



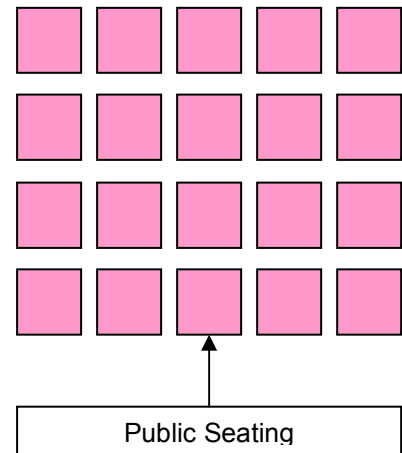
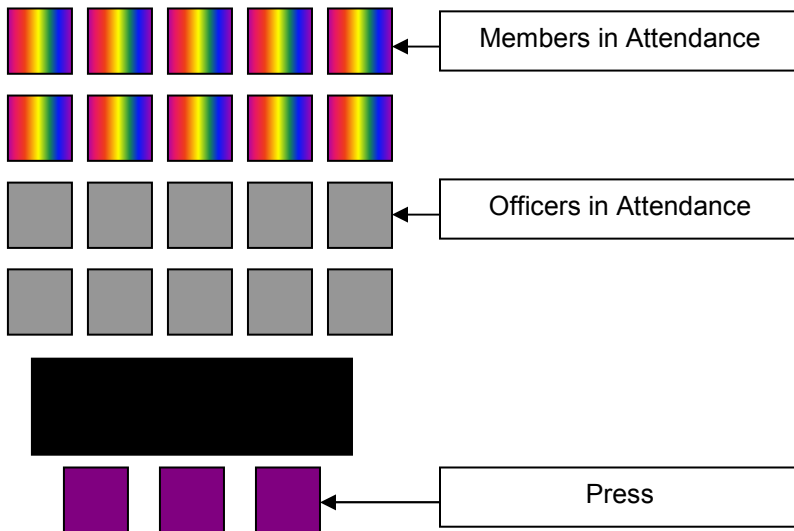
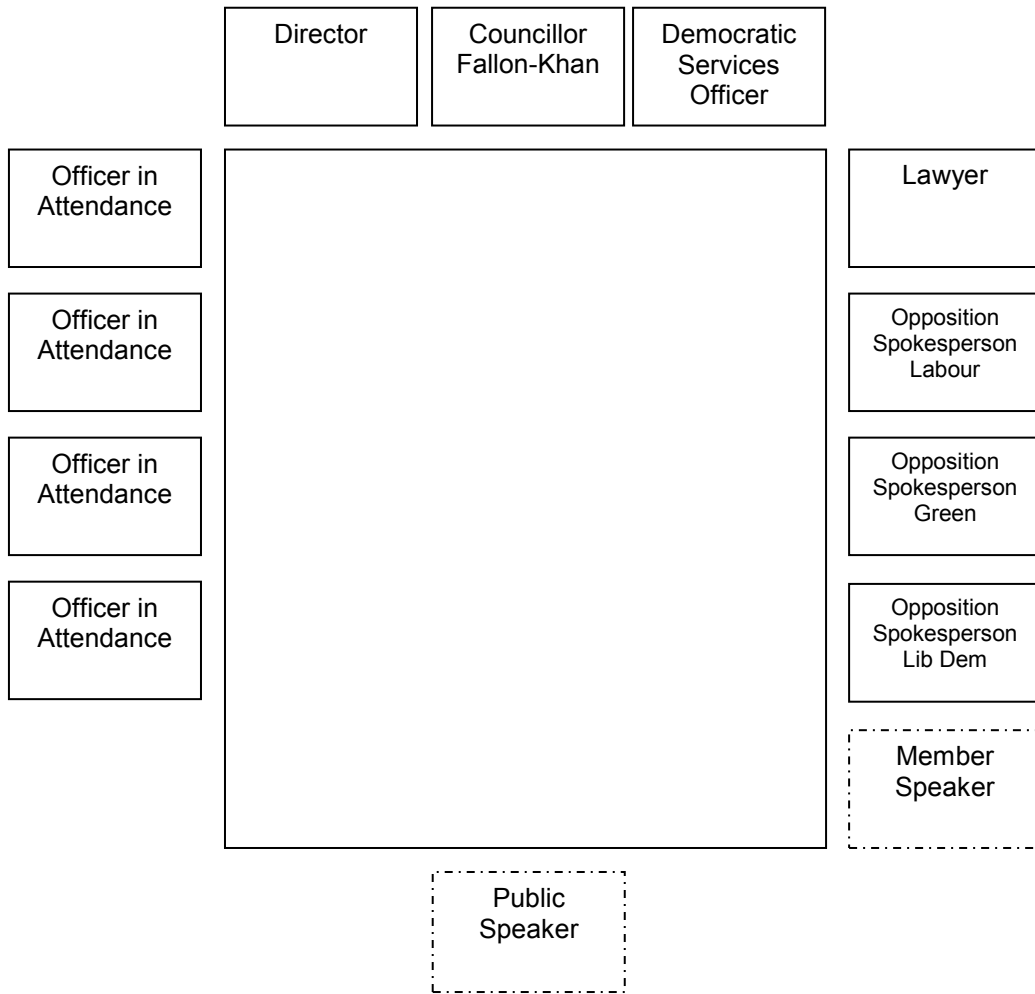
Brighton & Hove
City Council

Cabinet Member Meeting

Title:	Central Services Cabinet Member Meeting
Date:	29 June 2009
Time:	4.30pm
Venue	Committee Room 1, Hove Town Hall
Members:	Councillor: Fallon-Khan (Cabinet Member)
Contact:	Nara Miranda Democratic Services Officer 01273 291004 (voicemail only) nara.miranda@brighton-hove.gov.uk

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Democratic Services: Meeting Layout



AGENDA

1. PROCEDURAL BUSINESS

- (a) Declarations of Interest by all Members present of any personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
- (b) Exclusion of Press and Public - To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part 2 of the Agenda states in its heading either that it is confidential or the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.

A list and description of the categories of exempt information is available for public inspection at Brighton and Hove Town Halls.

2. MINUTES OF THE PREVIOUS MEETING

1 - 8

Minutes of the Meeting held on 23 February 2009 (copy attached).

3. CABINET MEMBER'S COMMUNICATIONS

4. ITEMS RESERVED FOR DISCUSSION

- (a) Items reserved by the Cabinet Member
- (b) Items reserved by the Opposition Spokesperson
- (c) Items reserved by Members, with the agreement of the Cabinet Member.

NOTE: Petitions, Public Questions, Deputations, Letters from Councillors, Written Questions from Councillors and Notices of Motion will be reserved automatically.

5. PETITIONS

No petitions received by date of publication.

CENTRAL SERVICES CABINET MEMBER MEETING

6. PUBLIC QUESTIONS

(The closing date for receipt of public questions is 12 noon on 22 June 2009)

No public questions received by date of publication.

7. DEPUTATIONS

(The closing date for receipt of deputations is 12 noon on 22 June 2009)

No deputations received by date of publication.

8. LETTERS FROM COUNCILLORS

No letters have been received.

9. WRITTEN QUESTIONS FROM COUNCILLORS

No written questions have been received.

10. NOTICES OF MOTIONS

No Notices of Motion have been referred.

11. CORPORATE BUILDING MAINTENANCE STRATEGY 2009-2012 9 - 36

Report of the Director of Finance & Resources (copy attached).

Contact Officer: Angela Dymott, Andy Batchelor, Martin Hilson *Tel:* 29-1450, *Tel:* 29-1441, *Tel:* 01273 291452

Ward Affected: All Wards;

12. DISABILITY DISCRIMINATION ACT - UPDATE ON PROGRAMME OF WORKS TO COUNCIL OWNED BUILDINGS 37 - 44

Report of the Assistant Director – Property & Design (copy attached).

Contact Officer: Angela Dymott, Lesley Hughes *Tel:* 29-1450, *Tel:* 01273 291444

Ward Affected: All Wards;

13. DISPLAY ENERGY CERTIFICATES - UPDATE 45 - 58

Report of the Director of Finance & Resources (copy attached).

Contact Officer: Angela Dymott, Jason Clarke *Tel:* 29-1450, *Tel:* 01273 291431

Ward Affected: All Wards;

CENTRAL SERVICES CABINET MEMBER MEETING

14. AGENCY CONTRACT FOR TEMPORARY STAFFING 59 - 64

Report of the Director of Strategy & Governance (copy attached).

Contact Officer: Lance Richard *Tel:* 295925

Ward Affected: All Wards;

15. CORPORATE PROCUREMENT OF ENERGY - 100KW ENERGY CONTRACT FOR 2009-10 65 - 74

Report of the Director of Finance & Resources (copy attached).

Contact Officer: Jason Clarke *Tel:* 01273 291431

Ward Affected: All Wards;

The City Council actively welcomes members of the public and the press to attend its meetings and holds as many of its meetings as possible in public. Provision is also made on the agendas for public questions to committees and details of how questions can be raised can be found on the website and/or on agendas for the meetings.

The closing date for receipt of public questions and deputations for the next meeting is 12 noon on the fifth working day before the meeting.

Agendas and minutes are published on the council's website www.brighton-hove.gov.uk. Agendas are available to view five working days prior to the meeting date.

Meeting papers can be provided, on request, in large print, in Braille, on audio tape or on disc, or translated into any other language as requested.

For further details and general enquiries about this meeting contact Nara Miranda, (01273 291004 (voicemail only), email nara.miranda@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication - Friday, 19 June 2009

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 2
Brighton & Hove City Council

BRIGHTON & HOVE CITY COUNCIL

CENTRAL SERVICES CABINET MEMBER MEETING

4.30pm, 23 FEBRUARY 2009

COUNCIL CHAMBER, HOVE TOWN HALL

MINUTES

Present: Councillor Fallon-Khan (Cabinet Member)

Other Members present: Councillors Harmer-Strange and Young

PART ONE

43. PROCEDURAL BUSINESS

43a Declarations of Interest

43.1 There were none.

43b Exclusion of Press and Public

43.2 In accordance with section 100A of the Local Government Act 1972 ('the Act'), the Cabinet Member for Central Services considered whether the press and public should be excluded from the meeting during an item of business on the grounds that it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press or public were present during that item, there would be disclosure to them of confidential information (as defined in section 100A(3) of the Act) or exempt information (as defined in section 100I(1) of the Act).

43.3 **RESOLVED** – That the press and public be not excluded from the meeting.

44. MINUTES OF THE PREVIOUS MEETING

44.1 **RESOLVED** – That the minutes of the meeting held on 13 October 2008 be approved and signed by the Cabinet Member as a correct record.

45. CABINET MEMBER'S COMMUNICATIONS

45.1 There were none.

46. ITEMS RESERVED FOR DISCUSSION

46.1 The Cabinet Member reserved the items as per agenda.

47. PETITIONS

47.1 There were none.

48. PUBLIC QUESTIONS

48.1 There were none.

49. DEPUTATIONS

49.1 There were none.

50. LETTERS FROM COUNCILLORS

50.1 There were none.

51. WRITTEN QUESTIONS FROM COUNCILLORS

51.1 There were none.

52. NOTICES OF MOTIONS

52.1 There were none.

53. CELLULAR PHONE MAST NEAR 3 BRANGWYN WAY, PATCHAM

53.1 The Cabinet Member considered a report of the Director of Finance & Resources, which advised about the history and the issues surrounding the cellular mast near 3 Brangwyn Way which had been the subject of questions and complaints from local residents and ward Councillors since 2004 (for copy see minute book).

53.2 The Cabinet Member welcomed everyone to the meeting, in particular Mr B McDowell, Mr M Longhurst and Mr D. J. Lothian, who attended to represent the residents' views.

53.3 The Cabinet Member appreciated that this matter had been ongoing for sometime. He explained that, in view of this, he had decided to bring the item to his Cabinet Member meeting in order to discuss and exhaust any points of clarification and uncertainty which still remained in relation to it.

53.4 The Cabinet Member also acknowledged the amount of work that officers had put into this process. He thanked all those involved with it.

53.5 The item was discussed at length between officers and residents, and the points considered covered a variety of issues, such as the consideration on the pursuit of legal action against T-Mobile and/or any alternative actions that could be taken; the

clarification on the matter of land ownership; and the agreement of a detailed action plan to take the process forward in a positive and reasonable way.

- 53.6 The Anti-Social Behaviour and Senior Housing & Litigation Solicitor explained that the legislation ruling the area of telecommunications dated back to 1984 and 2003, the Telecommunications Act and the modern Telecommunications Industry respectively.
- 53.7 He explained that the rationale behind those pieces of legislation was that it was felt to be important that every member of the public should have access to telecommunications. He explained that, because the legislation was heavily in favour of telecommunications, it proved difficult for the council to oppose, challenge or resist it if taken into Court procedures.
- 53.8 The Estates Manager further explained that the concerns that residents had raised about health issues was not one that had been substantiated so far. He explained that studies and enquiries were still taking place in relation to this matter and, therefore, it was still unknown what the health implications really were where telecommunications masts and the population's health are concerned.
- 53.9 The Representatives counter-argued, indicating that previous parliamentary committees had advised that the issue of health should be taken on board when considering mobile phones masts and the public. On this basis, the Representatives defended that the precaution principle was an important one to be considered. They referred to the Stewart report (2005) as being the most comprehensive one drafted in relation to this matter, which advised that perceived health risk must be considered.
- 53.10 Officers accepted the arguments. They indicated, however, that, where Courts were concerned, the matter of evidence prevailed over matters of precautionary measures and, thus far, evidence had not yet been provided under health grounds to support a decision against telecommunications masts. Officers further explained that though they accepted the arguments put forward by residents, their remit was to advise the Local Authority about what can and cannot be achieved in Court.
- 53.11 The Representatives enquired whether the council had considered taking legal action on Planning grounds. The Representatives thought this would prove less costly in terms of expenses, estimated in the region of £40,000 as opposed to going to Court on health grounds. They explained that perceived fear of risk, in addition to the issues of public amenity, could be a Planning factor which could warrant refusal for a planning application. They stated that a precedent had already been created in this area and referred to a Court case considered in 1997.
- 53.12 The Estates Manager clarified that the costs estimated in terms of a Court action, which were detailed in the report, were based on health grounds previously introduced by the residents and not on planning grounds. He noted, however, that the mast being considered was now a post-planning application and, therefore, the above proposal could not apply. He acknowledged, however, that it could be a matter for consideration in future planning applications.
- 53.13 The residents indicated that this could still apply due to the fact that a revised application was submitted as the T-Mobile was still adding to the original plan.

Notwithstanding that, the Representatives also emphasised the importance given under Article 8 to the European Convention on the perceived fear of risk and wished this factor was taken into consideration.

- 53.14 The Head of Law clarified that in terms of the Law, there were *relevant* and *conclusive* grounds to be taken into account. He explained that perceived fears would fall under the category of relevant and not conclusive grounds.
- 53.15 The Head of Law further explained that the referred Article 8 of the European Convention was not an *absolute right* but a *qualified right*, which, in view of its 'qualified' nature, was subject to the rules of any sovereign country or national Government.
- 53.16 The Representatives argued further that Human Rights were still the responsibility of any public authority/body when dealing with the community. Therefore, the mobile company was required to exercise those rights. The Head of Law noted that T-Mobile was considered a private company and not a public authority.
- 53.17 Councillor Young enquired whether the Representatives had come across any examples of when a mast had been erected and subsequently removed.
- 53.18 The Representatives indicated that they had not come across such cases. However, and further to the case in 1997 mentioned above, they were aware there had been leave to appeal, but did not have information on the outcome.
- 53.19 The Cabinet Member and the Representatives sought clarification about who owned the land where the mast was positioned and what could be done in relation to requesting that the mast be removed from the land.
- 53.20 The Estates Manager explained that, when the application was first made, it was thought that the land belonged to the Highways. Since then and following permission, it had been established that the land in question is owned by the Council.
- 53.21 The Estates Manager also explained that whilst the Local Authority could order of removal of the mast from its land, it could not dictate where the company replaces it. He argued that the operator might choose to move it two or three yards into the Highways land.
- 53.22 The Anti-Social Behaviour and Senior Housing & Litigation Solicitor also explained that even if the mast were to be moved, then the sting in the tail was that the Court might order that Brighton & Hove City Council might have to pay for it.
- 53.23 The Representatives noted that, if the company were to replace the mast on to the Highways grounds, then health and safety issues would come into play, because the company would be causing obstruction on the highway.
- 53.24 The Cabinet Member recorded his disappointment at T-Mobile's approach to deal with this matter by not engaging in communication with the council and the residents to try to address it and resolve it in a positive way. The Cabinet Member enquired whether the Courts would give any weight to a moral decision based on T-Mobile's behaviour.

