

<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">CABINET</p> <p style="text-align: center;">10 SEPTEMBER 2018</p>	
<p style="text-align: center;">CORPORATE PLANNED MAINTENANCE PROGRAMME (CPMP) 2018/2019</p>	
<p>Report of the Cabinet Member for Finance and Commercial Services: Councillor Max Schmid</p>	
<p>Open report A separate report on the exempt part of the Cabinet agenda provides financial information.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Consultation The CPMP has been developed in consultation with the service departments and from information provided by the Council's contractor Amey Community Ltd.</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Hitesh Jolapara – Strategic Director for Finance and Governance</p>	
<p>Report Author: Sebastian Mazurczak Corporate Professional & Property Services Team Manager - Building & Property Management Division</p>	<p>Contact Details: Tel: 0208 753 1707 E-mail: Sebastian.mazurczak@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

- 1.1. The purpose of this report is to provide proposals for the delivery and funding of the 2018/2019 Corporate Planned Maintenance Programme (CPMP) for the Council's corporate property portfolio.
- 1.2. Currently, the CPMP has been solely delivered as part of the Shared Services Total Facilities Management (TFM) contract awarded to Amey Community Ltd (referred to as ACL) with majority of works and professional services being delivered directly by ACL based on a single source delivery model (Works and Professional Services).
- 1.3. As part of the Council's decision to move away from a shared to a sovereign in-house service, the Council established its own client-side project management function. The client-side function, will be considering additionally

supplementing the works by self-delivering key work streams with the use of existing public frameworks that LBHF are members of where appropriate, alongside with the use of ACL for other projects.

- 1.4 All works will be the subject to close scrutiny by Corporate Property Services (CPS) in respect to obtaining best value and only works of an essential nature will be undertaken. It should also be noted that the final commitment of any individual capital project work over £25,000 is subject to a Cabinet Member Decision or Key Decision subject to the value of works over £100,000.
- 1.5 The head of service for the in-house client-side team will need to ensure the works will be monitored and tracked incorporating operational changes made, ensuring that the overall budget outlined in the CPMP is not exceeded.
- 1.6 The in-house client-side team will manage these projects through verification and scrutiny to yield best results with regards to value for money and expedited service delivery. Council's set Standing Orders protocols and Governance will still remain in place for final approval as described in 1.4 before any projects are undertaken.

2. RECOMMENDATIONS

- 2.1 To approve the 2018/2019 Corporate Planned Maintenance Programme (CPMP) as outlined in detail in Appendix 1 (attached to the exempt part of the report) subject to any amendments as agreed for operational reasons by the Strategic Director of Finance and Governance, with the final commitment of any individual project over £25,000 subject to a Cabinet Member Decision or Key Decision depending on the value of works over £100,000.
- 2.2 That the 2018/2019 CPMP be monitored and reported on for any operational changes. The Strategic Director of Finance and Governance in consultation with the Cabinet Member for Finance and Commercial Services to approve any minor variation to the 2018/2019 CPMP.
- 2.3 That the 2018/2019 CPMP monitoring report be prepared for the Cabinet Member every quarter to show any deviations over or under £5,000 compared to the original key decision report for the year. Projects with variations under £5,000 are to be reported in the summary as a financial adjustment within the report.

3. REASONS FOR DECISION

- 3.1 Key decision is required to provide proposals for the funding and delivery of the 2018/2019 CPMP programme and to obtain approval, which is a fundamental element of the Council's strategy for dealing with the backlog of maintenance to ensure its retained core assets are fit for purpose. Given that the estimates of the work were carried out in the autumn 2017 it is likely that the estimated values may have changed.

- 3.2 Over 2018/2019, the programme will be monitored and tracked, by the Corporate Finance team. The Council undertakes asset reviews and this also identifies planned maintenance investment. Consequently, there may be scope to make operational changes identified by the Strategic Director of Finance and Governance in advice to the Cabinet Member for Finance and Commercial Services. It is these changes that are envisaged in recommendation 2.2.
- 3.3 Subject to legal advice, there may be operational reasons to seeking different procurement routes for key projects which do not impact on the current contractual terms with Amey. In essence, the Council may need to access other public-sector frameworks and not only being limited to ACL to aid improving service delivery of works and verify value for money.

