

Summary Sheet

Cabinet and Commissioner's Decision Making Meeting – 10 October 2016

Title

Capital Programme - Operational Property Investment Programme 2016/17 to 2020/21

Is this a Key Decision and has it been included on the Forward Plan?

Yes, and has been included on the Forward Plan

Strategic Director Approving Submission of the Report

Damien Wilson, Strategic Director - Regeneration and Environment

Report Author(s)

Stuart Carr, Corporate Facilities Manager, Regeneration and Environment

Ward(s) Affected

All

Summary

The purpose of this report is to put forward for approval six capital building investment schemes to maintain existing operational properties that have been identified as urgent by the Corporate Property Unit to help mitigate known operational risks.

The Capital Strategy and proposed Capital Programme 2016/17 to 2020/21 agreed in principle the allocation of £3.294m for operational buildings investment (lifecycle works) over the next 5 years with £324,000 available for projects in 2016/17.

Recommendations

1. That the lifecycle works projects, detailed in Section 4 of this report, be supported for inclusion in the approved Capital Programme 2016/17.
2. That Council be recommended to approve the inclusion of the scheme in paragraph 7.2 of this report in the approved Capital Programme.
3. That the Assistant Director of Planning, Regeneration and Transport be authorised to deliver the projects identified in Section 4 of this report.

4. That any uncommitted funding (paragraph 7.4 of this report) be re-profiled from 2016/17 to 2017/18.

In accordance with the capital procedure guide there are different approval gateways. This block of investment is currently at Stage 2 Agreed in Principle Projects – “Projects that have been identified as high priority for which we are seeking endorsement for inclusion into the approved capital programme.”

If the report is approved, the project will proceed to Stage 1 Approved, and be included in the Capital Programme.

List of Appendices Included

None

Background Papers

Report to Council – 2nd March 2016; Capital Programme Budget Setting Report – 2016/17 to 2020/2.

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Title: Capital Programme – Operational Property Investment Programme
2016/17 to 2020/21

1. Recommendations

- 1.1 That the lifecycle works projects, detailed in Section 4 of this report, be supported for inclusion in the approved Capital Programme 2016/17.
- 1.2 That Council be recommended to approve the inclusion of the scheme in paragraph 7.2 of this report in the approved Capital Programme.
- 1.3 That the Assistant Director of Planning, Regeneration and Transport be authorised to deliver the projects identified in Section 4 of this report.
- 1.4 That any uncommitted funding (paragraph 7.4 of this report) be re-profiled from 2016/17 to 2017/18.

2. Background

- 2.1. The Capital Programme Budget Setting Report – 2016/17 to 2020/21 was presented and approved by Council on the 2nd March 2016. This included a number of Stage 2 Agreed in Principle – “Projects that have been identified as high priority for which we are seeking endorsement for inclusion into the Capital Programme.”

One of these projects allocated £3.294m over the period 2016 to 2021 for operational property investment. The aim of this programme of works is to allow the Council to carry out some of the essential and urgent backlog maintenance on its operational estate. This will help ensure that the Council has an estate that is in a useable condition for the services provided in it and help to reduce day to day revenue repairs and maintenance costs. The programme of works will help reduce revenue maintenance costs, however, it will require significant support from services to establish a prioritisation of works and a clear asset management plan.

- 2.2. This report sets out six urgent and essential backlog maintenance projects on Council property which have been identified as a priority for delivery in 2016/17.
- 2.3. The meeting is asked to consider the following schedule of projects for approval which if approved will enable the schedule of works to be finalised and works to commence:
 - Markets Complex – fixed wire test and upgrade, including emergency lighting
 - Barbot Hall Industrial Estate – embankment stabilisation. The retaining bank has become unstable and the face and rocks are crumbling with the potential to slip causing a landslide
 - Hellaby Depot – installation of air conditioning to offices
 - Bailey House – completion of roofing works including relocation of air conditioning units

- Civic Theatre – refurbishment of dressing room and ceiling plasterwork repairs
- Victoria Park Rawmarsh – renewal and relining of foul drainage.

It should be noted that the Council's Corporate Property Asset Strategy is currently being prepared for publication by the Corporate Property Unit. This will guide future property and accommodation decisions and also inform the more detailed asset management strategies for individual services. However due to the nature of the proposed works on the six schemes it is essential that the works are carried out ahead of this Strategy.

- 2.4 The balance of the £324,000 allocation will need to be retained and further reports will be brought forward to confirm allocation of the budget in future years.

3. Key Issues

- 3.1 **Buildings Critical Condition Works – £3.294m** – These are works focussed on maintaining the operational functionality of Council owned buildings, such as office spaces, markets, libraries and museums and land. Projects include works to the Council's operational buildings and land, to deal with backlog lifecycle maintenance issues and or suitability issues, to ensure that the Council's buildings are suitable for the provision of Council services. These projects are to be identified from either condition surveys or requests from building managers or service users.