- 53.25 The Anti-Social Behaviour and Senior Housing & Litigation Solicitor indicated that questions would be asked as to how critical their behaviour was for the network system. He explained that, in the end, the telecommunications would take precedent for the reasons already explained about the requirement of maximum coverage for the maximum number of people.
- 53.26 In terms of the planning consideration, it was explained that the procedure was usually initiated by serving a notice, which the council had done. T-Mobile could then counter notice, which had also been done. The subsequent step would be to pursue legal action. However, and as detailed in the report, the council's legal team had advised that, on balance, this course of action was not feasible.
- 53.27 The Representatives reported that T-Mobile had commenced new works at the end of 2008, which the council had not yet formally objected to. They stated that, according to Section 17 of the Telecommunications Code, there was the opportunity to approach this matter in a new way, i.e., by objecting to the new works that were currently being carried out.
- 53.28 The Representatives also explained that the mentioned Section 17 stated that objections should be made within 3 months of the completion of the installation of any work. They indicated that the notice for the new works, which included a new structure on the base of the mast and an extension, was put out in December 2008.
- 53.29 The Cabinet Member requested that the Representatives put forward the main concerns raised by residents in terms of their general objections to the mast.
- 53.30 The Representatives explained that the grounds of health were a major issue. One Representative reported that his daughter had contracted leukaemia two years after the mast had been installed. He highlighted the changes not only in her health but also in her personality. The Representatives reiterated the issue discussed previously of the perceived fear of risks.
- 53.31 It was also explained that a further concern was based upon the visual factor and the impact the mast would have on the Brangwyn green lands and recreation grounds. The Representatives expressed their pride in the area they live in and their wish to preserve it as the structure and the fabric of the city. They also feared that, if allowed to continue, the positioning of this mast would open a precedent across the city.
- 53.32 The Residents also expressed their disappointment in the fact that no consideration had been given by T-Mobile to the public opinion, which also included Councillors and officers of the council.
- 53.33 The Representatives acknowledged all the co-operation they encountered from officers of the council throughout this process, and thanked officers for engaging with them in order to try to reach a positive outcome for all.
- 53.34 The Cabinet Member noted all the concerns raised. He thanked Mr McDowell, Mr Longhurst and Mr Lothian for attending the meeting to express the residents' concerns over this matter. He requested that the residents continued to investigate any such

case-laws in terms of health and court cases and provided him with any relevant information.

53.35 The Cabinet Member reiterated his wish to understand how far the council could pursue this matter. He indicated that he was still hopeful to get T-Mobile on the table in order to explain to them the opposition encountered to their proposal to keep the mast in that area.

53.36 The Cabinet Member further indicated that the council is willing to explore the objection route to the extra furniture and would support the Brangwyn area residents as much as possible. He explained, however, that the council had to balance the needs of those residents against the needs of all the residents in the city where incurring in expenses was concerned. In view of this, he also requested the residents' understanding where no more could be made to take the matter forward.

53.37 In terms of the plan of action into the next stage, the Cabinet Member requested that the relevant officers re-issued a letter to T-Mobile indicating the following information:

- To explain that a Cabinet Member meeting had taken place to consider this matter and to inform the operator that residents were unhappy with the current situation and the lack of communication from the company;
- To make it clear that unless T-Mobile agrees to a meeting with the council, there was a risk of adverse publicity to their company.
- To give a timeframe of 4 weeks within which the meeting is to take place between the two parties;
- And request an indication of when the completion works were due to finish.

53.38 The Cabinet Member reassured residents that he would ask whether T-Mobile would remove the mast. If an agreement failed to be reached on this matter, the Cabinet Member indicated that the next step would be to serve a notice on them for the extra furniture that had been installed.

53.39 The Cabinet Member reiterated that the council would do everything that was reasonable to move this process forward. He advised, however, that, if required, the council would take one step at a time after serving the notice and it was not guaranteed that the process would be taken to Court.

53.40 The Representatives indicated that the residents would also be writing to T-Mobile separately. They thanked the Cabinet Member and all officers involved for all the support they encountered during this process.

53.41 The Cabinet Member thanked everyone for attending the meeting. He indicated that he would contact the residents in due course to organise further meetings to plan how to proceed, following the action points agreed at today's meeting.

53.42 **RESOLVED** – That, having considered the information and the reasons set out in the report, the Cabinet Member accepted the following recommendations:

- (1) That the position as set out in the report surrounding the cellular mast near 3 Brangwyn Way be noted.
- (2) That it be agreed that the council seeks to re-open dialogue with T-Mobile.
- (3) That local residents be advised of the limitations faced by the council under the telecommunications legislation

The meeting concluded at 6.45pm

Signed

Chairman

Dated this

day of

2009

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 11
Brighton & Hove City Council

Subject: Corporate Building Maintenance Strategy 2009-2012
Date of Meeting: 29 June 2009
Report of: Director of Finance & Resources
Contact Officer: Name: Angela Dymott, Property & Design Tel: 29 1450
Martin Hilson, Building Surveying Manager 29 1452
Andy Batchelor, Corporate Asset Manager 29 1441
E-mail: martin.hilson@brighton-hove.gov.uk
andrew.batchelor@brighton-hove.gov.uk
Key Decision: No
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 To seek approval for the Corporate Building Maintenance Strategy 2009-2012 that sits under the Asset Management Plan and Corporate Property Strategy (AMP). This is a new document providing an overview of our arrangements for maintaining our non-housing operational and non-operational property assets. The document sets our strategy for prioritising and procuring our maintenance works to meet service needs and maximise value for money and how we monitor our performance.

2. RECOMMENDATIONS:

- 2.1 That the Cabinet Member Meeting approves the Corporate Building Maintenance Strategy 2009-2012 as set out in Appendix 1.

3. RELEVANT BACKGROUND INFORMATION / CHRONOLOGY OF KEY EVENTS:

- 3.1 This document is closely linked to the Asset Management Plan and Corporate Property Strategy (AMP) 2008-11 which was approved by Cabinet in October 2008. The AMP sets out our key property objectives which include:
- A. To optimise the contribution that property makes to the council's strategic and service objectives,
 - B. To prioritise investment in our operational assets to meet service delivery needs and
 - C. To seek innovative value for money solutions to our procurement needs.

- 3.2 The Corporate Building Maintenance Strategy provides the framework around which we identify, prioritise, plan, manage and monitor our non-housing operational and non-operational properties where the council has a maintenance liability. Like most local authorities, the Council faces a backlog in the required maintenance of its property assets although this has been maintained at a level below the benchmarked mean average for other authorities as outlined in Section 3.4 of the Strategy. However, in a resource constrained environment we need to continue to achieve the best use of resources, value for money and ensure that all available funding is properly prioritised.
- 3.3 Our required maintenance total is calculated mainly through a rolling programme of condition surveys which identify work required within the following five years and are prioritised as either **1** (urgent works that will prevent immediate closure of the premises and / or remedy a serious breach of legislation), **2** (essential works required within 2 years) or **3** (desirable works required within 3 to 5 years).
- 3.4 Our required maintenance total as at 31 March 2008 was as follows. This total is currently being re-calculated for 2009:

	Priority 1	Priority 2	Priority 3	Total
Schools	£ 2.9m	£ 14.4m	£ 16.6m	£ 33.9m
Operational Other	£ 1.5m	£ 4.6m	£ 11.6m	£ 17.7m
Investment	< £ 0.1m	£ 1.1m	£ 1.3m	£ 2.4m
Total	£ 4.4m	£ 20.1m	£ 29.5m	£ 54.0m

NB: These figures exclude required maintenance for council housing and highways as they are reported separately.

- 3.5 Our overall strategy is to balance the allocation of our finite maintenance resources to the appropriate buildings in order to support service delivery and address our most urgently required maintenance works (i.e. Priority 1).

The objective of the strategy is to maintain a steady state in our baseline total required maintenance figure up to 2012 with the exception of newly identified works, additional properties and annual inflation and to address immediate health and safety, water ingress and structural issues identified within the Priority One works category.

- 3.6 The strategy aims to:
1. Allocate funding to projects that will have the maximum positive impact on our most essential services by a clear and consistent process of prioritisation as outlined in Section 6.3 of the Strategy,
 2. Target a proportion of the available funding against our identified required maintenance total prioritised in accordance with our condition surveys as outlined in Section 6.4 of the Strategy and
 3. Achieve maximum efficiencies in the way we procure building maintenance works as described in Section 5.0 of the Strategy and Item 3.10 below.

- 3.7 The highest proportion of our required maintenance relates to schools. Although there are targeted annual funds for structural maintenance this is insufficient to maintain a steady state. However there are other budgets that assist, including parts of the Modernisation, Accessibility and Asset Management Fund, as detailed in Section 5.2.1 of the Strategy.

Significant amounts of capital investment from the Schools Futures Programme - such as the Primary Capital Programme and Building Schools for the Future – will also further redress the required maintenance totals at the schools targeted for these investments.

- 3.8 The funding available for the non-school operational and investment properties (where the council has a repairing obligation) is outlined in Section 5.2.2 of the Strategy and includes the Planned Maintenance Budget, Social Care Planned Maintenance Budget and the Asset Management Fund.
- 3.9 We closely monitor our required maintenance level and provide an annual report through our Property Performance Indicators (PPIs) which are published on our website. We are also seeking ways to improve the quality of our condition data to ensure that our reported required maintenance figure remains as accurate and valid as possible and can be used to inform the budget setting process and the Medium Term Financial Strategy.

This will mean that our total five year maintenance figure is certain to increase as we fine tune our asset management information gathering techniques. Such increases can be attributed to a variety of factors including:

- Inflation in tender costs for construction work outstripping increases in the allocated annual preventative maintenance budgets.
- Improved knowledge of our building stock condition through enhanced surveys.
- Better understanding of new legislation which places significant demands on the council.
- Additional building elements having reached the end of their useful life.

3.10 **Procurement**

The strategy sets out the wide range of procurement techniques already used by Property & Design in respect of its maintenance and improvement budgets which include strategic partnerships, frameworks and traditional selective tendering. The particular procurement route used for each project is dependent on the nature and value of the work to ensure that the most economic method is employed.

3.11 **Targets**

The Strategy sets out a range of targets that we aim to achieve by 2012 by the adoption of this strategy and these are set out in Section 7 of the Appendix. Many of these targets are linked to our AMP&CPS targets to ensure that we follow a consistent approach in the maintenance and management of our property assets.

4. **CONSULTATION**

- 4.1 Regular consultations have taken place with all Client Officers of the relevant Departments and with technical officers.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1. The 2009/10 capital and revenue resources referred to within the strategy were approved as part of the Capital Investment Programme and General Fund Revenue Budget reports at Council on 26th February 2009. The longer term maintenance liability highlighted in the Building Maintenance Strategy will need to be reflected within the Council's Medium Term Financial Strategy and budget and strategy.

Finance Officer Consulted: Stuart Taylor

Date:18/05/2009

Legal Implications:

- 5.2 The report does not raise any specific contractual issues. The Procurement strategy must comply with legal requirements, in particular EU Procurement law and the Council's contract standing orders. Any contracts over £75,000 must be prepared in a form approved by the Head of Law. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report

Lawyer Consulted: Alison Leitch

Date:20/05/2009

Equalities Implications:

- 5.3 Where applicable, items of maintenance work identified as a result of the Building Maintenance Strategy will consider the Disability Discrimination Act 1995 to improve access and general facilities to address the diverse needs of staff and users of the civic offices, operational and commercial buildings. The prioritisation method specified in the strategy will give priority to statutory requirements including DDA compliance.

Sustainability Implications:

- 5.4 Improvements in sustainable construction and procurement are highlighted in the strategy and represent one of the key threads in the document. Energy efficiency measures are incorporated into maintenance works where appropriate.

Crime & Disorder Implications:

- 5.5 There are no direct implications in respect of the prevention of crime and disorder within this report although certain items of identified work will try to minimise vandalism through design and the use of relevant materials.

Risk & Opportunity Management Implications:

- 5.6 The risks and opportunities are dependent on the successful procurement of contractors and robust contract and financial management to ensure that identified works are completed safely within budget and programme.

Corporate / Citywide Implications:

- 5.7 The maintenance of operational properties is part of the Asset Management & Corporate Property Strategy to ensure efficient and effective use of assets contributing to the City and the council's strategic priorities.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Failure to identify, prioritise and plan the maintenance of our key building stock will increase risks, inhibit service delivery, lead to a negative perception of the Council, reduce the value of the assets and prevent fulfilling the council's priorities, aims and objectives as stated in the AMP&CPS 2008-11.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The council needs a maintenance strategy to ensure that it is making best use of available maintenance funding. The decision is required to endorse the adoption of the Corporate Building Maintenance Strategy 2009-2012 and enables the council to fulfil its commitment to deliver the targets contained both within this strategy and AMP&CPS.

SUPPORTING DOCUMENTATION

Appendices:

1. Proposed Corporate Building Maintenance Strategy 2009-2012

Documents in Members' Rooms

1. None

Background Documents

1. The Corporate Property Strategy & Asset Management Plan 2008-11

**Brighton & Hove City Council
Corporate Building Maintenance Strategy
2008 to 2011**



**DRAFT VERSION TEN
10th MARCH 2009**

Brighton & Hove City Council
Kings House
Grand Avenue
Hove BN3 2LS

www.brighton-hove.gov.uk



Brighton & Hove City Council

Corporate Building Maintenance Strategy 2008 to 2011

Prepared By

Property & Design Division, Finance & Resources Directorate

In Consultation With

Leader of the Council
Cabinet Member for Central Services
Chief Executive & The Management Team
Director of Finance & Resources
Director of Adult Social Care & Housing
Director of Culture & Enterprise
Director of Children & Young People's Trust
Director of Environment
Director of Strategy & Governance

Brighton & Hove City Council

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7.1	Targets for 2008 to 2011	20

EXECUTIVE SUMMARY

Building Maintenance can be defined as the proactive prevention or remedial correction of faults to the fabric of a building and its associated fixed plant and equipment. The council's annual expenditure on building maintenance work represents a major recurring investment. Building maintenance funding is limited and the council aims to achieve the best value for money from every available pound spent. This aim is aligned to the council's corporate priority to achieve "*Better use of public money*" and to the council's current Asset Management Plan & Corporate Property Strategy (AMP) whose key objectives include:

- "A. To optimise the contribution that property makes to the council's strategic and service objectives",*
- "B. To prioritise investment in our operational assets to meet service delivery needs" &*
- "C. To seek innovative value for money solutions to our procurement ... needs"*

This Corporate Building Maintenance Strategy sets out how the council plans to achieve these AMP objectives and address our identified required maintenance in respect of council maintained non-housing operational and non-operational properties with the three Building Maintenance Strategy Aims list below:

- Aim 1** Allocating funding to projects that achieve the maximum positive impact on our most essential services by a clear and consistent process of prioritisation,
- Aim 2** Targeting a proportion of the available funding against our identified required maintenance total and
- Aim 3** Achieving maximum efficiencies in the way we procure building maintenance works.

This document provides the strategic framework around which we identify, prioritise, plan, manage and monitor the maintenance of the city council's non-housing property stock. This includes civic offices, historic buildings, libraries and museums, leisure centres, farmland buildings, social care and schools buildings. Our key objective is to ensure that all council buildings are maintained in line with best practice and use of resources, that legal duties are met and that customer satisfaction is enhanced. The strategy is divided into the following sections:

Section 1 provides contextual information in respect of the Council's property ownership and explains how this strategy links to our overall corporate asset management strategy.

Section 2 defines what we mean by "maintenance" work and explains why this is important to the Council and service delivery.

Section 3 sets out the current level of our required maintenance over the next five years and how we benchmark our performance against other authorities. It is vital that the council understands the condition and suitability of its property holdings and this section provides details of how we collect this information and ensure that it is regularly refreshed and updated. It highlights the key objectives of this strategy and identifies the main drivers for a strategic approach to our maintenance programmes which include compliance with property related legislation.

Section 4 defines the main property portfolios and who is responsible for their maintenance. This section also sets out how we engage with directorate management teams (DMTs) through the budget setting process.

Section 5 sets out the budgets available for the repair, improvement and upkeep of our buildings and discusses how we procure work and services derived from this strategy and our current initiatives to ensure that we are achieving maximum value for money.

Section 6 sets out the criteria used by the Property & Design division of the Finance & Resources directorate for allocating our available maintenance resources ensuring that funding is targeted correctly and is directly related to service need and the council's overall priorities.

Section 7 contains the milestones and targets we aim to achieve up to 2011 by implementing this strategy.

This strategy applies to planned maintenance funding of the property assets managed by the Property & Design division. Separate strategies relate to the specific needs of the Housing and Highways departments and these are therefore excluded from this document.

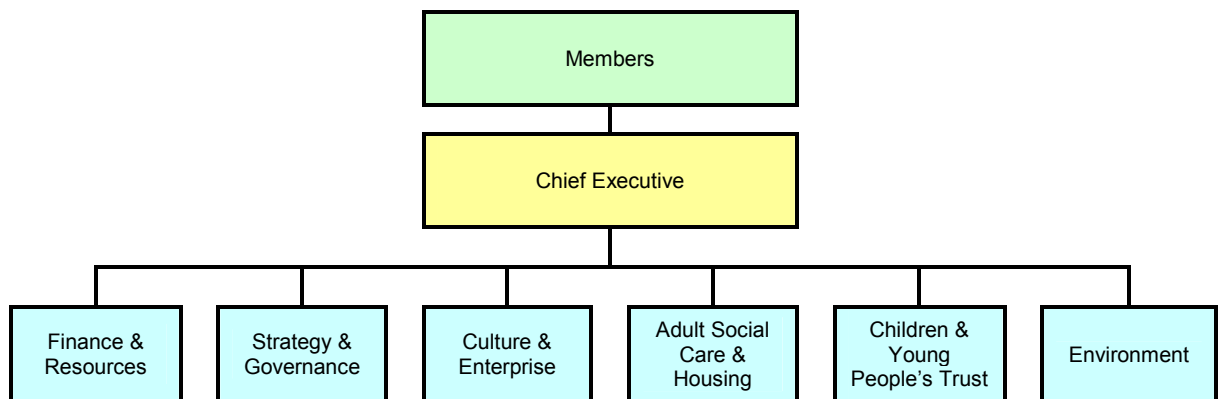
1.0 INTRODUCTION

1.1 Brighton & Hove City Council

The City of Brighton & Hove is a vibrant, thriving “city by the sea” and the largest urban centre on the south coast lying approximately 50 miles south of London and attracting over 8 million visitors a year. The City has a population of a quarter of a million people.