4. PROPOSAL AND ISSUES

- 4.1 These are contained within the exempt part of the report.

5. OPTIONS AND ANALYSIS OF OPTIONS

- 5.1 These are contained within the exempt part of the report.

6. CONSULTATION

- 6.1. The CPMP has been developed in consultation with the service departments with input from the Council's current technical advisers ACL using condition surveys and other building compliance intelligence.

7. EQUALITY IMPLICATIONS

- 7.1 There are no negative equality implications for protected groups arising from Cabinet approval of this programme. The works are, in most cases, ensuring the Council meets its statutory obligations.
- 7.2 Implications verified/completed by: Peter Smith, Head of Policy & Strategy - tel. 020 8753 2206.

8. LEGAL IMPLICATIONS

- 8.1 These are contained within the exempt part of the report.

9. FINANCIAL IMPLICATIONS

- 9.1 These are contained within the exempt part of the report.

10. IMPLICATIONS FOR BUSINESS

- 10.1 This is a substantial contract which can give rise to sustainable economic development benefits for the local community.

10.2 The commissioning manager and Amey will work closely with the Economic Development Team to identify and implement a package of economic development measures, including creating employment and skills opportunities and local supply opportunities for local SMEs.

10.2 Implications verified/completed by: Albena Karameros, Economic Development Team – Tel. 020 7938 8583.

11. COMMERCIAL IMPLICATIONS

11.1 There are no procurement related matters as works required under the CPMP will be placed as orders with Amey Community Ltd (ACL) who were awarded a Total Facilities Management Contract by the Council. Where ACL are required to sub-contract works as part of the Contract this will be undertaken in accordance with the instructions from the Director for Finance and Governance.

11.2 Implications verified/completed by: Alan Parry, Procurement Consultant – Tel. 020 8753 2581.

12. PROPERTY IMPLICATIONS

12.1. The CPMP 2018/2019 programme was compiled on a risk basis approach in order to mitigate any high probabilities of unwanted events. Key risks that were considered as priority were legislative obligations; health and safety to staff and public; business critical issues and risks that could cause operational impact to services using the buildings. If these works were not to be completed, the likelihood of breach in legislation, accidents or incidents, and services impacts would be plausible.

12.2. Implications verified/completed by: Nigel Brown, Head of Asset Strategy and Portfolio Management – Tel. 02087532835.

13. RISK MANAGEMENT

13.1 Risks associated with the delivery of the programme are to be managed within the services existing risk management framework. This means that the service will identify any principal risks to the achievement of objectives, record them and undertake that they are allocated, measured, reviewed, and mitigated. The programme contributes positively to the management of property, environmental risk and maintaining our statutory health and safety duty noted on the Council's Shared Services risk register, number 8. Where property related health and safety risks are identified they now inform a risk register shared with the Shared Services Corporate Safety Unit and Council's Safety Committee at which a representative of Amey attends.

13.2 Hammersmith & Fulham has terminated its S113 agreement with the Link, however the Link is still responsible for the management of Amey and health and safety compliance in H&F. Until this formally changes Corporate Property

must consult with the Link before, during and after any capital works to ensure health and safety compliance is maintained to protect staff and the public.

- 13.3 Corporate health and safety must be consulted before, during and after capital works to ensure health and safety compliance is maintained to protect staff and the public. Corporate Health and Safety, will report on health and safety compliance of capital works to Audit Pensions and Standards Committee to provide reassurance to Members.
- 13.4 Implications verified/completed by Michael Sloniowski, Shared Services Risk Manager - Tel. 0208 753 2587
- 13.5 Implications verified/completed by Richard Buckley, Bi-borough Head of Environmental Health & Corporate Safety – Tel. 020 8753 3971.

14. IT IMPLICATIONS

- 7.1 There are no IT implications associated with this programme as the works are associated with cyclical planned maintenance and in most cases, ensuring the Council meets its statutory obligations.
- 7.2 Implications verified/completed by: Veronica Barella, Chief Information Officer – Tel. 02087532927.

15. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None		

LIST OF APPENDICES:

Appendix 1: CPMP 2018-2019 Proposed Programme - contained within the exempt part of the report.