

Report on	Council Estate Capital Refurbishment Funding
Date of Meeting	5 th September 2019
Reporting Officer	Terry Scullion, Head of Property Services
Contact Officer	Terry Scullion, Head of Property Services

Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	X

1.0	Purpose of Report
1.1	To seek members approval for Capital funded refurbishment work of council assets across the Council Estate.
2.0	Background
2.1	Property Services have significant repair and maintenance undertakings across the council estate, both in terms of Grounds and Property. At present maintenance is undertaken daily on a reactive basis due to the size, age and condition of the Estate, in line with annual revenue budget setting cycle.
2.2	<p>However there are lot of areas that fall out of the scope of daily maintenance that it isn't, prudent or sustainable, to fund through revenue budget provision such as:</p> <ul style="list-style-type: none"> • Improvement and upgrading to meet new service needs. • Refurbishment to new condition to extend the capacity of an asset • Capital replacement of major components. • Upgrading to meet statutory requirements. • Operational tasks to enable occupancy and use (cleaning, security, waste removal). • Construction of new assets; • Major restoration as a result of natural or other disaster.
3.0	Main Report
3.1	In April 2019 Council approved £250,000 from Council's Capital Programme for property infrastructure repairs in the 2019/20 financial year. This funding is being used to address defective, or non-compliant assets in need of refurbishment or replacement, and cannot be defined as routine or annual maintenance funded from revenue

	<p>reserves. The works approved were not an exhaustive list of the total refurbishment needs of the Estate, but reflected the immediate requirements to enable forward planning of resources at the start of the current financial year. See appendix 1 for an update on progress on these schemes using the funding previously approved.</p>
3.2	<p>However there are a number of council assets in need of additional investment and refurbishment. Those proposed for refurbishment have been identified in appendix 2 enclosed.</p>
3.3	<p>The appendix outlines what is driving the need for works proposed, the estimated investment required ranked in the following order of priority based on risk:</p> <ul style="list-style-type: none"> Priority 1 - Maintenance in respect of health and safety issues Priority 2 - Statutory maintenance requirements; security, fire, gas, electrical and access systems Priority 3 - Structural maintenance for all MUDC owned property assets Priority 4 - Building fabric maintenance for all MUDC owned building assets except unoccupied assets, assets identified for disposal and ancillary assets, and Priority 5 - Maintenance of unoccupied assets, assets identified for disposal and ancillary assets <p>The list categorized work into the first three priorities, with the Prior one being the most critical.</p>
3.4	<p>A further £220,350 (excluding VAT) of capital funding is sought to carry out Priority 1 works, and progress with Priority 2 works until funding provision is exhausted. It is proposed to utilise existing Council framework contractors to ensure works are delivered during the current and next financial year, were feasible to do so and within agreed framework rates. Other works may require quotation or public tender, depending on value.</p>
3.5	<p>Other property enhancements identified during the year that can't be defined as maintenance will continue to come before Committee to seek funding, either from revenue or capital reserves as necessary.</p>

4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	<p>Financial: The total funding required is estimated to be £220,350 (excluding VAT), however these are subject to value engineering through Council framework contractors, quotation or tender.</p>
	<p>Human: Staff resources to procure, deliver and supervise works as detailed, and engagement with any Client services to minimise any facility inconvenience as a result of work. Works scheduling will be dependent on staff resources.</p>
	<p>Risk Management: Risks associated with maintenance of the estate will be managed in the following order of priority as detailed within section 3.3 of the main report.</p>
4.2	Screening & Impact Assessments
	N/A
	<p>Rural Needs Implications:</p> <p>N/A</p>
5.0	Recommendation(s)
5.1	Members are requested to note the content of the report and approve the release of up to £220,350 (excluding VAT) from the Capital Programme for the refurbishment works outlined for Priority 1 and Priority 2 works.
6.0	Documents Attached & References
6.1	Appendix 1 – Implementation Update on previous Estate Infrastructure Capital Refurbishment funding approved in April 2019
6.2	Appendix 2 – Current Estate Infrastructure Capital Refurbishment requirements