Brighton & Hove City Council (B&HCC) is a unitary authority formed in 1997 and represented by three members of parliament and 54 councillors in 21 wards. The Council's governance and directorate structure is indicated in **Figure 1a** below:

Figure 1a: Brighton & Hove City Council's Organisational Directorate Structure



The Property & Design division of the Finance & Resources directorate provides a strategic lead for the council's property portfolio and has corporate responsibility for the Asset Management Plan. In addition Property & Design manage and maintain the Council's non-housing operational property assets including schools, adult social care, environment, civic buildings and the commercial and agricultural portfolios. The Corporate Property Officer is also the City Architect leading multi-disciplinary professional property teams offering consultancy architectural and design, building surveying, building services, estate, facilities and energy management advice.

Directorate responsibility for the maintenance of our various property portfolios is discussed in **Section 4.1** below.

1.2 The Council's Property Assets

B&HCC has a large and varied portfolio of land and property assets valued in excess of £1.7 billion (as of 31 March 2008). Principal areas of the portfolio include:

- Civic Buildings – administrative office buildings including three town halls
- Environment Buildings – including parks depots & sports pavilions, car parks & travellers site
- Community Buildings – youth and community centres
- School Buildings
- Social Care Buildings – day centres and residential homes
- Libraries and Museums
- Historic Buildings – including the Royal Pavilion & Preston Manor
- Seafront Portfolio – including shelters, arches and Volks' electric railway
- Leisure Buildings – wet and dry sports centres
- Cemeteries and Crematoria
- Over 13,000 housing properties
- Commercial Portfolio – investment properties
- Agricultural Portfolio – 11,000 acres of farmland and related buildings
- Community Assets - assets that the council intends to hold in perpetuity for public use including the esplanade, parks and recreation grounds, cemeteries, allotments, etc.

1.3 Our Asset Management Plan & Corporate Property Strategy (AMP)

The AMP provides a strategic overview of the city council's property and land assets and describes the systems, processes and policies already in place or being progressed to manage and maintain them. The AMP is intended to be used as a tool to help maximise the deployment of these assets to support service delivery and deliver on our corporate priorities and objectives. The current version of the AMP covers the period 2008 to 2011, was approved by Cabinet in October 2008 and is available for download from the council's website at:

<http://www.brighton-hove.gov.uk/index.cfm?request=c1152664>.

The AMP identifies six property objectives for our strategy and clearly demonstrates the link between these and our corporate priorities:

- A. To optimise the contribution property makes to our objectives,
- B. To prioritise investment in our property assets to meet service needs,
- C. To seek innovative value for money solutions to our procurement and accommodation needs,
- D. To ensure the maximum return from our investment portfolio,
- E. To reduce the environmental impact of our operational assets and
- F. To use our assets to pump prime new development opportunities.

2.0 BUILDING MAINTENANCE

2.1 Definition of Building Maintenance

Building Maintenance is the proactive prevention or remedial correction of faults to the fabric of a building and it's associated fixed plant and equipment.

2.2 Types of Maintenance Work

Preventative maintenance work is planned, undertaken to preserve the asset and carried out in anticipation of future failure. It includes:

- Planned restorative maintenance works, for example the replacement of a flat roof waterproofing system, re-pointing brickwork, etc..
- Cyclical maintenance, for example external redecoration programmes
- Term maintenance servicing of fixed mechanical and electrical plant to reduce risk of excessive breakdowns, for example boiler servicing, electrical tests, water hygiene monitoring, etc..

Corrective maintenance is work undertaken after failure. Examples are emergency repairs that often require a quick response time such as a roof leak, boiler breakdown, burst pipework, etc.. Being unplanned, corrective maintenance is excluded from this strategy document but is managed through dedicated helpdesks for civic buildings, social care and non-school educational buildings and direct by the client service for schools and other operational properties as shown in **Figure 4a**.

2.3 Why is Building Maintenance Important?

Building Maintenance costs represent a significant proportion of the total cost of owning and operating a building over its lifetime. It is therefore important that an effective maintenance strategy is adopted to ensure risks are managed, value for money is achieved and the value of the assets is maintained.

Proposed maintenance projects are subject to a process of value engineering, at a level proportionate to the cost of the scheme, to ensure that the maximum benefit can be obtained within the budget available. Where appropriate this will include life cycle cost comparisons of alternative schemes to maximise the value for money obtained.

Brighton & Hove City Council owns a unique portfolio of assets and buildings, epitomised by the ownership of the Royal Pavilion. Building maintenance is essentially a risk management process where assets need to be maintained to a standard that conforms to an appropriate and acceptable level of risk associated with:

- Loss of service delivery.
- Health & Safety (including legal and statutory duties).
- Preservation of the asset's value.
- Efficient operation of the building.
- Security.
- The council's image and reputation.
- Fulfilling the council's priorities, aims and objectives.

By definition there is usually a limited time to organise corrective maintenance which, as a result, is generally more expensive to address than preventative maintenance. Corrective maintenance also carries a higher risk to the Health and Safety of those involved as it often provides only a limited time to plan and execute the works. As a result maintenance best practice confirmed by the Audit Commission suggests that property managers should target a minimum ratio of 70:30 between planned and reactive maintenance. The Council monitors our actual spend ratio through our annual Property Performance Indicators discussed in **Section 3.1** below.

A sound approach to Building Maintenance is the key to sustaining a safe built environment, maintaining the value of the council's assets and reducing corporate risk. The development of this strategy using up-to-date factual condition data will assist in further defining maintenance need to properties across the council. Future projections against current resources levels can then be developed with the findings assisting us in determining the adequacy of current allocated resources. It will enable Members to be better informed and make decisions on issues such as whether maintenance needs a capital injection to catch up on the maintenance backlog.

3.0 MEASURING PROPERTY PERFORMANCE

3.1 Property Performance Indicators (PPIs)

The council has adopted the seven National Property Performance Management Initiative (NaPPMI) PPIs which we collect and publish annually and which are benchmarked against other local authorities.

This Strategy has been developed as a means of improving our results particularly related to the following NaPPMI PPIs:

- PPI 1A: the % of the council's property in condition categories A (good) or B (satisfactory).
- PPI 1B: the level of required maintenance over the next five years (see **Section 3.2** below).
- PPI 1D: the ratio of maintenance spend on planned and reactive works with a target to achieve a minimum 70% on planned.

3.2 Required Maintenance

For the purposes of this strategy, Required Maintenance is defined as "*the cost to bring a property from its present state up to a state reasonably required by the authority to deliver the service and / or to meet statutory or contract obligations and to maintain it to that standard*" (source: Institute of Public Finance (IPF)). Costs are prioritised as **1** (urgent works), **2** (essential works required within years 1 and 2) or **3** (desirable works required within years 3 to 5).

The total of priority 1 to 3 works for each building where the council has a maintenance obligation provides us with our total required maintenance figure for the following five years. This figure is reported annually through NaPPMI PI 1B and the overall result for 2007/8 was £54.0m broken down as shown in **Figure 3a** below.

This prioritised assessment of required maintenance informs the budget setting process outlined in the council's Medium Term Financial Strategy which in turn provides the financial framework to support the delivery of the council's priorities and sets out the resources that will be available to meet them.

Figure 3a: Brighton & Hove City Council's Required Maintenance (as at 31.03.08)

Portfolio	Required Maintenance (£m)			
	Priority 1	Priority 2	Priority 3	Total
Schools	£ 2.9m	£14.4m	£16.6m	£33.9m
Operational Other	£ 1.5m	£ 4.6m	£11.6m	£17.7m
Investment	< £0.1m	£ 1.1m	£ 1.3m	£ 2.4m
Total	£ 4.4m	£20.1m	£29.5m	£54.0m

NB: These figures exclude required maintenance for the Housing and Highways portfolios which can be found in the relevant directorate business plans.

The Required Maintenance totals noted above are derived from two main elements – condition surveys and the cost of compliance with statutory legislation.

Condition Surveys

The council undertook an initial round of condition surveys in 2002 to all operational properties and those where the council retain a repairing obligation. A rolling programme of subsequent surveys carried out by a combination of in-house surveyors and technical consultants aims to refresh this data with 20% of the property portfolios re-surveyed each financial year. The condition surveys include an overall assessment of the building's condition ranging from **A** (in good condition) to **D** (life expired) together with a schedule of prioritised and costed maintenance requirements.

This condition data is used to inform the annual Property Performance Indicators as part of our asset management planning as well as the basis for prioritising our maintenance budgets as discussed further in **Section 6.0** below.

Statutory & Legislative Compliance

As landlords the council also has a legal obligation to manage the health and safety of people working, staying or visiting our buildings. The council aims to ensure compliance with all statutory responsibilities by taking a corporate approach co-ordinated by Property & Design including:

The Control of Asbestos Regulations, the Control of Legionella HSE Approved Code of Practice and Guidance (L8), the Regulatory Reform Fire Safety Order, the Disability Discrimination Act (DDA) and the Care Standards Act (where relevant).

Our Required Maintenance figures include an allowance for compliance issues in respect of the legislative issues noted above.

3.3 Assessment of Our Required Maintenance & Annual Trends

We closely monitor our required maintenance level and provide an annual report through our PPIs which are published on our website. We are also seeking ways to improve the quality of our condition data to ensure that our reported required maintenance figure remains as accurate and valid as possible and can be used to inform our budget setting process through the Medium Term Financial Strategy.

This will mean that our total five year maintenance figure is certain to increase as we fine tune our asset management information gathering techniques. Such increases can be attributed to a variety of factors including:

- **Inflation in tender costs for construction work outstripping increases in the allocated annual preventative maintenance budgets.**

Our database calculates a basic increase in tender price inflation since the date of each condition survey over a year old. The calculation is necessarily simplistic as tender price increases will vary between types of work and even the time of year that the work is tendered. However as tender prices increase year on year this will result in an increase in the total figure.

- **Improved knowledge of our building stock condition through enhanced surveys.**

Recent surveys have provided an holistic condition assessment for each building rather than the elemental approach undertaken previously recognising that the council would, for example, re-roof an entire building even if the survey only highlighted 50% of the tiles being life expired. Whilst the scaffold is up we are also likely to attend to fascias, soffits, insulation upgrades and related works at the same time. Our holistic approach ensures that the cost of these related elements are also accounted for in our required maintenance calculation even though they may not have been identified for renewal in the more traditional elemental survey approach. This provides a more realistic estimate of the cost of works programmes but inevitably leads to increases in our identified required maintenance calculation as the original, traditional elemental survey results are updated.

- **Better understanding of legislation**

The required maintenance total includes for compliance with statutory legislation as described in **Section 3.2** above. Much of this legislation is relatively new and our compliance strategies are still developing. Our initial approach has been to include an overall assessment for compliance which is then apportioned across the portfolio based on a £/m² basis. However as further information is obtained such as surveys and risk assessments we are updating our systems to ensure that more accurate cost data is identified for individual buildings and this can have a significant effect on the overall total.

- **Onerous new legislation**

Changes in legislation including health and safety compliance will have an immediate impact on the required maintenance figure and such effects are unpredictable until a full assessment can be made on our properties.

- **Additional building elements having reached the end of their useful life.**

Our required maintenance total is for works over the next five years. As the annual condition survey programme progresses the year one work requirements are revised and the previous “year six” works will then be reflected in the new required maintenance totals. This can have a significant impact on the total as elements continue to reach the end of their economic life and potentially some very high cost elements start feeding into our figures. The increasing use of a proactive approach to maintenance whereby mechanical plant in particular is identified for renewal before it actually fails means that more plant renewals and associated costs are feeding into our figures.

3.4 Performance Benchmarking

Adopting the NaPPMI PIs allows us to compare and benchmark our situation with other local authorities as well as to analyse our performance year on year. **Figures 3b** to **3d** below shows our latest published performance indicator results compared with data from other authorities collated through the IPF benchmarking club.

Figure 3b:
Benchmarked Required Maintenance (£ / m² Gross Internal Area) as at 31.03.08

	Required Maintenance £ / m² GIA
Brighton & Hove City Council	£ 86.55 / m ²
Other Authorities (mean average result)	£ 100.42 / m ²
Other Authorities (highest result)	£ 246.00 / m ²
Other Authorities (lowest result)	£ 7.00 / m ²

Figure 3c:
% of Properties in Condition Categories A (Good) or B (Satisfactory) as at 31.03.08

	% of Properties in Condition Categories A or B
Brighton & Hove City Council	80%
Other Authorities (mean average result)	79%
Other Authorities (highest quartile)	> 93%
Other Authorities (lowest quartile)	< 73%

Figure 3d:
% of Planned : Reactive Maintenance Spend as at 31.03.08

	Ratio of Planned to Reactive Spend
Brighton & Hove City Council	78% : 22%
Other Authorities (mean average result)	55% : 45%
Other Authorities (highest result)	82% : 18%
Other Authorities (lowest result)	0% : 100%

Further details and our latest results are shown in our annual PPI reports published on our website at:

<http://www.brighton-hove.gov.uk/index.cfm?request=c1152664>.

3.5 Building Maintenance Aims

This document provides the strategic framework around which we identify, prioritise, plan, manage and monitor the maintenance of the city council's non-housing operational property stock. This includes civic offices, historic buildings, libraries, museums, leisure centres, farms, social care and schools buildings. Our key objective is to ensure that all council buildings are maintained in line with best practice and use of resources, that legal duties are met and that customer satisfaction is enhanced.

The strategy sets out how the council plans to achieve our AMP objectives and address our identified required maintenance in respect of our council maintained non-housing operational and non-operational properties with the three Building Maintenance Strategy Aims list below:

- Aim 1** Allocating funding to projects that will achieve the maximum positive impact on our most essential services by a clear and consistent process of prioritisation as described in **Section 6.3** below.
- Aim 2** Targeting a proportion of the available funding against our identified required maintenance total as described in **Section 6.4** below.
- Aim 3** Achieving maximum efficiencies in the way we procure building maintenance works as described in **Section 5.2** below.

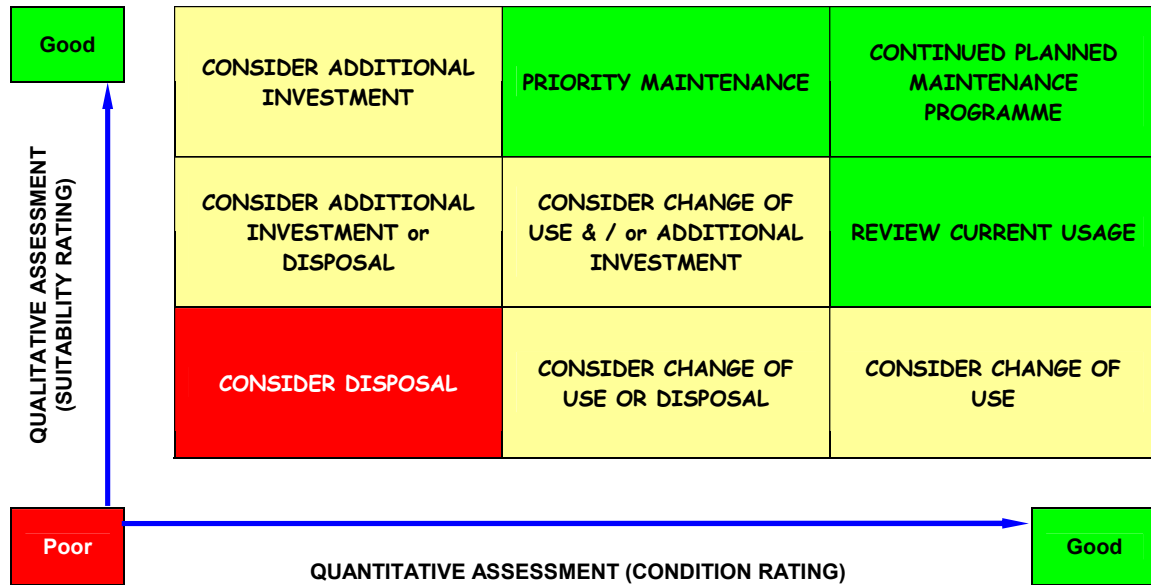
3.6 Property Performance Reviews (PPR)

In addition to condition and maintenance data, Property & Design also coordinate the collection of suitability data from building managers and service providers by means of a standardised questionnaire on each property which includes the following factors - location, accessibility, environmental, safety & security, capacity, facilities, appearance, contribution to service delivery and the property's ability to support future service delivery. Building manager responses are analysed and weighted and the resulting % score can be compared with other buildings in the same category.

The asset management team is aware that a building in poor condition may still represent a suitable building to the service department and vice versa and so a decision made on the basis of either condition or suitability in isolation may not necessarily be correct.

The team have therefore developed a decision matrix shown in **Figure 3e** below which plots the results of each building's PPR in two dimensions – condition and suitability - thereby allowing decisions to be taken on an overall picture. A property that rates poorly for condition and suitability will be identified for possible disposal, a property that is unsuitable for the current users but in reasonable condition will be identified for possible change of use and a property that is considered suitable but in poor condition will be identified for possible additional investment. A property that is both suitable and in reasonable condition will be identified for continued priority maintenance.

