with New Forest District and Ringwood Town Councils.

The Director detailed the proposals and explained that this would result in a similar, but smaller, arrangement as the Havant Public Service Village. Members were in agreement that it was a positive project that would revitalise and regenerate the area.

A discussion followed about the possible involvement of the Police in the project. It was confirmed that this was being looked into and it was agreed that there were numerous benefits of having the Police as partners. It was stressed that it was necessary to make arrangements quickly to avoid delaying the project and the Director agreed to take this to the relevant officers at Hampshire Police.

RESOLVED:

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

1. The application of part of the approved Advantageous Land Purchaser budget to support the County Council's financial contribution towards the cost of the Ringwood Gateway project, be approved.

2. The negotiation and signatory of either joint or related development, procurement, ownership and management agreements to both support and protect the County Council's role as a partner to the Gateway Project be approved, and the Director of Property, Business and Regulatory Services (Strategic Manager – Assets and Development) be authorised to settle the detailed terms and conditions of these agreements.

74 PROCUREMENT INITIATIVES

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 8 in the Minute Book) relating to Property Services and the delivery of property construction works and services.

The Director introduced the report and in particular noted that the IESE procurement framework was being used for the Havant Academy. She confirmed that the Chief Executive had become chairman of the National Improvement Partnership and also gave details of an asset management system that was being jointly procured with Surrey County Council, resulting in economies of scale being achieved.

The Havant Academy was discussed in more detail and it was confirmed that a full project appraisal was due in January 2011 and this report only concerned procurement arrangements. Members welcomed the project and commended the County Council for being the principle sponsor.

RESOLVED:

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

- a) The selection and appointment of a contractor through the Improvement and Efficiency South East (IESE) Tier 1 Framework to provide pre-construction services to a maximum value of £250,000 for the project at Havant Academy in Havant be approved.
- b) The progress in connection with Improvement and Efficiency South East (IESE) be noted.
- c) The progress with National Improvement and Efficiency Partnership for the Built Environment (NIEP) be noted.
- d) The progress with the procurement of an Asset Management System (AMS) be noted.

75 CORPORATE PROCUREMENT UPDATE

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 9 in the Minute Book) concerning an update on corporate procurement initiatives since the previous report to Panel on 12 January 2010.

The Director outlined the procurement initiatives and highlighted key performance indicators. It was explained that there are approximately 30,000 suppliers and average spend per supplier is low. A modernisation of the procurement process was in process, including streamlining the department and a programme of procurement efficiencies. It was confirmed that although the programme of efficiencies was running behind schedule, it was on course to make anticipated savings. She added that work was also being done to influence demand management as a means of making efficiencies.

Members discussed the challenges of making efficiencies in the procurement process due to public sector accountability requirements. There was some disappointment that the programme was behind schedule, but it was still felt to be an example of Hampshire County Council leading the way on procurement.

Concern was raised regarding the high cost of the procurement of psychometric testing. The Deputy Director for Business explained that this related to a framework agreement that allowed managers to purchase psychometric tests as required, rather than a committed spend. The Director agreed to liaise with colleagues in Human Resources to establish the level of demand.

The overall number of suppliers was discussed and it was agreed that although efficiencies were desirable, this should not be at the expense of supporting local small business. It was noted that framework contracts give small businesses better opportunities to win contracted work. It was furthermore agreed that increasing efficiencies by negotiating discounts with the largest suppliers was desirable. The Deputy Director for Business agreed to provide a list of the County's largest suppliers to the Panel.

A Member asked whether there were any significant IT procurement exercises in the pipeline, or whether the IT infrastructure was currently fit for purpose. It was agreed that a full update on IT procurement would be brought to a future meeting of the Panel.

RESOLVED:

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

1. Note the progress on corporate procurement initiatives,
2. Approve the contracting exercises as outlined in paragraph 6 of the report for:
 - Psychometric Testing (on the basis of advice from Human Resources)
 - Independent Property Valuation on behalf of the Hampshire Pension Fund
 - Client bus transport for vehicles 17 seats and over (primarily to support home to schools and social care services).

76 REVENUE AND CAPITAL REPAIRS BUDGETS – HALF YEARLY UPDATE

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 10 in the Minute Book) confirming the mid-year financial position of building repair budgets and re-profiling of resources.

The Director introduced the report and highlighted in particular that the New Deal for Schools funding had been spent by the end of August 2010 and good value had been achieved as a result of the size of the projects that had been tendered. The cost of strategic consultants was questioned and it was confirmed that for the 2010/11 financial year, spend was already committed, but that future years were uncertain, depending on the scale of the Council's programme.

