

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

2300

Author:

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Department:

Development

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Subject:

Essential Planned Maintenance Nottingham City Council Properties

Total Value:

£471,000 (Type: Revenue)

Decision Being Taken:

- 1) To approve the funding of essential planned maintenance schemes to Nottingham City Council Properties in the sum of £471,000. As detailed below in exempt Appendix A**
- 2) To authorise the placing of orders for the works arising out of those schemes through direct in-house Direct Labour Organisation (DLO) / Nottingham City Homes (NCH) and Nottingham City Council (NCC) approved procurement routes.**

Reasons for the Decision(s)

An assessment for the most appropriate delivery route, based on capacity, specialism and VFM is regularly reviewed at 'Make or Buy/Commercialism' working party meetings. Attendees include; Property Services/NCH/Neighbourhood Services/Organisational Transformation.

Planned maintenance is essential to ensure that Nottingham City Council's assets are fit for the purpose required of them to deliver services and do not deteriorate and become unmanageable or cause health & safety risks.

From analysis of Council property data, including condition surveys, a programme of annual planned maintenance schemes has been prepared and prioritised. The programme is based on the requirement to bring properties from their present condition to ensure that they are 'fit for purpose', to meet statutory and contractual obligations and to maintain them at the required standard for service delivery.

It is recommended that the funding is approved for the programme of planned maintenance to the properties shown in Appendix A to support departments in service delivery and meeting statutory requirements.

The total cost of this programme is £471,000, which is within the Planned Maintenance budget allocation of £4.344m for 2015/16, plus a Capital Maintenance Reserve of £358,000.

The programme of works will be procured through the already approved procurement routes and in accordance with OJEU compliance. Value for Money will be achieved by utilising a mix of the following procurement methods for planned maintenance spend where appropriate;

Use of in-house resources (Neighbourhood Services / NCH DLO) where appropriate.

Use of open book frameworks such as the EMPA II (East Midlands Property Association), and the current Repairs & Maintenance Framework via Woodhead One.

Along with appropriate continuous improvement plans, these frameworks employ performance measurement and monitoring against set Key Performance Indicators (KPIs) including; time, cost, quality, client satisfaction and Health & Safety.

Additional KPI's include local labour, local spend, waste and fair payment, Small Medium Enterprise (SME) engagement and spend, energy use and respect for people.

Creation of training and apprenticeships schemes through Framework contractors.

Use of the above Frameworks include the undertaking of regular audits of data reported by all contractors and benchmarking against nationally available data by Scape.

Additional benefits include;

Reduction in time consuming administration (e.g. tendering), helping to speed up project timescales

Contractor on board early with the project and can be involved in design & value engineering, assisting with areas such as buildability, construction phasing, etc. (again helping in overall programme timescales)

There are no tender costs or maintenance of 'select list' of contractors

Supplier evaluation and feedback can be more constructive and targeted helping create more efficient planned programmes of work.

Value for money will additionally be achieved through the delivery of a properly planned programme of works. This will ensure that properties are maintained to a standard fit for the appropriate operational use / service being delivered from the site and that services continue to be provided uninterrupted from building failures.

Value will be achieved by helping to ensure that the Council moves towards a model of recognised good practice to allocate planned and reactive maintenance on an ideal ratio of 70:30.

Hence effective planned maintenance reduces the level of responsive maintenance (which by its nature offers reduced value benefits) and allows funds to be used more effectively on tackling backlog maintenance.

Other Options Considered: Do nothing - this option was rejected as failure to maintain City Council properties will cause a risk of building closure and service disruption, or failure to raise revenue.
Undertake reactive repairs only when system breakdowns or significant property malfunctions occur - this option was rejected because reactive repairs will incur increased costs over planned maintenance and may risk unplanned building closure, service disruption and loss of revenue.

Background Papers: None.

Published Works: None.

Affected Wards: Citywide

Colleague / Councillor Interests: None.

Any Information Exempt from publication: Yes

Exempt Information:

Description of what is exempt: Appendix A - details of maintenance works.

An appendix (or appendices) to this decision is exempt from publication under the following paragraph(s) of Schedule 12A of the Local Government Act 1972

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).

Appendix A is exempt from publication under paragraph 3 of Schedule 12A to the Local Government Act 1972 because it contains information relating to the financial or business affairs of the City Council and, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

It is not in the public interest to disclose this information because it contains details of proposed expenditure on individual schemes which would prejudice the Council's position when seeking quotations for the works.

Documents exempt from publication:

DDM-PlannedMaintenance-Nov2015-V2-ProjectList.pdf

Consultations:

Those not consulted are not directly affected by the decision. List of projects were discussed and endorsed at the Corporate Leadership Team Sub-Group meeting held 18 November 2015

Crime and Disorder Implications:

None

Equality:

EIA not required. Reasons: It would be disproportionate to carry out EIA - the decision or report is not relevant to equality in that there is no way it could have any different effect on people in relation to their race, gender or transgender, disability, religion or belief, sexual orientation, age, maternity or pregnancy, marriage or civil partnership.

Decision Type:

Portfolio Holder

Subject to Call In:

Yes

Call In Expiry date:

20/01/2016

Advice Sought:

Legal, Finance, Procurement

Legal Advice:

The proposals set out in the report raise no significant legal issues and, on the basis of the rationale put forward, are supported.
Advice provided by Malcolm Townroe (Legal Services Manager) on 25/11/2015.

Finance Advice:

The cost of this work is estimated at £471,000. Included in this sum is a sum of £160,000 which will be met from the Capital Maintenance reserve of £358,000 in 2015-16. The balance of £311,000 can be met from the Planned Maintenance budget of £4,344m in 2015/16.
Advice provided by Georgina Lewis (Finance Analyst) on 25/11/2015.

Procurement Advice:

There are no significant procurement concerns with the recommendations set out in the report. The award of works internally to NCC's DLO and NCH are in line with the Council's Constitution. The EMPA Framework Agreements provide a compliant route for additional works to be undertaken. Any further requirements will be need to be procured in-line with the procurement regulations and supported by the procurement team.
Advice provided by Sue Oliver (Category Manager - Procurement) on 25/11/2015.

Signatures

Graham Chapman (PH for Resources and Neighbourhood Regeneration)
SIGNED and Dated: 13/01/2016
David Bishop (Deputy CE, CD for Development and Growth)
SIGNED and Dated: 11/01/2016