Figure 3e: The Property Performance Review (PPR) decision matrix



4.0 BUILDING MAINTENANCE ARRANGEMENTS

4.1 The Council's Arrangements for Building Maintenance

The council's arrangements for building maintenance work are set out in **Figure 4a** below indicating the responsibility for managing and funding work to each of the property portfolios.

This Strategy applies only to those portfolios where planned works are funded by the Schools, Corporate, Social Care and Farmlands Planned Maintenance Budgets as well as the Asset Management Fund all of which are managed by the Property & Design Division of the Finance & Resources Directorate and are discussed in more detail in **Sections 5.2** below.

The Strategy for planned maintenance of the council's housing stock and highways assets are set out in the Housing Asset Management Plan and Highways Asset Management Plan respectively.

4.2 Engagement With Client Departments

Property & Design provides asset management support to directorates undertaking service reviews including the preparation of Property Performance Reviews (PPRs) as described in **Section 3.6** above. These ensure that client departments and Directorate Management Teams (DMT) can make decisions on their occupied properties based on up to date and consistent condition, suitability and health & safety information.

Property related priorities are contained within individual Team Business Plans which feed into the client department's Directorate Development Plans. The central services resources necessary to support property reviews will be identified through the developing Business Compacts to be agreed annually between Property & Design and the client directorates.

Figure 4a: Property Maintenance Responsibilities

Portfolio	Client Directorate or Service Provider	Property Maintenance Responsibility	
		Reactive Works (day to day repairs)	Planned Works (planned & cyclical)
Operational Properties			
Civic Offices	Finance & Resources	Finance & Resources Property & Design	Finance & Resources Property & Design
Parks Buildings	Environment	Finance & Resources Property & Design	Finance & Resources Property & Design
Community Buildings	Finance & Resources	Finance & Resources Property & Design	Finance & Resources Property & Design
Cemeteries/Crematoria	Finance & Resources	Finance & Resources Customer Services	Finance & Resources Property & Design
Libraries	Culture & Enterprise	Culture & Enterprise	Finance & Resources Property & Design
Museums	Culture & Enterprise	Culture & Enterprise	Finance & Resources Property & Design
Seafront	Environment	Environment	Finance & Resources Property & Design
Sports & Leisure	Environment	Environment	Property & Design / Private Operators
Children's Social Care	Children & Young People's Trust	Finance & Resources Property & Design	Finance & Resources Property & Design
Adult Social Care	Adult Social Care & Housing	Finance & Resources Property & Design	Finance & Resources Property & Design
Schools	Children & Young People's Trust	Mainly Devolved to Schools	Finance & Resources Property & Design
Car Parks	Environment	Environment	Environment
Public Conveniences	Environment	Environment	Environment
Traveller's Site	Environment	Environment	Environment
Hostels	Adult Social Care & Housing	Adult Social Care & Housing	Adult Social Care & Housing
Non-Operational Investment Properties			
Urban Commercial	Finance & Resources	Generally Tenants Under FRI Leases	Generally Tenants Under FRI Leases
Seafront Commercial	Environment	Generally Tenants Under FRI Leases	Generally Tenants Under FRI Leases
Agricultural	Finance & Resources	Tenant Farmers	50% Property & Design 50% Tenant Farmers
Housing Revenue Account Properties			
Council Housing Stock	Adult Social Care & Housing	Adult Social Care & Housing	Adult Social Care & Housing

Main Budget Sources (see Sections 5.1.1 & 5.1.2 below)

	School Planned Maintenance Budgets		Corporate Planned Maintenance Budget		Social Care Planned Maintenance Budget
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4.3 Sustainability Issues

4.3.1 Sustainable Construction

The rising cost of energy is imposing a severe pressure on service budgets that are already stretched. At the same time the need to reduce our carbon footprint has led to our commitment to reduce energy consumption throughout our operational property portfolio with a consequent reduction in both cost and CO₂ emissions. New and improved technology has provided the opportunity for cost effective sustainable energy generation and we are committed to providing this where practicable and cost effective.

Our architectural and building surveying teams design sustainable buildings that include energy efficient measures such as sedum roofs, condensing boilers and grey water re-cycling. Property & Design have a commitment to investigate the potential use of wind turbines, ground source heat pumps, solar panels or other suitable sustainable energy generation source in all of our in-house designed new build schemes and we continue to explore other innovative methods of improving energy efficiency during all refurbishment and maintenance schemes.

Through our commitment to the Carbon Management Programme we have achieved improved efficiency of buildings through renewable energy efficiency measures. We have also installed low energy lighting to our main car park and commenced a programme of improved heating and ventilation controls and replacement of existing oil fired boilers with new, more efficient gas boilers.

Our three year Corporate Plan targets are:

- To continue to investigate and implement sustainable solutions within our new-build and maintenance programmes of work including energy efficiency measures and re-cycling of materials.
- To reduce carbon emissions and deliver energy and financial savings through our carbon management programme.

4.3.2 Sustainable Procurement

In addition to our procurement methods discussed in Section 5.1 below, we are also pursuing the following sustainable procurement initiatives within our building maintenance works contracts:

Constructing Futures Apprenticeships and Other Initiatives

In order to promote sustainability of the construction industry within Brighton & Hove the Council is fully committed to the following initiatives working with City College and the Constructing Futures Forum to develop and deliver:

- Specifications for construction companies to provide apprenticeship training.
- Apprenticeship schemes within agreements for major projects.
- Procurement carried out under OJEU regulations to include tender evaluation models that encourage and support apprenticeships, skills training and development.

SME Concordat

The Council are working with local contractors through the Small and Medium Sized Enterprise (SME) Concordat to encourage effective trade between the Council and small businesses.

5.0 ENSURING VALUE FOR MONEY

5.1 Procurement of Construction Works

5.1.1 Strategic Construction Partnership

Property & Design pioneered a five year strategic partnership in 2003 with a local constructor including quantity surveying and structural engineering consultancy services procured through the Egan principles outlined in the Rethinking Construction initiative. As a result the Council was cited on the DTI website as an example of best practice. Since 2003 projects to a value of £12.6m have been procured through the partnership mainly for education new-build projects but also including civic office refurbishment works. Performance of the partnership has been monitored through contract performance indicators including customer satisfaction surveys to demonstrate continuing value for money. Due to its success and value for money a further five year strategic partnership has been tendered following EU regulations that commenced in 2008 for contracts worth approximately £20-25m. A value for money analysis has been completed to compare both procurement exercises and this demonstrates that continuous improvement has been achieved with a projected saving of circa £190k over the five years.

5.1.2 Framework Agreements

Property & Design are currently (2009) undertaking a feasibility study on future procurement options for our annual planned maintenance programme across the planned maintenance budgets referred to in **Section 5.2** below with a view to introducing framework agreements from 2009-10. This will reduce reliance on our existing approved lists, reduce the pre-contract programming stages and allow us to explore further supply chain economies and improvements and any potential reductions in transactional costs (i.e. tendering). We are also exploring the option of using the national *Constructionline* database as a replacement for our approved lists.

5.1.3 Improvement & Efficiency South East (IESE)

IESE (formerly SECE) is one of nine regional centres of excellence established by the former Office of the Deputy Prime Minister (ODPM) to support the implementation of the National Procurement Strategy and the delivery of efficiency targets. One of the IESE work streams, being led by Hampshire County Council, is the introduction of framework agreements for the procurement of construction projects between £100k and £30m+ in value that each of the participating authorities within the IESE area can use. B&HCC have been represented on both the collaborative working project board and the delivery group. This work has resulted in the successful commencement of a Tier 1 framework agreement for works between £1m and £30m. Tier 2, for works between £500k and £3m, commenced in February 2009 with Tier 3 (works between £100k and £750k) becoming available during 2009.

5.1.4 Procuring Professional Services

Property & Design has a number of in-house professional service teams including Building Surveying and Maintenance, Building Services, Architecture & Design, Asset Management and Estates Surveyors. The external consultant - NPS Property Services Ltd - are contracted to provide building surveying and mechanical & electrical engineering professional services for Education and Social Care Buildings. This contract commenced in 2005 for five years with the option to extend for a further two years.

5.2 Building Maintenance Resources & Budget Planning

5.2.1 The School's Planned Maintenance Budgets

Figure 3a in **Section 3.2** shows that the current (2008) total required maintenance for schools is £33.9m over five years with 8.5% classified as Priority One works. Attention is drawn however to the caveats listed in **Section 3.3** which highlight the future fluctuations that can occur in the stated total.

The plan to address the required maintenance for schools is reported to Members through the Children & Young People's Trust Board and, following Board Member approval, to Cabinet. The most recent reports for the Schools 2008/09 capital programme were submitted to the Board on 17th March 2008 and then to P&R Committee on 3rd April 2008.

The plan shows the allocation of capital funding for schools for the period 2007/8 to 2010/11 used to assist and address maintenance issues as summarised in **Figure 5a** below:

Figure 5a: Summary of Approved Capital Repair & Improvement Expenditure for Schools

Approved Funding Allocation Schools	2008/09 funding	2009/2010 funding	2010/2011 funding	Totals
Structural maintenance	£0.92m	£0.92m	£0.92m	£2.76m
Modernisation	£1.97m	£2.23m	£2.30m	£6.50m
New pupil places	£0.67m	£0.67m	£0.67m	£2.01m
Access initiatives	£0.37m	£0.37m	£0.37m	£1.11m
Devolved formula capital	£2.94m	£2.88m	£2.88m	£8.70m
Locally controlled voluntary aided school projects (LCVAP)	£1.02m	£1.02m	£1.02m	£3.06m
Primary capital programme	-	£3.07m	£5.45m	£8.52m
Targeted capital fund	-	£2.00m	£6.00m	£8.00m
TOTALS:	£7.89m	£13.16m	£19.61m	£40.66m

Required maintenance is mainly addressed through the structural maintenance annual allocation with the three budgets for modernisation, new pupil places and LCVAP incorporating some maintenance requirements. There is a co-ordinated approach between new capital projects and required maintenance to ensure, through consultations with individual schools, that these are included in any modernisation plans, hut replacements or new builds on a needs basis. This approach also applies to devolved formula capital which we also try to draw into our projects and to local voluntary aided school resources that the authority receives.

The plan provides for priority 1 works to be completed first followed by priority 2 and then priority 3 to ensure that funds are addressing the most serious issues first.

The Council have also formulated an eight year plan to address the level of required maintenance at each school. This information is updated and made available to all schools via the Council's education intranet and can be used by individual schools in the production of their School Development Plans. Whilst Council's are encouraged to maintain a "light touch" in respect of the Devolved Formula Capital, all schools are encouraged to refer to this plan and factual condition data when allocating their own devolved funds.

The eight year plan is currently being updated and the final version will then be presented to the Executive Member for the CYPT. The draft version has already been consulted on.

Primary Strategy for Change

The Council has developed a Primary Strategy for Change which aims to provide new, re-modelled or refurbished primary school accommodation through the Primary Capital Programme (PCP) over a fourteen year period. Funding for the PCP commences in 2008/09 and the Council's allocation totals £8.5m in the first two years. This funding stream will assist in supporting the reduction in required maintenance to this part of our portfolio.

The Strategy has been widely consulted on and was approved at the CYPT Cabinet Member Meeting on 8th September 2008.

Building Schools for the Future (BSF)

In line with the Primary Capital Programme, BSF funding will provide similar opportunities to reduce the maintenance requirement for the secondary schools sector. The Council submitted an expression of interest in November 2008 for funding totalling £200m in two tranches. Again there is a co-ordinated approach to ensure that all opportunities to address maintenance issues in capital projects are taken.

5.2.2 Operational Property Planned Maintenance Budgets

Figure 3a in **Section 3.2** shows that the current (2008) total required maintenance for operational buildings is £17.7m over five years with 8.5% classified as Priority One works. Attention is drawn however to the caveats listed in **Section 3.3** which highlight the future fluctuations that can occur in the stated total.

The plan to address the required maintenance for operational properties is reported to Members through Cabinet. The most recent report for the “Planned Maintenance Budget Allocation 2009/10 and Programme of Works for the Council’s Operational Buildings” (which includes the corporate planned maintenance and the social care planned maintenance budgets) was submitted to Cabinet on 12th March 2009. The report for the “Asset Management Fund 2009/10” was due for submission to Cabinet on 23rd April 2009. The anticipated allocation of funding for operational property maintenance and improvement for the period 2008/9 to 2010/11 is summarised in **Figure 5b** below:

Figure 5b: Summary of Anticipated Three Year Repair & Improvement Expenditure for Operational Buildings

Approved Funding Allocation Operational Buildings	2008/09 funding	2009/2010 Funding	2010/2011 funding	Totals
Corporate Planned Maintenance Budget	£3.40m	£3.45m	£3.50m	£10.35m
Social Care Capital Planned Maintenance Budget	£0.50m	£0.50m	£0.50m	£ 1.50m
Social Care Revenue Planned Maintenance Budget	£0.10m	£0.10m	£0.10m	£ 0.30m
Asset Management Fund	£1.00m	£1.00m	£1.00m	£ 3.00m
TOTALS:	£5.00m	£5.05m	£5.10m	£15.15m

The method of prioritisation of works within these budgets is set out in **Section 6.0** below.

The Corporate Planned Maintenance Budget

The Corporate Planned Maintenance Budget (PMB) provides for the planned maintenance of all civic, historic, leisure, libraries, museums, environment, seafront and commercial buildings where the council retains a repairing obligation. This budget currently stands at £3.4m (at 2008) which includes all measured term maintenance servicing contracts and consequential repairs.

The Social Care Planned Maintenance Budget

The Social Care Planned Maintenance Budget provides for the maintenance of the Council’s social care service split between the Children & Young People’s Trust and Adult Social Care & Housing. This includes residential care homes, day centres, patch offices and supported accommodation. The total available budget currently stands at £0.6m per annum (at 2008) which includes all measured term maintenance servicing contracts.

The Asset Management Fund (AMF)

The AMF is a £1m (at 2008) annual capital fund to support property improvements, address property related health & safety requirements and achieve access improvements under the Disability Discrimination Act 1995 to our operational building portfolios.

5.2.3 Non-Operational Property Planned Maintenance Budgets

Figure 3a in **Section 3.2** shows that the current (2008) total required maintenance for non-operational buildings is £2.4m over five years with 3.6% classified as Priority One works. Attention is drawn however to the caveats listed in **Section 3.3** which highlight the future fluctuations that can occur in the stated total.

Additional budgets exist for planned maintenance of our agricultural property portfolio and our commercial portfolio where the council retains a maintenance liability.

5.3 Further Initiatives

Property & Design have robust links with the in-house Corporate Health & Safety Team. The two teams have reviewed our statutory compliance arrangements and as a result have achieved funding for the:

- Employment of two additional Compliance Officers dedicated to the areas of Fire Safety within Schools and Social Care establishments.
- Employment of an additional Compliance Officer dedicated to the area of asbestos management.
- Employment of a Legionella Officer within the Property & Design Building Services team to manage L8 duties across our operational property portfolios.
- Purchase of a new web-based Asbestos Register available with live data to all building managers and contract officers to assist in ensuring compliance with the Control of Asbestos Regulations.
- Purchase of a web-based Fire Safety and Water Hygiene database to assist in ensuring compliance with new legislation.

and in addition:

- Employment of a Technical Access Manager to ensure the council continue to improve access to it's buildings in accordance with the DDA.

6.0 PRIORITISATION & PROGRAMME SETTING

6.1 Setting Priorities

There are many conflicting calls on our existing maintenance budgets described in **Section 5.0** above. The key aim of this strategy is to provide a consistent framework for prioritising works to ensure that budgets are targeted correctly using the following criteria:

Priority A Works These are statutory and legislative requirements where non-compliance would result in severe health and safety implications or closure of the building. Funds for works necessary for compliance are therefore top-sliced from the respective budgets.