4. Options considered and recommended proposal

- 4.1. The table below summarises the detail for each project that has been identified for essential and urgent lifecycle maintenance works in 2016/17.

| Project | Description |
|-------------------------------|--|
| Markets Complex | <p>The fixed wire test has recently been carried out as part of the Council's statutory and legislative requirements. This has identified a number of remedial works which are required to bring the wiring circuits up to the required electrical standards.</p> <p>In addition, following a review of the emergency lighting, the fire risk assessment identified some areas that require the emergency lighting circuits to be improved. The works will ensure that the Markets going forward are fit and safe for purpose.</p> |
| Barbot Hall Industrial Estate | <p>The Council is responsible for a retaining embankment on Barbot Hall Industrial Estate. The property became the responsibility of the Council following a transfer of responsibility from "English Estates" a number of years ago.</p> <p>There have been issues with the retaining bank and it has become unstable and requires remedial works to ensure there is no collapse, or it will create a potential flood risk to nearby businesses.</p> |

| Project | Description |
|--------------------|--|
| Hellaby Depot | Hellaby Depot is the main operational depot for Streetpride within the Borough. The Sandbeck building is the principal office on the site and suffers from extremes of temperature during the summer and winter months. A number of complaints have been received from staff over the last few years about the fluctuation of temperatures and it is proposed to install air conditioning to the offices to improve the environmental conditions within the office. This will ensure the Council complies with Health & Safety (H&S) at Work Acts. |
| Bailey House | Bailey House is an ancillary building which houses a number of services, which support service delivery. A number of improvement projects have been carried out on the building, however, the Corporate Property Unit has identified that further work is required on the roof to ensure it is water tight. This also means that the air conditioning cassettes will need to be removed and relocated to ensure the building works can progress. There have been a number of roof leaks on the building. |
| Civic Theatre | The changing rooms within the theatre have not been improved for a number of years. Changing room 8 is in particular need of refurbishment and the works will include plastering, decoration and improvements to the sink and dressing areas. The works will also include repairs to defective plaster work to either side of the galleries above the stage. The works will ensure compliance with H&S at Work Acts and the welfare of clients who use the building. |
| Victoria Park Hall | There have been a number of incidents with blocked foul drains which serve the park and buildings. This has caused foul sewage to be discharged over the park land. A camera survey has identified that the drains in places have collapsed or are affected by tree roots, therefore causing the issues. The proposal is to reconstruct 30m to 50m of the drains and re-line others. |

5. Consultation

- 5.1. Consultation will take place with the services affected as necessary for each project and with ward members.

6. Timetable and Accountability for Implementing this Decision

- 6.1. It is anticipated the projects will be delivered and completed by the end of the financial year 2016/17.
- 6.2. Accountable officer; Paul Smith, Corporate Property Manager.

7. Financial and Procurement Implications

- 7.1. Within the Capital Strategy approved by Council on 2nd March 2016, there is a funding allocation of £3.294m for 2016 to 2021 for building improvement projects. This funding allocation has been agreed in principal subject to detailed projects and costings being brought forward for approval.
- 7.2. The table below sets out the relevant summary cost of works for each of the schemes proposed utilising the £324,000 funding profiled and allocated in 2016/17.

| Project | Estimated Capital Cost |
|------------------------------|-------------------------------|
| Markets Complex | £126,000 |
| Barbot Hall Embankment | £100,000 |
| Hellaby Depot | £28,750 |
| Bailey House | £29,000 |
| Civic Theatre | £17,000 |
| Victoria Park Hall | £20,000 |
| Total Estimated Costs | £320,750 |

- 7.3 If the proposed projects are supported, then in accordance with financial regulations a recommendation to Council to obtain approval for their inclusion in the capital programme would be required.
- 7.4 Based on the estimated project costs, the profiled funding allocation of £324,000 would be underspent by £3,250. It is requested that this underspend is re-profiled into 2017/18.

8. Legal Implications

- 8.1 None

9. Human Resources Implications

- 9.1 None - elements of the works will ensure compliance with Health & Safety at work Acts.

10. Implications for Children and Young People and Vulnerable Adults

- 10.1 None.

11. Equalities and Human Rights Implications

- 11.1 There are no negative impacts identified as a consequence of taking forward the recommendations identified within this report.

12. Implications for Partners and Other Directorates

- 12.1 There are no identified negative implications for partners and other directorates.

13. Risks and Mitigation

13.1 Where plans have not yet been tendered, costs are indicative and may vary following tender.

14. Accountable Officer(s)

Paul Smith – Corporate Property Manager.

15. Approvals

Finance – Jon Baggaley, Finance Manager, Regeneration, Environment and Capital

Legal Services – Stuart Fletcher- Service Manager, (Commercial and Governance).