RESOLVED:

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

1. The proposed additions/adjustments to the programme for both Capital Repairs and New Deal for School and other miscellaneous approvals as set out in paragraph 3.7 and Appendix 3 be approved.
2. The re-profiling to 2011/12 of capital repairs resources of £1.06 million as set out in paragraph 3.8 be approved.
3. The virement in 2010/11 of £40,000 from the Smart Meters in schools capital allocation to the revenue repairs and maintenance budget as set out in paragraph 3.10 be approved.

77 STRATEGIC ASSET MANAGEMENT PLAN

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 11 in the Minute Book) providing an update on progress with the preparation of the proposed Asset Management Plan.

The Director outlined the proposed Asset Management Plan and reported that Government changes had reduced the amount of policy prescription in this area. This had led to a new two part approach with the immediate efficiency of reducing the number of people working on the Plan. Progress on the programmes identified in the report was detailed to the Panel and it was pointed out that there was a likelihood that resources would be allocated on a risk basis in the future. It was furthermore confirmed that there was still some vulnerability in capital receipt expectations.

School assets were discussed and it was noted that the modular construction for Children's Centres property had been a particular success as it had created efficiencies via economies of scale.

The progress of affordable housing development was raised and there was some concern that this was not progressing quickly enough. The Director explained that the national and local elections earlier in the year had caused some delays and that good progress was now being made. The Panel was informed that updates on affordable housing, in particular which sites were selected, would be available at future meetings or via reports to the Executive Member for Policy and Resources.

RESOLVED:

That the Panel advises the Executive Member for Policy and Resources that support be given to the updated Strategic Asset Management principles set out in the report.

Councillor Davidowitz in the Chair

78 STRATEGIC ASSET MANAGEMENT – RISK MANAGEMENT

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 12 in the Minute Book) regarding the risk management strategy for the built estate and allocation of resources to the highest and most significant liabilities.

The Director introduced the annual update on risk management to the Panel, highlighting in particular that future budgets remain unknown and that budget reductions would require future decisions on the allocation of spend.

RESOLVED:

That the Panel advises the Executive Member for Policy and Resources to approve: the implementation plan for Property Services Strategic Risk Register for 2010/11 as set out in table 2 and described in Appendix 3 entitled “Summary of planned actions for implementation in 2011/12”.

79 MAJOR PROJECTS UPDATE

The Panel considered the report of the Director of Property, Business and Regulatory Services (Item 13 in the Minute Book) providing an update on the major projects being progressed.

The Director outlined the projects in the report, pointing out that there was considerable activity, but some of the projects were due to conclude and the funding for others was reliant on the outcome of Central Government’s Comprehensive Spending Review.

A Member requested details regarding the maintenance of children's centres. The Director explained that they are maintained through the same procedures as schools, with the difference being that the County Council has direct responsibility and holds the budget for children's centre maintenance.

RESOLVED:

That the Panel advises the Executive Member for Policy and Resources that progress on each of the major projects be noted.

80 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.

81 FORMER BEECHDOWN PRIMARY SCHOOL, BRIGHTON HILL BASINGSTOKE

The Panel considered the exempt report of the Director of Property, Business and Regulatory Services (Item 15 in the Minute Book) seeking approval for the disposal of approximately 2.3 hectares of land at the former Beechdown Primary School site.

The Director explained the background to the site disposal, telling Members that this was being done in two phases and that work had begun but a recent arson attack had delayed completion until 2012. The offers for the site that had been received were discussed and it was confirmed that the final decision would be made on the basis of a combination of factors, including price.

RESOLVED:

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

1. The disposal of approximately 2.26 ha (5.60 acres) of land at the site of the former Beech Down Primary School, Brighton Hill, Basingstoke, as set out in the report and that approval be given to proceed with the disposal to the highest bidder whose scheme meets the requirements of Hampshire County Council and the Planning and Design Brief.

2. The Director of Property, Business and Regulatory Services (Strategic Manager - Assets and Development) to settle detailed terms and conditions, including any adjustments to the purchase price that may be agreed, in the event of alterations needed to meet the requirements of the County Council and the Brief.
3. That approval be given to renegotiate or extend the existing Section 106 Planning Agreement and outline planning consent, if required, to accommodate the new timescale for the delivery of the extra care scheme and day care facilities.
4. The relocation of the access and parking for Brighton Hill Pre-School on to the retained land, to be funded from the capital receipt following the sale of the surplus land.