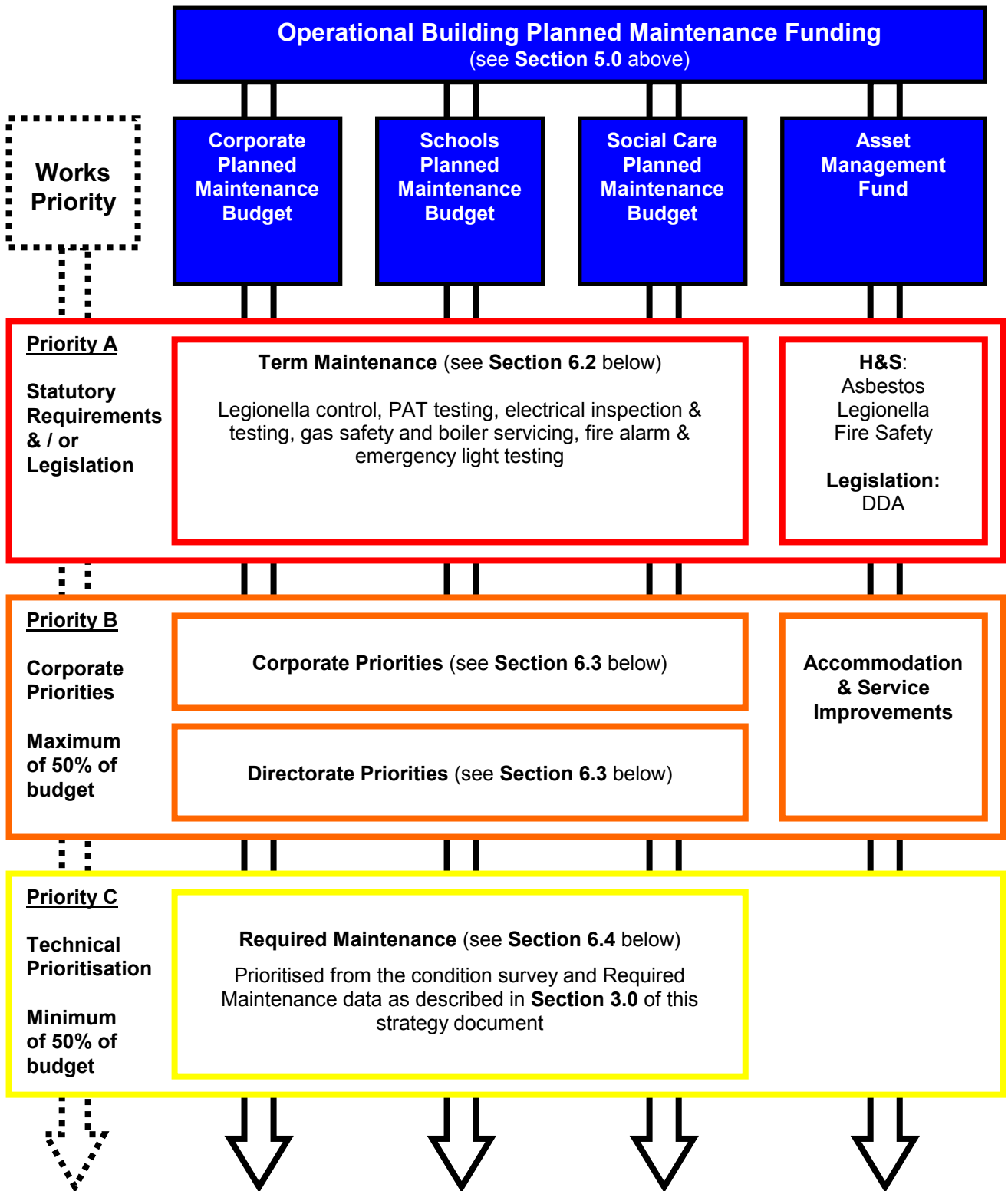
Priority B Works These are works considered by our client service departments as essential to achieve corporate or operational service objectives. Such works may or may not have already been identified as high priority through the technical prioritisation of the condition surveys and therefore may assist in reducing the level of total Required Maintenance.

We aim for a maximum of 50% of the residual budget (after deducting priority A compliance works) to be spent on this category of work.

Priority C Works These works are prioritised through the rolling programme of condition surveys described in **Section 3.2** above. The total cost of priority work exceeds the annual budgets available and a method has therefore been adopted for targeting the available funds to the properties with the greatest benefit to service delivery as described in **Section 6.4** below. Maintenance spend within this category will address the level of corporate Required Maintenance and as such we aim to spend a minimum of 50% of the residual budgets (after deducting priority A compliance works) on this category of work.

This budget prioritisation process is shown in **Figure 6a** and described in more detail in **Sections 6.2 to 6.4** below.

Figure 6a: The Budget Prioritisation Process



6.2 Priority A – Statutory Works

Statutory compliance includes the costs associated with Legionella control, PAT testing, electrical inspection & testing, gas safety and boiler servicing, fire alarm & emergency light testing, management of asbestos materials and DDA compliance in terms of public access to our operational buildings. This work is of the highest priority as non compliance may affect the health and safety of our employees, service users or visitors and / or result in the closure of the property.

6.3 Priority B – Works to Achieve Corporate / Operational Objectives

Our building maintenance budgets should be targeted wherever possible on achieving and supporting our corporate and service objectives. Sometimes the works necessary to achieve these objectives are not identified through our normal condition survey process as they may not fall within the highest priority on a purely technical assessment. For example an annual budget of £50k is currently allocated from the corporate planned maintenance budget for internal redecoration and limited internal refurbishment to the council's key operational civic buildings.

Client departments are invited to submit bids for works they consider essential to meet corporate or service priorities for consideration by Property & Design within the respective budgets. To be considered, such bids must identify the corporate or service objective they are targeted at by reference to specific objectives within either the corporate, directorate development or service business plans.

A maximum of 50% of the residual maintenance budget (after Priority A works are committed) is to be allocated against Priority B works.

6.4 Priority C – Works Related to Condition

Those responsible for allocating planned maintenance budgets and associated programmes are to use factual condition data and the following matrices to formulate their annual programmes of work wherever possible. Depending upon the size of each budget portfolio, programmes can be formulated utilising either elemental defects or identified projects per property or for larger portfolios use the overall property rating to identify which buildings need to be prioritised for maintenance works. The methodology proposed is to be agreed with the Corporate Asset Management Group. A minimum of 50% of the residual maintenance budget (after Priority A works are committed) is to be allocated against Priority C works. These works will be used to address the total Required Maintenance figure reflected in NaPPMI PPI 1b.

The matrices described below are to be used a flexible tool to provide an auditable, cohesive method of ensuring best use of maintenance resources.

6.4.1 Property Prioritisation Rating

To ensure that limited maintenance resources are targeted at the right buildings, in conjunction with our client departments each of our assets will be allocated a rating **S1** to **S5** to reflect their relative importance in respect to the council's corporate and service priorities as follows:

- S1** Core Service Property 1 - a critical or high profile asset to be in the best possible condition, e.g. a main civic office or the Royal Pavilion.
- S2** Core Service Property 2 - asset to be in good condition both operationally and aesthetically, e.g. other office visited by the public, leisure centre, residential home or listed building with grade 2* listing.
- S3** Core Service Property 3 - asset to be in reasonably good condition that meets operational and statutory requirements, e.g. a day centre or other listed building.
- S4** Non-Core Service Operational Property - asset to be in a condition to meet minimum operational and statutory requirements, e.g. a works depot or parks pavilion.
- S5** Non-Core Service Non-Operational Property - asset to meet statutory requirements, e.g. a property declared surplus and awaiting disposal.

6.4.2 Property Condition Rating

Our rolling programme of condition surveys will identify elements of work required each of which will be prioritised using the standard condition ratings **A** to **D**:

- A** Good - performing as intended and operating efficiently.
- B** Satisfactory - performing as intended but with minor deterioration.
- C** Poor - not performing as intended and/or with major deterioration.
- D** Life Expired - life expired and/or with serious risk of failure.

6.4.3 Property & Condition Prioritisation Matrix

Depending on the relative importance of the property asset each element of work is given a RAG rating based on **Figure 6b** below.

Figure 6b: The Property & Condition Prioritisation Matrix

		Condition Rating			
		D	C	B	A
Property Rating	S1	Red	Red	Red	Amber
	S2	Red	Red	Amber	Green
	S3	Red	Amber	Amber	Green
	S4	Amber	Amber	Green	Green
	S5	Amber	Green	Green	Green

6.4.4 Works Priority Rating

Works identified in the condition survey report will be given a priority rating **1** to **3**.

- 1** Urgent work that will prevent immediate closure of the property, address an immediate high Health & Safety risk and / or remedy a serious breach of legislation.
- 2** Essential work required within 2 years that will prevent serious deterioration of the fabric of the property or associated services , address a medium Health & Safety risk and / or remedy a less serious breach of legislation.
- 3** Desirable work required within 3 to 5 years that will prevent deterioration of the fabric of the property or associated services, address a low Health & Safety risk and / or remedy a minor breach of legislation.

NB: Where condition surveys identify priority 1 works these are reported without delay to Building Managers and if practical addressed through reactive maintenance works.

6.4.5 Decision Matrix

This final matrix (**Figure 6c** below) is used to determine the relative need to progress with the identified works and provides a clear, auditable process for allocating maintenance resources linked to our NaPPMI PPI1b for Required Maintenance with Red works given priority over Amber and Green. By targeting expenditure in this way we can ensure that the priority items in our required maintenance reduce year on year.

Figure 6c: The Decision Matrix

		Condition Survey Prioritisation (see Section 6.4.4 above)		
		1	2	3
Property & Condition RAG Rating (see Section 6.4.3)	RED	Red	Red / Amber	Amber
	AMBER	Red / Amber	Amber	Green
	GREEN	Amber	Green	Green

7.0 BUILDING MAINTENANCE TARGETS

7.1 Targets For 2008 to 2011

In order to monitor our progress towards the objectives detailed within our Building Maintenance Strategy as discussed in **Section 3.5** above, the Corporate Asset Management Team have agreed the following targets covering the period 2008 to 2011. These targets are to be reviewed annually by the Corporate Asset Management Team and updated to ensure that this strategy remains a live tool enabling managers to improve the prioritisation and use of maintenance resources.

Figure 7a: Our 2008-2011 Building Maintenance Targets

Building Maintenance Strategy Target		Target Date
Building Maintenance Allocating funding to projects that will achieve the maximum positive impact on our most essential services Aim 1:		
A.	All operational properties are to be allocated a property prioritisation rating S1 to S5 (see Section 6.4.1 above).	October 2009
B.	95% of operational properties rated S1 or S2 are to have an overall condition rating of A (good) or B (satisfactory).	April 2011
C.	All operational properties are compliant with current legislative & statutory requirements.	Continuous
Building Maintenance Targeting a proportion of the available funding against our identified required maintenance total Aim 2:		
D.	Condition surveys will be undertaken of all of our operational properties every five years on a 20% rolling programme.	Continuous
E.	The Council maintains a minimum level of 70% of available maintenance expenditure on planned maintenance.	Continuous
F.	An agreed % of our operational buildings which are open to the public will be DDA compliant in accordance with the definitions in BVPI 156.	70% by April 2009 75% by April 2010
G.	All operational building planned maintenance works / budgets will be prioritised in accordance with this strategy.	April 2010
H.	Targets for our NaPPMI PPIs (see Section 3.0) are reviewed annually by the Corporate Asset Management Team and results are published on our website (see Section 3.4 above).	Continuous
Building Maintenance Achieving maximum efficiencies in the way we procure building maintenance works Aim 3:		
I.	Agree future procurement options for the operational building planned maintenance budgets.	July 2009
J.	Commence procurement using agreed processes on a trial basis.	2009 / 2010
K.	Continue to support IESE and other collaborative working arrangements wherever opportunities arise.	Continuous

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 12
Brighton & Hove City Council

Subject:	Disability Discrimination Act – update on programme of works to Council owned buildings		
Date of Meeting:	29 June 2009		
Report of:	Assistant Director – Property & Design		
Contact Officer:	Name:	Angela Dymott, Assistant Director - Property & Design	Tel: 29 1450
		Lesley Hughes, Technical Access Manager	29 1444
	E-mail:	angela.dymott@brighton-hove.gov.uk lesley.hughes@brighton-hove.gov.uk	
Key Decision:	No		
Wards Affected:	All		

FOR GENERAL RELEASE

1 SUMMARY AND POLICY CONTEXT:

An annual report giving an update on the corporate programme of rolling access improvement works being carried out under the Disability Discrimination Act 1995 requirements.

2. RECOMMENDATIONS:

- 2.1 Central Services Cabinet Member Meeting note the progress of access works being undertaken corporately - in a target driven rolling programme - to properties owned or leased by BHCC from which the council provides a service, helping the council to meet their duties under the Disability Discrimination Act. The target for 2008/09 of 70% of council buildings open to the public in which access for disabled people to public areas/services is improved was achieved.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1.0 Part 3 of the Disability Discrimination Act 1995 (DDA) requires service providers to remove or alter physical barriers, including visual and auditory, which make it impossible or unreasonably difficult for members of the public to access services. This part of the Act came into force on 1st October 2004.
- 3.1.1 Since 2004 the council has a prioritised rolling programme of works informed by access audits. 376 areas of council buildings accessible to the public have been audited for access and professional assessments made of what can reasonably be done to improve access and determine priorities for a programme of removal of physical and sensory barriers.

3.1.2 Our approach has been to prioritise access improvements to our main buildings with public access and to concentrate on our major public buildings that have a large footfall and the greatest service need. Main DDA improvements works have been undertaken to our Town Halls, main office buildings, the Brighton Centre, the Royal Pavilion, Preston Manor, Booth museum, Hove and Hangleton libraries, Withdean stadium and sports centre, Prince Regent and St Lukes swimming pools, the Leisure Centres, Woodvale, Denmark Villas, Fostering & Adoption and Child Protection Unit - Preston Road, Carden Hill, Children's Disability service and Chimneys Family Centre.

In 2007 we appointed a dedicated Technical Access Manager and the post focuses on the DDA and the capital programme. This has enabled a fresh approach where we have looked at a range of access solutions that have proved more cost effective and delivered our performance indicator target well within existing budgets allowing more DDA improvements to be carried out.

3.1.3 In summary, the access audit reports are held on a DDA database and have also been issued to senior officers of each department to enable them to strategically plan for the implementation of the report recommendations. Each property is given an overall rating of 1 to 4 by the audit, with those being graded 3 and 4 considered the least accessible. The recommendations of each report are prioritized A, B, C, or D. The reports enable departments and building managers to assess the options and to put the recommendations into practice by developing alternative working arrangements or service deliveries and prioritise programmes of remedial works and alterations. It could mean that some service arrangements will have to change, it could be that certain infrastructure works are required or that staff will need to work in a different way.

3.1.4 Yearly lists of buildings to be improved are selected by the Technical Access Manager from the following general criteria :

- Identifying Key Performance Indicator (KPI) buildings graded as either '4' (non-compliant with BS8300/Approved Document M) or '3' (compliant with BS8300/Approved Document M with major works) from the DDA Database.
- Identifying 'need' through discussion with the client – i.e. quantity of visitors/members of the public accessing the service, type of service-user who will benefit - as in the case of day-centres for disabled adults or community buildings used by disabled groups.
- Ensuring that the business case for undertaking the work is commensurate to the service need and requirement.
- Selecting non-KPI buildings where nevertheless access to services for disabled people is being significantly undermined, as identified by members of the public, client contact or site visit.

3.2 Financial implications

3.2.0 A capital fund of £500k was allocated in 2007/08 and due to some alternative and cost effective solutions not all of the allocated funds were spent by the end of the financial year, however the BVPI target for 2007/08 of 65% of council buildings open to the public in which access for disabled people to public areas/services is improved was achieved. In 2008/09 £165,000 was allocated from the Asset Management Fund.

- 3.2.1 All but £120,000 (which includes £70,000 earmarked as a contribution towards match funding for Sport England funding for improvement at St Lukes Swimming Pool) of the allocated funds was spent by the end of the financial year and the BVPI target for 2008/09 of 70% of council buildings open to the public in which access for disabled people to public areas/services is improved was achieved.
- 3.2.2 Before going to tender detailed site visits were made by the Technical Access Manager and the contract administrator and the original DDA audit recommendations were thoroughly re-examined with extensive consultation with the appropriate clients, to ensure their relevance and effectiveness. This has resulted in potential savings in some areas, either by omitting unnecessary work, or exploring alternative methods of accessing the service. Elsewhere 'new' or additional adjustments have been put place.
- 3.2.3 The rolling nature of the DDA programme means that projects and funding will be carried over into 2009/10 to ensure that the required access adjustments are made to services and infrastructure and that the target for 2009/10 is met. This year 2009/10 the DDA improvements will be funded by a £165,000 allocation from the Asset Management Fund, which has been created to join up expenditure on a range of properties covering DDA responsibilities, fire safety, other health & safety and general improvements. This will be supplemented by the £60,000 reprofiled and £58,660 slippage from 2008/09, the total DDA budget for 2009/2010 will be £283,660.

3.3 Programme update

3.3.0 Access improvements 2008/09

The following list of completed improvements includes Access Works listed as 'expected to be complete', 'tendered' and 'proposed' in last year's report (plus other additional sites) Properties from last year's report which are not listed have either been carried forward into the next phase of works, or have changed their method of service delivery or function.

Adult Social Care and Housing

- Wellington House Day Centre: new internal platform lift, improvements to access from car-park including new external ramp, improvements to main entrance.
- Montague House Day Centre: new entrance doors.
- Wayfield Avenue Day Centre: Improved entrance ramps.
- Albany View Day Centre (Connaught Centre): New handrails and nosing to main stair, solar reflective film to windows (through discussion with the client it became apparent that solar gain can exacerbate conditions for the service-users, who are adults with challenging behaviour) and improvements to fire exit.

Environment

- Moulsecoomb Community Leisure Centre: (additional provision) refurbishment of existing lift, provision of alarms to accessible WC and shower dropped kerb to fire external fire exit route.
- Stanley Deason Leisure Centre: (additional provision) two accessible parking bays adjacent to external lift.
- Manor Road Gym: accessible WC and shower, accessible alternative entrance, automated doors and external stair nosings.
- Waterhall Golf Course Club House: new accessible parking and approach to main entrance, new internal platform lift and accessible WC.
- Prince Regent: (additional provision) swimming pool access steps.
- Wild Park: ramped access to pavilion.

Culture and Enterprise

- Hangleton Library: Lift, stair nosings.
- Preston Manor: Lift, tactile signage.
- Hollingbury Library: New ramp and improvements to entrance steps, automatic opener to entrance doors, new external lighting, and new accessible unisex WC.
- The Grange Library, Rottingdean: improvements to approach and entrances, new reception counter (with lowered section for wheelchair users) and new signage.
- Royal Pavilion Shop: new internal ramp.

