



## Report of the Leader

Cabinet – 20 June 2019

### Building Capital Maintenance Programme 2019/2020 Additional Welsh Government Funding

<b>Purpose:</b>	To agree the schemes to be funded through the additional Capital Maintenance allocation for 2019/20.
<b>Policy Framework:</b>	Financial Procedure Rule No.7 (Capital Programming and Appraisals)  The Revenue and Capital Budget as reported to and approved by Council on the 28 <sup>th</sup> February 2019
<b>Consultation:</b>	Access to Services, Finance, Legal, Education,
<b>Recommendation(s):</b>	It is recommended that Cabinet:  1) Approves the proposed additional capital maintenance schemes for Building Services, as listed in Appendix A. 2) Authorises the financial implications identified in Appendix C to be included in the capital programme.
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#### 1.0 Introduction

Cabinet has previously approved the Council's Asset Management Plan for Property Assets which sets out a series of measures to improve the management and performance of the property portfolio. This Report sets

out the way in which the additional Welsh Government funding for Capital Maintenance resources for 2019/20 will be deployed.

## **2.0 Capital Programme Process**

On 28<sup>th</sup> February 2019, Council approved a Capital Maintenance allocation of £4m for the Authority's building portfolio plus a further £700k for the Social Services asset portfolio. Subsequently, on 21<sup>st</sup> March 2019, Cabinet approved the proposed schemes to be funded through this Capital Maintenance allocation.

- 2.1 An offer of further funding was received from Welsh Government for Education projects that had been completed in 2018/19 and the Authority were successful in their application this displaced the unsupported borrowing to fund £2,921,162 of additional Education projects that must be completed in 2019/20.

## **3.0 Objectives of Scheme**

- 3.1 The proposals set out will directly support the corporate objectives of the Authority, in relation to the maintenance and improvement of the Authority's building portfolio.
- 3.2 This maintains the previous commitment to address the significant backlog of maintenance and minimise the potential effect of unforeseen breakdowns of building elements.
- 3.3 As was reported in previous building maintenance programme reports, attention needs to be drawn to the fact that the Authority still has a significant backlog of maintenance and whilst there have been some reductions in this backlog, the limited programme contained within the 2019/20 budget, whilst being very important, will not remedy the immediate backlog.

Notwithstanding the current financial pressures, further budget provisions will therefore need to be made in subsequent years to maintain this investment and minimise the risks of failure and unplanned closures.

- 3.4 The list of identified schemes (**Appendix A**) has been selected on a priority basis. The criteria for selection (unless otherwise stated) was based upon Condition rating as independently determined by the recently completed, externally commissioned condition surveys, legislative compliance, Health and Safety implications, likelihood of failure and business continuity. Whilst all schemes have been selected on these criteria there are a number of similar priorities which we are unable to progress within the budgets available.

## **4.0 Description of Schemes**

4.1 The recommended list of schemes is included in **Appendix A** and to assist, a brief summary of the planned works have been included, as follows:-

- 1) **Statutory Compliance - Electrical**  
The schemes listed consist of total rewires, partial rewires or upgrades to ensure safety and compliance with electrical regulations and maintained operation of the premises.
- 2) **Essential Building Repairs**  
The schemes listed in **Appendix A** are a combination of prioritised schemes and allowances linked to the ongoing maintenance strategy which include roof renewal and window replacement.
- 3) **Kitchen compliance**  
All kitchens that currently require Air Quality/CO (Carbon Monoxide) testing work (AQT) to aid compliance to coincide with the extraction canopy programme of works.

## **4.2 QEd Programme**

4.2.1 The proposed list of schemes listed under **Appendix A** is based on the technical assessment of the individual establishments, resulting in the prioritised listing attached. However consultation has taken place with Education colleagues to confirm that none of the suggested schemes will conflict with the Authority's proposed Band B programme.

## **5.0 Equality and Engagement Implications**

5.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above.

5.2 An EIA has been carried out for this project and is attached as **Appendix B**. The impact has been determined as low priority and as such, a full EIA is not required at this stage. The additional Capital Maintenance investment within building assets in Swansea will help to realise a more

sustainable asset portfolio for Swansea Council. Where relevant, each specific project for which funding is agreed will be screened for an Equality Impact Assessment.

## **6.0 Financial Implications**

### **6.1 Capital**

The total capital cost of the additional schemes in the Authority's Buildings Portfolio amount to £2.921m and will be fully funded by the displaced unsupported borrowing from 2018/19. Details are set out in **Appendix C**.

### **6.2 Revenue**

Maintenance costs will be met from existing revenue budgets.

## **7.0 Staffing Implications**

7.1 Elements of the design and works may be procured externally to supplement in-house resources although the first call will be to seek interest from neighbouring Authorities if required.

## **8.0 Procurement**

8.1 The additional 2019/20 Capital Maintenance projects identified within **Appendix A** of this report will therefore be delivered by a combination of in-house resources, with other projects procured in line with Contract Procedural Rules. Any externalised works will be procured in accordance with Contract Procedure Rules (CPRs) and procurement rules and regulations.

## **9.0 Legal Implications**

9.1 As indicated in paragraph 4 of the Report, the Council must comply with various statutory requirements as well as general obligations under the Occupiers Liability Acts. All works and services required to deliver the projects must be procured in accordance with the Council's CPRs as stated in paragraph 8.

**Background Papers:** None

### **Appendices:**

Appendix A: Capital Maintenance Budget 19/20 – Proposed Programme

Appendix B: EIA Screening Form

Appendix C: Financial Implications Summary – Building Services