CYPT

- Woodingdean Youth Centre: Improvements to external ramps and steps, upgrade of entrance and accessible WC, installation of induction loop to Main Hall.
- South Portslade Children's Centre: improved disabled access from public footpath.

Finance & Resources – Corporate Buildings

- Portslade Town Hall: Improvements to fire exit, portable infra-red hearing enhancement system.
- Hove Town Hall: New tactile signage and automatic opener to Committee Room doors, Improved lighting to entrance canopy, portable infra-red hearing enhancement system.
- King's House: ground floor accessible meeting room and new wheelchair accessible WC, portable infra-red hearing enhancement system.
- New England House: Lift upgrade.
- Lawn Memorial Cemetery: Accessible unisex WC with ramped access.
- Brighton Town Hall: New tactile signage.
- Bartholomew House: Lift refurbishment.
- City Mortuary: Accessible WC.
- Children's Memorial: Accessible path.
- Stanmer Nursery Offices: New accessible WC.

3.3.1 Access works tendered in 2008/09 with works rolling into 2009/10

The following lists some of the main access works that are planned to be funded from the DDA capital programme for 2008/09, rolling into 2009/10.

Finance & Resources

- Brighton Town Hall: New automated door to public gallery of council chamber. Repair, and new handrail, to existing ramp to public gallery. Automatic openers to two committee rooms.

Environment

- Withdean Sports Centre: accessible entrance to tennis courts.

3.3.2 Proposed Access Works in 2009/10

For 2009/10 the intention is to complete the rolling programme of works listed in item 5.2 and prioritise improvement works to additional properties currently graded overall 3 or 4 by the access audits with a view to further improving the Councils key performance indicator BV156. Identified barriers and associated solutions will be discussed with service providers to ensure relevance and value for money.

3.3.3 Buildings being considered for the next phase of access improvements include:

Environment

- St Lukes Community Pool: Complete overhaul of the changing facilities including new lighting, heating, floor and wall finishes, accessible changing and showering provision, improved egress for wheelchair users, improved reception area. The internal client has successfully applied for match funding from Sport England facilitated by a contribution from the DDA budget.
- Slipper Baths Gymnasium and Dance Studio: General adjustments to improve access and the use of facilities by ambulant disabled people and those with sensory impairments.
- Victoria Road Recreation Ground: General adjustments to improve access for disabled people to the park and its facilities.
- Aldrington Recreation Ground: General adjustments to improve access for disabled people to the park and its facilities.

Adult Social Care and Housing

- 62/63 Old Steine Housing Need and Social Inclusion: Overall refurbishment of the property including £20,000 contribution from DDA budget for improved disabled access and facilities.

Cultural and Enterprise

- Booth Museum: accessible side entrance ramp - an alternative to the original proposal of a permanent ramp was investigated. The modular system proposed was found to be no more economical to install due to site constraints. The alternative of an external platform lift has been discussed with the internal client and will be investigated and, if it proved financially viable, progressed.

- Hove Museum: New accessible WC.

Finance & Resources

- Woodvale Coroner's Office/Proposed Coroner's Court: External and internal access improvements.

CYPT

- 8 Shenfield Way – Annexe to Children's Centre: Put on hold by internal client while feasibility study is carried out into extending / improving the building and possibly changing its function. If a 'service' continues to be provided, a contribution from the DDA budget will be made towards improving provision for disable people.

3.3.4 With a continually changing situation due to on-going consultation, the need to obtain Landlord consents, Planning and Listed Building approvals etc the rolling rogramme of access works needs to have a degree of flexibility. We may need to be able to respond, during the year, to complaints and priority requests to deal with problem areas. Departments are also encouraged to incorporate DDA remedial works into other capital and planned projects.

3.4 Related Performance Indicators

3.4.1 Buildings Accessible to People with a Disability. This performance indicator reports on a quarterly basis the percentage of council buildings open to the public in which all public areas are more suitable for and better accessed by people with disabilities. It excludes public conveniences, commercially leased premises and schools, however the council has carried out access audits for these buildings and separate programmes of works cover these areas.

3.4.2 Currently 115 of the 164 council buildings, 70.12% that apply to this KPI are deemed accessible. The improvement works listed in this report plus additional properties to be selected shortly will help the Council to meet the target figure of 75% for 2009/10.

YEAR	TARGET	ACTUAL SCORE
2005 / 06	53.6%	53.94%
2006 / 07	60%	60.00%
2007 / 08	65%	65.45%
2008 / 09	70%	70.12%
2009 / 10	75%	

75% is also the final year target set out in the Action Plan of Council's Disability Equality Scheme 2007 – 2010, under the Action "*Making Council buildings Accessible against BV156*". Future targets will be reviewed and set against relevant local performance indicators to ensure that the Council continues to

move forward with its commitment to improving equality of opportunity for people with disabilities.

- 3.4.3 The National Property Performance Management Initiative (NaPPMI) Property Performance Indicators (PPIs) contain Property Performance Indicator PPI 4 that monitors progress in providing access to buildings for people with disabilities through access audits and accessibility plans. From data gathered in 2008/09 98% of relevant council properties – i.e. those that meet the definition of a KPI building – have had an access audit carried out, and the associated reports are held on the DDA database. The remaining 2% will be audited during 2009/10.

4. CONSULTATION

The access programme of works is co-ordinated by Property & Design, who consult with all the departmental representatives regarding their portfolio access requirements.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 Cabinet approved the recommendations of the 'Asset Management Fund 2009-10' report at their meeting of 23rd April 2009. This included an allocation of £165,000 towards the rolling programme of access improvements as required by corporate DDA surveys. This, along with resources brought forward from 2008-09, will fund the DDA access works detailed within this report. The funding comes from capital receipts, with the allocation towards this priority being part of the council's capital strategy. Paragraph 3.2 provides further detailed information on the funding allocations towards the DDA works and how this has helped us to meet our performance targets.

It should be noted that there is no provision to meet additional revenue costs arising from any schemes and departments should plan to meet any such cost from within their own budgets.

Finance Officer Consulted: Stuart Taylor

Date: 28/05/09

Legal Implications:

- 5.2 The Council is working towards compliance with Part 3 of the DDA 1995. The Council must also take the Human Rights Act 1998 into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer Consulted: Oliver Dixon

Date: 28/05/09

Equalities Implications:

- 5.3 Working towards access for all to the council's services in publicly accessible buildings.

Sustainability Implications:

- 5.4 Access audits will help to identify those buildings that are unsuitable for the purpose.

Crime & Disorder Implications

- 5.5 There are no direct implications, certain items of work will help to minimise vandalism through design and the use of relevant materials.

Risk and Opportunity Management Implications:

- 5.6 The risks and opportunities are dependant upon the successful procurement of contractors and robust contract and financial management to ensure that prioritised access improvement works are completed within budget and programme.

Corporate / Citywide Implications:

- 5.7 Improve access for all to the City Council's buildings that have public access and that fall under part 3 of the DDA.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 Failure to identify, prioritise and plan the programme of access improvements will increase risks, inhibit access to services for all, lead to a negative perception of the Council and prevent fulfilling the council's priorities, aims and objectives.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 The council must continue to improve public access to services within its buildings. The target driven rolling programme of improvement works helps the council to meet duties under the Disability Discrimination Act.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Documents In Members' Rooms

1. None

Background Documents

1. None

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 13
Brighton & Hove City Council

Subject: Display Energy Certificates - Update
Date of Meeting: 29 June 2009
Report of: Director Finance and Resources
Contact Officer: Name: **Angela Dymott, Assistant Director** Tel: **29-1450**
Property & Design
Jason Clarke, Energy & Water **29-1431**
Manager
E-mail: Jason.Clarke@brighton-hove.gov.uk
Key Decision: No
Wards Affected: All

1. SUMMARY AND POLICY CONTEXT

- 1.1 To update the Cabinet Member Meeting on the council's Display Energy Certificates, the progress achieved to date, the analysis of the information received, the emerging themes and actions and the proposals to address the areas and sites that are under-performing, through a prioritised programme of works under the carbon management programme.

2. RECOMMENDATIONS

Central Services Cabinet Member Committee recommends that:

- 2.1 The results of the DEC and Advisory reports form the basis of the council's strategy for carbon emissions reduction. As such priority should be given to those buildings which receive the lowest ratings. Resources within the council's Salix fund are to be applied as a priority to measures identified through the council's DEC programme pending full site specific analysis.
- 2.2 The report and recommendations are endorsed and that the report is submitted to Cabinet for approval.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 As of 1 October 2008, a Display Energy Certificate (DEC) and Advisory Report are required for buildings with a total useful floor area over 1,000m² that are occupied in whole or part by public authorities and by institutions providing public services to a large number of persons and therefore frequently visited by those persons. A Display Energy Certificate (DEC) shows the energy performance of a building (heating and electrical) based on actual energy consumption as recorded annually over periods up to the last three years. The Operational Rating is a numerical indicator of the actual carbon emissions from the building. This rating is shown on a scale from A to G where A is the lowest CO₂ emissions (best) and G is the highest CO₂ emissions (worst).

- 3.2 A DEC is valid for one year and must be updated annually. A one year implementation period was applied and transitional arrangements put in place specifically for multi Campus sites. A penalty charge notice of £500 may be levied for failing to display a DEC at all times in a prominent place clearly visible to the public, and £1,000 for failing to possess or have in their control a valid advisory report.
- 3.3 Early anecdotal evidence suggests that nationally at least 25% of buildings surveyed had received an F or a G rating with most buildings resulting in an average D rating and with less than 1% scoring A. It is also important to note that a number of modern Buildings have received poor ratings including City Hall which was constructed in 2002 to exacting standards by Foster & Partners, yet only received an E rating. This is very much the purpose of the legislation, to highlight actual performance and show progression towards the benchmark in subsequent assessments.
- 3.4 Brighton & Hove City Council has an ongoing climate change action plan and have received £200K funding from Salix to deliver carbon reduction projects across the council portfolio.

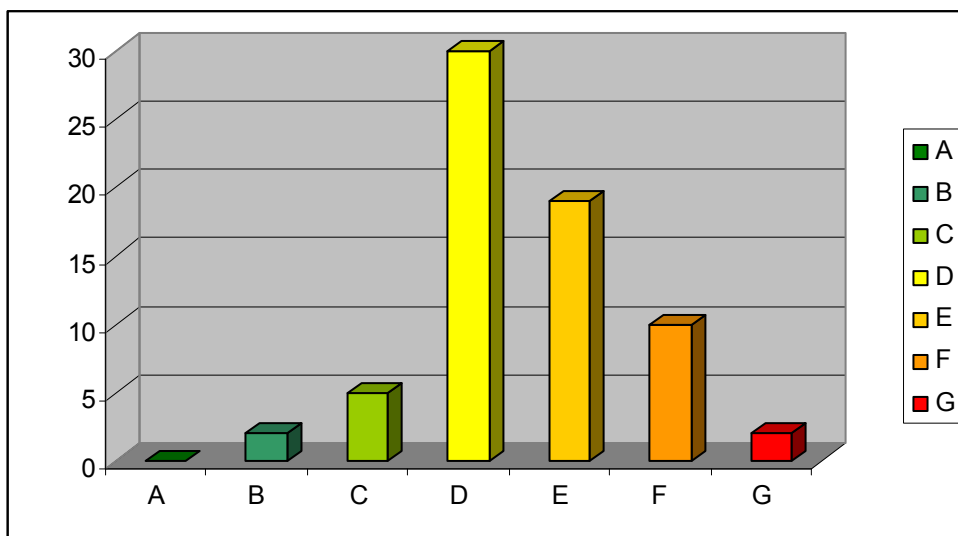
4 Progress

- 4.1 Originally 115 sites within the council portfolio were identified as meeting the survey the criteria, following research a further 4 sites were added to the list in April 2009, bringing the total council sites requiring certification to 119. As these sites have just been added and we are currently compiling all outstanding data, we do not yet have a grade or certification for these.
- 4.2 Following a competitive tendering exercise the council appointed Environ in September 2008 an accredited assessor to undertake the sites surveys, assessments and reports Environ completed the site surveys in March 2009. There are a number of sites which, due to operational or management history, have proved difficult to certificate.
- 4.3 The majority of council sites requiring certification are schools and as such fall within CYPT. A sub set of this group are the PFI operated schools. As the consumption data for these sites is not centrally collected, there have been some issues with data provision which are currently being worked through by the council Energy team and Environ. At the time of writing this report, consumption information had been passed to environ to enable these certificates to be lodged.
- 4.4 Trafalgar and Regency Car Parks were returned to Council management in November 2008 following their tenure with NCP. The council energy team have sought consumption records and have now supplied this data to Environ.
- 4.5 A similar situation is currently the case with three sites which are managed by DC Leisure. Two sites at Withdean Stadium along with Stanley Deason Leisure Centre have yet to provide the appropriate data to enable a certificate to be lodged.

- 4.6 A total of 30 non school sites are still to be lodged. 10 of these have been provisionally lodged and will be issued by 22nd June 2009. Consumption data for the remaining 20 sites has now been compiled and passed to Environ by to enable these to be lodged by the end of the month.
- 4.7 A total of 70 Certificates have now been lodged. With a further 10 sites receiving a provisional grade. The results based on 70% of the portfolio yield the following information as to the performance across the council.

Schools

- 4.8 Schools form the bulk of the council buildings requiring certification. The graph below shows the proliferation of scores across the council.



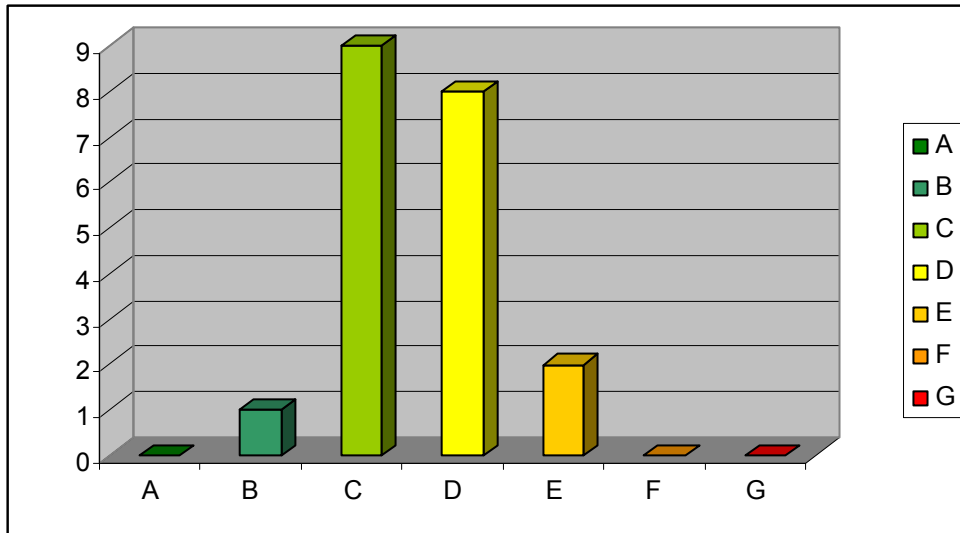
Buildings scoring D or above are deemed to be functioning above the typical performance for buildings of their type.

- 4.9 A total of 31 schools failed to reach this standard with 2 currently scoring G. However the 2 G grades were directly attributable to incomplete or corrupt data. Both cases are being investigated. A correction in either or both cases will not, however, be able to be lodge until the next round of certification.
- 4.10 From these results and with schools forming the bulk of the certificated sites it would appear prudent to target those schools receiving grades less that D with a view to improving these grades in the next round of certification.

Non School Sites

- 4.11 A total of 30 non school sites are still to be lodged. 10 of these have been provisionally lodged and will be issued by 22nd June 2009. Consumption data for the remaining 20 sites has now been compiled and passed to Environ by to enable these to be lodged by the end of the month.
- 4.12 Of the non school sites surveyed and certified at the time of this report, the majority fall within the Finance and Resources Directorate and include all of the main council offices and key sites such as the Jubilee library.

4.13 A further 10 sites received provisional grades. These provisionally graded sites will need to be finally verified before being lodged but have been included to give a true reflection of performance to date as shown below. Final grades will be produced by the 22nd June 2009, however performance across these sites is generally above typical.



5 Analysis

5.1 A total of 70 certificates have now been lodged. With a further 10 sites receiving a provisional grade. The results based on 70% of the portfolio allow us to conclude that the councils efforts are best directed towards improving the performance in schools.

5.2 Analysis of the advisory reports produced some generic themes:

- Improving energy management techniques
- Fitting zone controls to reduce over and under heating
- Implement programme of planned lighting systems maintenance
- Improving building fabric air tightness
- Introduce measures to reduce hot water usage
- Review building lighting strategies & propose alterations/upgrades

5.3 The advisory reports go on to suggest site specific actions which would have the highest impact and have a favourable financial profile. A number of these measures are already committed for delivery or should be followed up however, further analysis should be carried out to truly ascertain the cost benefit of delivering these measures. Key actions suggested include;

- Improving/introducing loft and/or cavity wall insulation
- Consider installing weather compensator controls on heating & cooling systems
- Consider upgrading major time controls to include optimum start/stop
- Constructing draught lobbies or installing door closers/revolving door solutions

- 5.4 From these results we can see that the DEC's provide a useful guide as to the sites within the portfolio where action should be targeted. It is, however important to note that the cursory nature of some of the inspections do not lend themselves to the immediate implementation of projects. An example of this would be the instances where the advisory reports have suggested the installation of biomass boiler plant at city centre schools without fully considering delivery and storage implications.
- 5.5 In conclusion, the council should use the DEC programme to identify sites for action, in the first instance concentrating on the 31, non PFI schools currently graded below D. The schools should be appraised on a site by site basis with the advisory reports serving as a guide to action. In all cases a cost benefit analysis must be carried out prior to committing to any of the identified actions. Once these criteria are met funds from existing programme such as Salix should be made available for project delivery.

6. CONSULTATION

- 6.1 Whilst no authorised data on national averages has been produced, various sources have stated the average grade across the UK to be D. Further evidence published at commencement of the programme suggested that one in four of the buildings assessed so far scored F or G, with less than 1% - scoring A (22 sites nationally).
- 6.2 Whilst this does suggest the council is in a similar position to other authorities, it should be noted that a number of the poor scores across the UK are equally as likely to be as a result of poor data as they are to be the result of poor insulation. For example some sites which are equipped with a high degree of renewable generation, could quite feasibly score G if the site has not kept a generation record in the format required. A situation which, whilst not condemning some schools in Brighton to a G rating has meant that best practice as demonstrated by one or two has not been recognised.
- 6.3 Further benchmarking has been carried out in association with East Sussex County Council Energy Management team. This benchmarking exercise revealed B&HCC to be in a similar position to other local authorities, scoring predominantly around D and with some final data delivery issues hindering completion. Most city councils have now identified October 2009 as an implementation deadline.

7 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 As all of the surveys were completed within the 08/09 financial year, no further payments for survey or certification are expected.

Finance Officer Consulted: Patrick Rice

Date: 17/06/2009

Legal Implications:

- 7.2 Display Energy Certificates form part of the final implementation in England and Wales of the European Directive 2002/91/EC on the Energy Performance of Buildings. The Directive is given effect by The Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (SI 2007/991 as amended).

The relevant parts of the Regulations are discussed in the body of the report. A more detailed guide to the scope and requirements of the Regulations can be found in the Communities and Local Government publication 'A guide to Display Energy Certificates and advisory reports for public buildings' issued in May 2008.

B&HCC are obliged to carry out all necessary surveys and display certificates by October 2009.

Equalities Implications:

- 7.3 There are no equalities implications.

Sustainability Implications:

7.4

- *Sustainable Consumption and Production* - The issue of certificates will increase awareness across the portfolio. The aim of this legislation is to thereby bring about a reduction in consumption and production.
- *Climate Change and Energy* – Similarly, the implementation of this legislation is designed to bring about a reduction in emissions in the short to medium term. The success of the certificated sites is reviewed annually with bench mark figures shown on yearly certificates. Regular performance monitoring of these sites forms a key part of the B&HCC climate change strategy.
- *Natural Resource Protection and Environmental Enhancement* – This indicator will not be affected by the proposed procurement.
- *Sustainable Communities* – This indicator will not be affected by the proposed procurement.

Crime & Disorder Implications:

- 7.5 There are no crime and disorder implications

Risk and Opportunity Management Implications:

- 7.6 There are no additional risk or opportunity management implications

Corporate / Citywide Implications:

- 7.7 The DEC's and Advisory reports will help the council understand its energy performance and its carbon footprint better and will assist in the identification and targeting of non-performing sites to enable better prioritisation of the resources available to the Council through Salix Finance and the Carbon Management Programme.

8 EVALUATION OF ALTERNATIVE OPTIONS

- 8.1 DEC's are a legal requirement and no alternative option is available.
- 8.2 To date Salix projects and associated funding have been allocated on an ad hoc basis. Project identification has required the Energy & Water Manager to suggest projects based on consumption and deviation from benchmark figures. Whilst continuing with this system may be effective, it lacks the targeted delivery offered by a DEC based implementation programme.

9 REASONS FOR REPORT RECOMMENDATIONS

- 9.1 The introduction of DEC criteria has enabled the council to finesse its project selection methodology with regard to retrofit projects. By adopting the DEC programme as the key project selection criteria B&HCC will be able to ensure that SALIX funds are best spent to reduce carbon emissions across the council portfolio.

SUPPORTING DOCUMENTATION

Appendices:

- 1. Schedule of DEC's lodged to date.

Documents In Members' Rooms

- 1. None

Background Documents

- 1. None

Lodged DEC Grades

Site	Contact (Head Teacher)	Grade	Date of issue	AR Produced
Balfour Infant School	Mrs Judith Kemp, Head Teacher	Grade D	19.01.09	YES
Carden School	Catherine Scott, Head Teacher	Grade D	13.01.09	YES
Cedar Centre	Mrs S Furdas	Grade D		YES
Downs County First School	Miss Regine Kruger, Head Teacher	Grade E	20.01.09	YES
Downs Park School	Mr P Herring, Head Teacher	Grade D	29.01.09	YES
Downs View Special School	Adrian Carver, Head Teacher	Grade F	10.02.09	YES
Fairlight CP School	Hazel Malpass, Head Teacher	Grade C	20.01.09	YES
Hertford Middle School	Daniel Weiner, Head Teacher	Grade E	19.01.09	YES
Hove Park Lower School	Tim Barclay, Head Teacher	Grade D	13.01.09	YES
Jubilee Library		Grade C		YES
Kings House	Jason Clarke	Grade B		YES
Middle Street School	Julie Aldous, Head Teacher	Grade D	15.01.09	YES
Ovest House	David Bond	Grade C		YES
Bevendean School	Mrs Claire Baldry, Head	Grade D	10.02.09	YES

	Teacher			
Carlton Hill School	Louise Willard, Acting Head Teacher	Grade E	12.02.09	YES
Deans Leisure Centre, Longhill School	Mr Haydn Stride, Head Teacher	Grade B	12.02.09	YES
Goldstone Junior School	Mr Chris Pearson, Head Teacher	Grade D	10.02.09	YES
Hangleton Infant School	Mrs Emma Lake, Head Teacher	Grade F	29.01.09	YES
Hangleton Junior School	Mr Glenn Livingstone, Head Teacher	Grade E	29.01.09	YES
Hove Park Upper School	Mr Tim Barclay, Head Teacher	Grade D		YES
Longhill Secondary School Block A	Mr Haydn Stride, Head Teacher	Grade F	12.02.09	YES
Longhill Secondary School B and T Block	Mr Haydn Stride, Head Teacher	Grade D	12.02.09	YES
Moulsecoomb Primary School	Mr Charles Davies	Grade D	10.02.09	YES
Our Lady of Lourdes School	Mrs E Prior, Head Teacher	Grade E	12.02.09	YES
St Andrews CE Primary School	Mrs J Claxton, Acting Head Teacher	Grade C	12.02.09	YES
Stanford Infant School	Mrs Karen Wicker	Grade D	12.02.09	YES
Stanford Junior School	Mr Gianni Franceschi	Grade D	12.02.09	YES

Benfield Junior School	Ms Lisa Perrins	Grade E	23.02.09	YES
Queens Park School	Mrs Anne Cox	Grade E	23.02.09	YES
Patcham Junior School	Mrs Karen McCallum	Grade C	23.02.09	YES
St Mary's RC Primary School	Mrs Joyce Jones	Grade E	23.02.09	YES
Somerhill Junior School	Mr Ben Parkhurst	Grade F	23.02.09	YES
Westdene Primary School	Mrs Debbie Crossingham	Grade E	March 09	YES
Portslade Community College 6 th Form Centre	Mr Mike Tait, Head Teacher	Grade D	March 09	YES
Balfour Junior School	Mr Tony Jones	Grade C	March 09	YES
St John the Baptist RC Primary School	Mr Dave Muscato, Head Teacher	Grade E	March 09	YES
Woodingdean Primary School	Mrs Gina Hutchins	Grade D	March 09	YES
Hillside Special School	Mr Bob Wall	Grade F	March 09	YES
Portslade Infants School	Mrs Dawn Oliver	Grade D	March 09	YES
West Blatchington Junior School	Mr Rob Thomson	Grade F	March 09	
St Paul's CE Primary School		Grade D	March 09	YES
Aldrington CE Primary School		Grade E	March 09	YES
Cottesmore St Mary's RC Primary		Grade E	March 09	YES

Schoo				
St Martin's C of E Primary School		Grade D	March 09	YES
St Mark's C of E Primary School		Grade D	March 09	YES
St Bartholome w's C of E Primary School		Grade D	March 09	YES
Coombe Road Primary School		Grade E	March 09	YES
Saltdean Primary School		Grade E	May 09	YES
St Josephs Primary School		Grade E	May 09	YES
St Bernadette's Primary School		Grade E	May 09	YES
Elm Grove Primary School		Grade D	May 09	YES
Falmer High School South Building		Grade C	May 09	YES
Portslade Community College Sports Centre		Grade D	May 09	YES
Portslade Community College Main Building		Grade D	May 09	YES
St Margarets C of E Primary School		Grade F	May 09	YES
Rudyard Kipling Primary School		Grade E	May 09	YES

Moulsecoomb Leisure Centre		Grade E		YES
Prince Regent Swimming Complex		Grade C		YES
Cardinal Newman 6 th Form Building		Grade B		YES
West Hove Infants School		Grade F		YES
Hove Library		Grade D		YES
Brighton Town Hall		Grade C		YES
St Mary Magdalene RC Primary School		Grade D		YES
Priory House		Grade D		YES
Bartholomew House		Grade C		YES
Hove Museum		Grade C		YES
Patcham High School Warmdene Block		Grade D		YES
Patcham High School Main Block		Grade G		YES
Davigdor Infant School		Grade F		YES
Patcham Infant School		Grade D		YES

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 14
Brighton & Hove City Council

Subject: Agency Contract for Temporary Staffing
Date of Meeting: 29 June 2009
Report of: Director of Strategy & Governance
Contact Officer: Name: Lance Richard Tel: 295925
E-mail: lance.richard@brighton-hove.gov.uk
Key Decision: Yes CS10635
Wards Affected: All

FOR GENERAL RELEASE

The reason for late inclusion of this item on Forward Plan is because it was previously on the Forward Plan and due to be considered at Cabinet. However, to reduce the burden of papers at Cabinet, it has subsequently been moved to the Cabinet Member Meeting with the agreement of the Leader.

1 SUMMARY AND POLICY CONTEXT:

The purpose of the report is to agree the process for the re-tender of the City Councils agency staffing contract at the end of the current contract period which expires on 19th March 2010.

2 RECOMMENDATIONS:

- 2.1 To seek approval to delegate approval powers to the Head of Human Resources following a tender exercise (in compliance with the European Union Public Procurement Directive) to re-let Brighton & Hove City Council for the provision of agency workers for all directorates across the council. The contract incorporates both requests for all temporary and interim workers.
- 2.2 The contract will be for 5 years with an option to extend a further two years, thus enabling the City Council to maximise the benefits to directorates and partner organisations in planning for their requirements both now and for the future. The recommended contract is for agency and interim staffing provided through a Hybrid Solution.
- 2.3 That the contract start date is 20 March 2010.

3 RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The current contract provides all agency staff for the council. The contract with has been in operation for four years and is due to expire in March 2010.
- 3.2 The planned expenditure on agency personnel is currently £4.6 million. This is reflecting a year on year reduction in bookings and spends even when taking in

account minimum wage & Working Time Regulation increases. During the lifecycle of the current contract savings to date are reflecting a reduction in spend of £1,047,798 from year one to year three.

- 3.3 Carlisle Managed Solutions (CMS) are the contracted agency staff neutral vendor for Brighton and Hove City Council. This means they are the single point of contact for managers requesting agency staff. The booking process centres around an online system. Booking managers can place requirements online, by telephone or fax. Managers are encouraged to use the online system, 80% of requirements where placed online.
- 3.4 A four year contract has been in operation since 20 March 2006 following a full EU competitive tendering process. CMS manage and co-ordinate the whole recruitment process for all categories of temporary (agency) staff, except City Clean on behalf of the city council
- 3.5 CMS operate a neutral vendor model of agency supply. This replaced 14 individual agency contracts that only achieved 80% compliance (i.e. 20% of all bookings were made out of the agreement.) CMS do not provide agency staff directly but contract with 85 agencies in the local area to meet the needs of the temporary workforce on behalf of the city council. The pre-employment safety checks, including, referencing, CRB and eligibility to work in the UK are managed by Carlisle.
- 3.6 The neutral vendor model enables greater control of the supply market and enables reduction in the mark-up over pay rate which has resulted in £418,376 savings in the last financial year. Previous year's savings are included in the annual report attached.
- 3.7 CMS receives income when savings are made. The savings are split by the following ratio:

Year 1:	06/07 BHCC 70% / CMS 30%
Year 2 & subsequent years:	07/08 BHCC 75% / CMS 25%

4 AGENCY USAGE & SPEND:

- 4.1 In the last financial year 08/09, CMS received a total of 10,601 booking which equates to an average of 884 per month. This is a reduction of over 600 bookings on the previous year.
 - CMS achieved a fill rate of 99% against a fill-rate target of 100%. Carlisle was unable to fill 126 requirements during the year period (approximately 10 per month). The unfilled requirements are reviewed at regular contract meetings to look at reasons why the shift could not be filled and to put positive actions in place to address this shortage of supply in particular areas.
 - Bookings equates an average of 259 temps (161 FTE) used per week. This is a reduction of 50+ FTE candidates on previous year.
- 4.2 The current provider carries out customer satisfaction surveys on a monthly basis these show a high degree of satisfaction with over 98% of temporary workers provided would be rehired.

5 COST SAVINGS

5.1 The total cost savings for 2008/2009 was £418,376. These costs savings are realised through reduced mark-up over pay rates. Additional savings of £8,000 an hour are saved by the reduction in bookings on previous years.

Savings	Year 1	Year 2	Year 3
April	£ 27,238.00	£20,616.00	£25,081.00
May	£ 29,250.00	£26,086.00	£27,174.00
June	£ 35,779.00	£31,468.00	£35,869.00
July	£ 29,613.00	£23,859.00	£28,834.00
August	£ 30,684.00	£23,954.00	£29,880.00
September	£ 39,175.00	£31,370.00	£39,272.00
October	£ 31,006.00	£28,752.00	£37,346.00
November	£ 28,798.00	£28,515.00	£37,118.00
December	£ 32,153.00	£29,958.00	£43,300.00
January	£ 24,559.00	£24,097.00	£39,611.00
February	£ 25,978.00	£28,137.00	£35,875.00
March	£ 33,093.00	£35,545.00	£39,016.00
	£367,326.00	£332,357.00	£418,376.00

6 PROJECT WORK - REDUCING THE RELIANCE ON AGENCY STAFF

6.1 A real benefit which has been realised from the Carlisle contract is the quality of management information. A monthly strategic report is produced which analyses all factors of agency use; expenditure, numbers used, demographics, equalities monitoring information and progress against key contractual targets.

6.2 With this information a project worker has worked with the local manager to plan for cost effective alternatives were temps have been engaged for lengthy periods and where particular teams are using excessive amounts of agency staff which allows for informed challenge in reducing agency requirements.

7 THE TENDER PROCESS

7.1 The schedule of activity is itemised on the schedule below.

Timetable confirmed by Cabinet		9 July 2009
Issue tender notice for publication in OJEU		22 July 2009
Invite expressions of interest and issue pre-qualification questionnaires (PQQ)		29 July 2009
Closing date for receipt of PQQ	37 days	4 September 09
Evaluation of PQQs	14 days	7 September 09
Invitation to tender documents issued		25 September 09

Tender period	40 days	
Tender closes		6 November 09
Tender evaluation and presentations		9 – 27 November 09
Preferred Bidder		3 December 09
ALCATEL stand-still period	10 days	4 December 09
Contract start		20 March 2010

7.2 The specification for the contracted service will build upon the success of the current model using a hybrid managed solution model. This will continue to give booking managers the single point of contact for the booking of agency workers and the single invoicing process and a greater degree of control.

The Neutral Vendor Model: This gives a single point of contact for managers requesting agency staff to an organisation that does not provide staff themselves but contracts with other providers. The contractors over time are tiered against a quality matrix according to their performance.

Hybrid Managed Solution Model: This model gives a single point of contact for managers requesting agency staff. The organisation can provide staff directly themselves and can also block contract categories of staffing to a single provider to enable greater purchasing power in securing better rates.

7.3 The contract will be accessible to other organisations in the region as well as partner organisations of the City Council. This will enable others to take advantage of the reduced mark up over pay rates negotiated through this contract.

7.4 The cost of the service will continue to be met through a transactional charge similar to that currently made with cost savings passed on to hiring managers.

7.5 This contract will incorporate agency requirements at City Clean at the end of the current contract period as agreed by Cabinet in October 2008.

7.6 The addition of interim bookings being sought through the contract will enable the council to increase the level of savings overall and for the first time give the council clear management information on the level and cost of interim staffing.

7.7 Currently 90% of all workers provided through the contract have to be sourced within the Brighton & Hove boundary this contributes to the local economy by providing local employment to local people.

7.8 To ensure value for money the procurement exercise will be evaluated using criteria based on the contracts “Key Performance Indicators” and the final three companies will be asked to present to a council panel including representation from both the legal and financial departments.

8 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 8.1 The estimated spend on agency staff over the first five years of the new contract (from 2010/11 to 2014/15) would be in the region of £35m. It is hoped that efficiency savings will be made year on year over the life of the contract especially in relation to 'interim' staff (those currently outside of the contract who are required to go through interview) where add-on costs from the agency should be significantly reduced when they become included within the contract. Additionally as the contract progresses, further savings opportunities may be developed.

It is also expected that the further development of in-house pools of staff will continue.

Finance Officer Consulted: Peter Francis

Date: 01/06/2009

Legal Implications:

- 8.2 A contract providing this type of service falls under 'Part B' of the EU Procurement Directive and accompanying UK Regulations. As a result, the contract will be subject to the partial application of both the Directive and Regulations and should be procured accordingly. The procurement timetable set out above indicates that the legal requirements will be met and exceeded. Contracts over £75,000 must be prepared in a form approved by the Head of Law. The Council must take the Human Rights Act into account in respect of its actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.

Lawyer Consulted: Sonia Likhari

Date: 20/06/2009

Equalities Implications:

- 8.3 The contract will be drawn up and awarded to support the council's race equality scheme and its broader equalities duties. The performance indicators set for the diversity of workers supplied through the contractual arrangements mirror those of the council.

Sustainability Implications:

- 8.4 The contract will be awarded to support the council's sustainability strategy.

Crime & Disorder Implications:

- 8.5 The contractor will be responsible for carrying out all necessary checks prior to placing an individual worker. Under the terms of the contract this includes, appropriate health checks, references and right to work in the UK.

Risk & Opportunity Management Implications:

- 8.6 The Key risks are:

- Failure to let the contract – Resulting in increased cost and operational disorder.
- Failure to provide the service – As above and increased risk to clients receiving care.
- Failure to manage the contract which would lead to complaints and cost implications.

Corporate / Citywide Implications:

8.7 The letting of this contract contributes actively to a number of the councils priorities:

- Under the terms of the contract 90% of all workers provided will be residents of Brighton & Hove enabling opportunities for local employment. The contractor will sign up to a commitment to the councils Local Employment Plan, as a condition of the contract ,giving opportunities to local people who are currently long term unemployed or living on benefits.
- The letting of this contract will contribute to the agenda of better use of public money. The decision to award the contract is based on a mechanism that considers both value for money and the quality of services provided.

9 EVALUATION OF ANY ALTERNATIVE OPTION(S):

9.1 Alternative options for the provision of workers to the council: Consideration of an in-house bid has been reviewed in view of the payment complexities and the variety of workers requested this is not operationally or financially viable.

9.2 The option of a master vendor model (single provider) has been considered. This would damage our relationship with niche providers who are locally based and source workers locally.

10 REASONS FOR REPORT RECOMMENDATIONS

10.1 Following a tender process in line with both EU and council regulations the contractor will need to demonstrate through his tender submission and subsequent presentation that they are the company which has provided most evidence to support they ability to deliver on this contract.

10.2 The contract will support a number of the council's priorities in both better use of public money and increased opportunities for employment of local people contributing to the growth of the local economy.

SUPPORTING DOCUMENTATION

Appendices:

1. None

Background Documents

1. None

CENTRAL SERVICES CABINET MEMBER MEETING

Agenda Item 15
Brighton & Hove City Council

Subject:	Corporate Procurement of Energy – 100Kw Energy contract for 2009-10.		
Date of Meeting:	29 June 2009		
Report of:	Director Finance and Resources		
Contact Officer:	Name: Jason Clarke	Tel: 29-1431	
	E-mail: Jason.Clarke@brighton-hove.gov.uk		
Key Decision:	N/A		
Wards Affected:	All		

1. SUMMARY AND POLICY CONTEXT:

The council's current 100kw electricity supply contract with Eon is due for termination on 30th September 2009. The portfolio encompasses 22 buildings, including several major sites, notably Brighton Conference Centre, Kings House, King Alfred Leisure Centre, Royal Pavilion, Brighton Town Hall, Hove Town Hall, Bartholomew House, Priory House, Bartholomew Car Park and 7 Secondary Schools. The council has committed to procure energy solely from 100% renewable sources. This report explains the current market, the testing undertaken to achieve value for money and gives the council's energy expert's recommendations with regard to the future contracting of the 100kw electricity contract.

2. RECOMMENDATIONS:

- 2.1 Following soft market testing, the council's energy expert recommends that, in order to maintain the supply of 100% renewable energy and to secure the best possible price, a new 100 kW electricity contract is placed with Eon for 12 months. This recommendation is made in the belief that the council remains committed to the procurement of electricity from 100% renewable sources and Eon's position as the only available supplier. The contract would commence at the current predicted price of approximately £1.1m pa.
- 2.2 This report also recommends that powers be delegated to the Director, Finance and Resources in consultation with the Cabinet Member to enable the contract to be placed without delay, ensuring the lowest possible price.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 Brighton & Hove City Council (B&HCC) has utilised 100% green energy from renewable sources for the past seven years, a commitment which has formed a central plank in the council's sustainability and use of natural resources strategies. Soft market testing of the 100Kw electricity contract has been

undertaken by the council's energy expert with the aim of achieving value for money. The council carried out a full OJEU tender exercise for the electricity 100Kw contract in 2007, at this time only four suppliers were able to offer electricity from 100% renewable sources for the entire portfolio. Since this time, there have been no new entrants into the over 100kW market. The market has in fact been characterised by a reduction in suppliers due to corporate mergers. A soft tender exercise was conducted on 11th February 2009, Documents were issued to those companies which were able to offer Electricity from 100% renewable sources during the last OJEU tender exercise.

3.2 Of the 4 suppliers notified only the incumbent supplier Eon, was able to look at securing the purchase of Green Energy for the entire portfolio Other suppliers included in original tender included :

- EDF – Only Brown offer available.
- Npower – Only Brown offer available.
- British Gas – Did not quote for either, as we requested green energy for sites.

During the period since the placement of the current contract on 2 July 2007, we have seen huge fluctuations in the price of wholesale electricity, driven by the global price of oil which rose to \$148/ barrel in October 2008 before falling back in the subsequent months. This led to a peak electricity generating cost of around £55/MWh; this is shown in **Appendix A**. By fixing the price for a 2 year term in 2007 the council was able to secure electricity at a generated price of around £24/MWh a saving of around £0.6 m per annum.

3.3 Oil prices which currently sit at around £68\$/ barrel, are now beginning to rise again, taking wholesale electricity prices with them. Current predictions estimate that the price of oil will reach 100\$/barrel by the end of the year. With this in mind the council would be well placed to fix a price as quickly as possible.

3.4 Having thoroughly tested the market, it is the opinion of the councils Energy advisors that no other supplier in the market place can supply B&HCC for the entire portfolio from 100% renewable sources other than Eon and would therefore recommend placing a contract with them. As the only available supplier of electricity from 100% renewable sources, demonstrated by the tender exercise and all available advice, the council may enter into a negotiated contract directly with Eon as the most expedient route to secure a price.

4 OPTIONS

4.1 Whilst the council remains committed to continuing it's policy of procuring energy from 100% renewable sources, all other alternatives were explored to ensure an accurate market appraisal and to illustrate the financial implications of this policy decision.

4.2 The alternative to a negotiated contract with the sole supplier capable of supplying electricity from 100% renewable resources would be to carry out a full OJEU tender exercise with revised criteria, to include electricity from non renewable (brown) sources. Whilst this may provide some saving against the price of energy from 100% renewable sources (circa 5%), this is likely to be mitigated by the price rise that we would expect to see during the full OJEU process (min 52 days).

Framework

- 4.3 The option to purchase electricity via a Framework supplier as offered by purchasing purchasing solutions (formerly OGC) was also investigated. Purchasing via a consortium does allow some flexibility in purchasing volumes and has consistently been seen to provide discounts. However his route will only allow energy to be sourced from one supplier, EDF, who as demonstrated by the soft tender exercise and reinforced through discussions with the purchasing solutions framework supplier, are unable to supply electricity from 100% renewable sources. Additionally, B&HCC would not be able to enter the current purchasing round and as such would need to secure an interim contract for 6 or 12 months before joining the purchasing framework in either April or October 2010

ESCC

- 4.4 Aligned purchasing with East Sussex County Council was also investigated. The ESCC contract will also expire at the end of September. ESCC are likely to utilize Purchasing solutions for their next contract and having not commenced purchasing will themselves need to secure an interim contract for 6 or 12 months, unfortunately removing any short term benefits.

5 TENDER ANALYSIS

- 5.1 As the sole organisation to return on the tender exercise Eon were asked to provide prices for 12 or 24 months. Prices for brown energy as provided by Eon are also shown by way of an indication of current market prices were the council to no longer seek energy from 100% renewable sources.

The table below clearly shows that electricity from 100% renewable sources currently attracts a premium of 0.476p/kwh, which represents a 5.5% difference (£61k) and the chart below shows a cost comparison between the brown and green energy offers.

<u>Supplier</u>	<u>Expected Total (£)</u>	<u>Increase (£)</u>	<u>Increase (%)</u>
Current annual spend	825,923		
Eon 12 month proposal (GREEN)	1,112,295	286,372	34.67
Eon 24 month proposal (Green)	1,166,586	340,663	41.32
Eon 12 month proposal (brown energy)	1,050,958.	225,035	27.24
Eon 24 month proposal (brown energy) p.a	1,105,296	279,373	33.83

Please note that these prices are indicative and are for guidance. They should be confirmed fully on placing a contract.

- 5.2 Analysis of the figures show that the bid for a supply period of 12 months offers better value than the 24 months received from Eon Energy in the short term and would allow the council the flexibility to investigate procurement via a Framework or any other value for money options.
- 5.3 The 12 month offer currently values the contract portfolio at £1.112m per annum, an increase of £0.286m per annum from £825,923. This 34.67% rise, is in line

with market trends and if tendered any later would incur much higher price rises as the \$/barrel price is set to keep rising.

- 5.4 It is evident that the tender returns show a 34.67% price rise and this is the forecast of the increased price that the council will be paying in the market if the contract is placed now. From the experience of the council's energy expert and all market analysts these prices are of the correct order to reflect the current market state and represent value for money.

Market volatility

- 5.5 The market price rises are due to a number of economic reasons, the most influential being the price of oil in the international supply market. The close link between UK electric prices and this globally traded commodity has meant that as significant world events occur, such as high oil demand in emerging economies, the "credit crunch" and various geopolitical events, the UK energy prices are also affected. Suppliers are now placing an element of risk within the unit prices in their pricing structure on all contracts.

6 RECOMMENDATIONS FOR BHCC

- 6.1 Based on the above analysis the council's energy consultants recommend the placement of a 12 month contract with Eon for the half-hour sites to be secured via a negotiated agreement. This will ensure the cheapest price at this stage, guarantee green energy for a further year and enable the council to retain the option of procuring via a framework or other options.
- 6.2 The prices returned are only valid for the day they were quoted and will have to be re-quoted when a firm decision is made by the Council, thus the attached prices are for guidance only. The energy consultant will require the authority of the Council to approach the selected supplier, subject to contract and Council final approval, as soon as possible. As such it is requested that powers be delegated to the Director Finance and Resources to ensure this is carried out with the minimum delay.

7. CONSULTATION

- 7.1 Market evaluation has been carried out by the council's energy consultant and assessed by the council's Energy & Water Manager. Further benchmarking has been carried out in association with East Sussex County Council Energy Management team and the national framework with Purchasing Solutions. Further advice on procurement routes was obtained from the B&HCC senior procurement advisor.

8 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 8.1 The council has benefited for the past 2 years from a fixed price contract commenced in 2007 that secured a 16 % saving in price. The recommendation to extend the existing contract with E-on for 12 months will see an increase in price of 34.6%, however this has been market tested, reflects the current market position and represents value for money. It is felt that to agree a contract at this time would enable the council to secure the most advantageous unit prices. The increased energy costs would need to be covered within directorates cash limit

budget allocations for 2010/11. For 2009/10 directorates would need to find in year savings to absorb the part year pressure. Assuming the relet in September 2010 is at the same prices as the proposed contract the pressure per directorate would be:

Directorate	2009-10 Budget	2009-10 Pressure	2010-11 Pressure
CYPT	197,000	34,000	64,000
Culture & Enterprise	292,000	51,000	95,000
Environment	216,000	37,000	71,000
Finance & Resources	242,000	42,000	79,000
	947,000	164,000	309,000

Finance officer consulted: Patrick Rice

Date: 16/05/09

Legal Implications:

- 8.2 A new contract for electricity supply of the value indicated is subject to EU procurement rules, as implemented by the Public Contracts Regulations 2006. Although there is a current contract in place with Eon, any extension of this would also constitute a new contract for these purposes. However the legislation allows for negotiations to take place with a single contractor where that contractor is the only UK/EU supplier capable of supplying the product (in this case green energy). Otherwise the contract will be subject to the usual procedures relating to the advertising and tendering of contracts laid down by the legislation.
- 8.3 The Council must take the Human Rights Act into account in respect of it's actions but it is not considered that any individual's Human Rights Act rights would be adversely affected by the recommendations in this report.'

Lawyer consulted: Sonia Likhari

Date: 15/05/09

Equalities Implications:

- 8.4 An Equalities impact assessment has not been carried out as it is unlikely that the renewal of the contract will have any equalities implications

Sustainability Implications:

- 8.5
- *Sustainable Consumption and Production* - The renewal of the contract will not directly impact the consumption or production however we will aim to minimise consumption
 - *Climate Change and Energy* – The ability to secure the 100kW electricity contract from renewable sources will greatly reduce the council's carbon emissions and footprint and supports the council's Sustainability policy and Climate Change action plan. However, it should be noted that incoming legislation around the Carbon Reduction Commitment (CRC), does not confer any benefit for the use of green energy.
 - *Natural Resource Protection and Environmental Enhancement* – The council has consistently stated it's commitment to the use of electricity from 100% renewable sources. A commitment that has been again stated in the ongoing CAA natural resources audit.
 - *Sustainable Communities* – Consultations have been conducted with relevant parties and will need to be undertaken with schools.

Crime & Disorder Implications:

- 8.6 There are no crime and disorder implications

Risk and Opportunity Management Implications:

- 8.7 There are no additional risk or opportunity management implications

Corporate / Citywide Implications:

- 8.8 Key corporate implications are the increase in unit price. The council has sought the best possible price and is satisfied that the proposed extension represents value for money.

9. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 9.1 The options researched and analysed by the council's energy consultant and Energy & Water Manager include Purchasing Solutions, alignment with ESCC and soft market testing through a tendering exercise of the existing contract rates on a "brown" and "green" offer. These options have been benchmarked and compared against the current market conditions and it can be seen that the consultants recommendation to a 12 month contract with Eon on the "green" offer reflects the current market conditions and represents value for money.

- 9.2 Due to the volatile market conditions the council may need to re-assess the requirement for electricity to be supplied from renewable sources if the price rises over the next 12 months become unsustainable and may need to balance out the reduction of carbon emissions against budget requirements and see if there are alternative ways of reducing carbon emissions that may be seen as more cost effective.

10. REASONS FOR REPORT RECOMMENDATIONS

- 10.1 The council's 100Kw electricity contract supplied from renewable sources is on a fixed offer that expires at the end of September 09. The main grounds for the recommendations that are sought are to allow BHCC to benefit from the best price available, contract from a renewable source and obtain value for money within a volatile market where prices are held for a maximum of 24hrs.

SUPPORTING DOCUMENTATION

Appendices:

1. Price Variances from July 02-April 09.

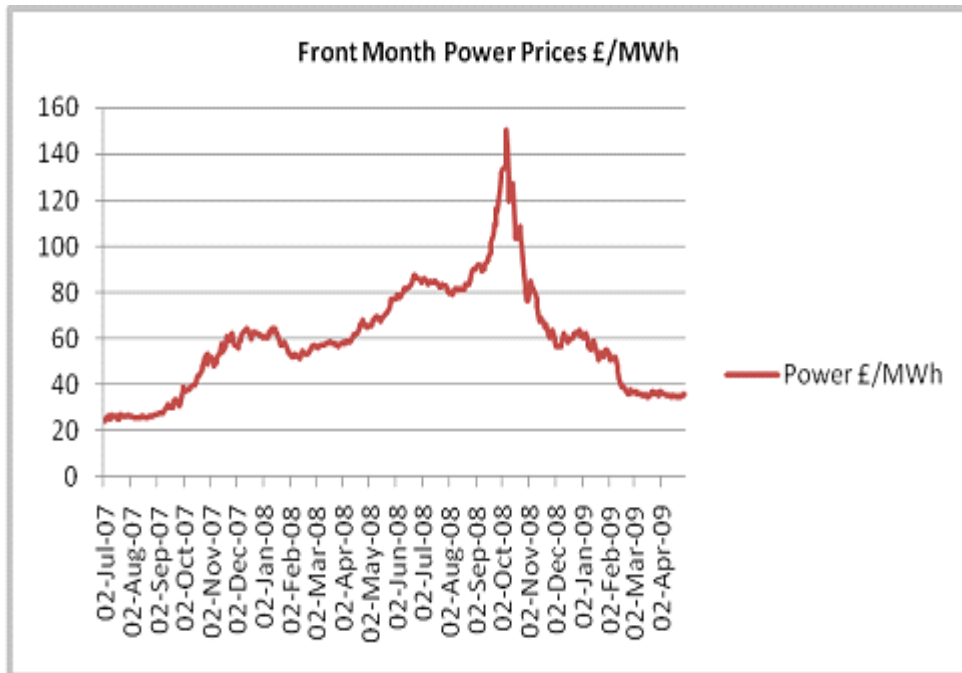
Documents in Members Rooms

1. None

Background Documents

1. None

APPENDIX A



The graph above shows the variances of MWh base price. 02 July 07 (£24/MWh) to 02 April 09 (£37/MWh). an increase of 36% over the course of the contract.

