

## Report to the Cabinet



**Report reference:** C-033-2016/17  
**Date of meeting:** 3 November 2016

**Epping Forest  
District Council**

**Portfolio:** Technology & Support Services

**Subject:** Civic Offices, Other Operational Buildings and Commercial Property – Planned Maintenance Programme 2016/17 to 2020/21.

**Responsible Officers:** Mike Hobbs/David Newton (01992 564150).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### Recommendations/Decisions Required:

- (1) That the Five Year Planned Maintenance Programme 2016/17 to 2020/21 for Operational and Commercial Properties be approved; and
- (2) That the Capital and Revenue budget requirements for essential and planned maintenance works at the Civic Offices, other Operational Buildings and Commercial property for the five year period 2016/17 to 2020/21 be approved (Appendices 1 and 2 refer)

### Executive Summary:

This report:

- (a) Sets out the already approved capital and revenue expenditure for 2017/18 to enable Cabinet to review their previous decisions on the level of spending to be implemented;
- (b) Makes capital bids of;

2017/2018	2018/2019	2019/2020	2020/2021
nil	£659,000	£394,000	£292,000

- (c) Makes revenue bids of ;

2017/2018	2018/2019	2019/2020	2020/2021
nil	nil	£45,240	£122,150

and

- (d) Sets out the spending profiles both Capital and Revenue for the 4 years 2017/18; 2018/19; 2019/20 and 2020/21.

### Reasons for Proposed Decision:

A proactive approach to Facilities Management has been taken for all operational buildings and commercial property to ensure that:

- (a) the buildings and their infrastructure will be maintained to an appropriate level meeting health and safety, statutory regulations and contractual obligations;
- (b) the buildings and their infrastructure will be brought to a standard to comply with EU statutory regulations;
- (c) the risk of unreliability and failure of critical systems, services and building fabric is reduced;
- (d) good financial management through forecasting is maintained; and
- (e) performance standards/indicators are maintained or improved upon.

**Other Options for Action:**

- (i) Consideration has been given to a range of projects, discounting those that are not considered critical.
- (ii) Do nothing. This would lead to a deterioration of building fabric and systems which could result in a risk to the health and safety of staff and the public, loss of service and income, increased future management liability, reduced property asset value, breach of legal obligations in respect of commercial leases and contract requirements. There is also a risk that the buildings and infrastructure may not meet future needs of the Council.
- (ii) Defer action until fabric, systems or equipment fails. This would cause varying degrees of disruption depending on the extent of failure and/or systems involved and the time scale for procurement and rectification of the defect. Depending on the nature of the failure it could also lead to damage to other parts of the building fabric or services or loss of income. This option would also lead to a request(s) for supplementary finance at the time and have a negative effect on performance standards. The performance of the Council's operations and functions may be compromised.

**Report:**

Overview

1. At the Council's request a report is submitted to Cabinet regularly showing the status of planned and preventative maintenance at the Civic Offices complex and all operational buildings and commercial properties.
2. The Planned Maintenance Programme provides a structured way of ensuring that the Council's property assets are properly maintained and improved to meet Health and Safety requirements, statutory regulations, contractual obligations in respect of leases for commercial premises, customer demands and the long term protection and value of the authority's assets.
3. A spending profile for both capital and revenue expenditure for the 5 year period 2016/17 to 2020/21 is provided so Cabinet can see the level of investment that has already been made and that which is proposed.

Current Work Programme 2016/17

4. In addition to the planned maintenance programme approved for 2016/17, the Facilities Management Team (FM) has also been engaged in implementing day-to-day routine maintenance and servicing works as well as a number of additional projects, including:

(a) Office alteration works at the civic complex funded by and on behalf of other Directorates following the Senior Management Restructure. This has had a resourcing implication on the FM team in terms of design and project management time.

(b) Investigating options for extending the existing reception area at the civic offices out towards the rear of the building as part of Transformation proposals in order to facilitate the inclusion of payment machines and additional reception staff.

(c) The provision of a new electrical control panel to allow the computer suite, the main civic building and the Condor building to be switched independently in the pyramid building. This will enable Engineers to switch and work on main switchboards without the need to shut down central computer services.

(d) Organising the moving of staff and equipment from Langston Road Depot to the new depot at Oakwood Hill and continuing to undertake fit out works in the offices and workshops.

#### Future Work Programme 2017/18

5. Key projects include:

(a) The provision of a new generator at the civic offices which will have the capacity to fully power the whole site in the event of loss of power from UK Power Networks.

(b) The replacement of the existing air conditioning units in computer suite 2 which are at the end of their operating life.

(c) Completely overhauling the main roof over the listed building at the museum following the identification of defects during recent refurbishment works, which did not cover this area. This will ensure that the building is watertight for many years to come. In addition, the roof space will be insulated and repairs carried out to chimney stacks to make good use of the required scaffolding.

#### Proposed development sites

6. As the closure of Epping Depot and Pyrles Lane Nursery is impending, no specific planned maintenance works are being proposed at either of these locations.

7. At Townmead depot, only minimal works had been allowed but a recent audit has highlighted a need for some security and safety works. As these works are urgent they have been included in the revised programme for 2016/17. It is understood that a separate report is to be submitted in due course to set out proposals and funding requirements for the redevelopment of this site.

#### Energy Efficiency and Carbon Reductions

8. Energy performance at the Civic Offices continues to improve following the latest independent survey for the Display Energy Certificate (DEC) in June 2016. The anomaly shown in year 2015, where the rating is shown as 42, is under investigation by the Consultants.

9. The annual DEC performance since its introduction in 2009 is shown below. In terms of the ratings, A (0-25) is the most energy efficient and G (over 150) is the least energy efficient. The typical rating for this type of building would be D (76-100)

Year	DEC rating
2009	G (269)
2010	F (148)
2011	F (136)
2012	E (112)
2013	E (103)
2014	E (107)
2015	B (42)
2016	D (100)

10. Performance continues to improve albeit at a slower rate. Improvements in 2016 have been helped by the installation of new windows in the main building and in part from the installation of PV solar panels. The 2017 DEC will take into account a full year of the PV solar panel operation. In the first seven months since their installation the panels have generated 35,760 kWh.

11. 2015/16 saw a decrease in electricity consumption of 13.4% (132,125 kilowatt hours) compared to 2014/15. However gas consumption increased by 8.72% (42,155 kilowatt hours). The reduction in electrical consumption is attributable to the completion of the bulk of the changeover to LED lighting and automating lighting controls. The increase in gas consumption was due to turning the heating on a month earlier and a cold spell in March.

#### General

12. Continuing Service Budget provision in the sum of £118,000 was reduced to £90,000 on 1 April 2015.

13. Appendices 1 and 2 accompanying the report comprise spending profiles for capital and revenue expenditure for the five year period 2016/17 to 2020/21.

#### **Resource Implications:**

Bid for capital funding as follows:

	2016/17 Revised £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £	5 Year Total £
<b>Total Capital Bids</b>	0	0	659	394	292	1,345
Approved Budget	1,187	168	0	0	0	1,355
Re-phasing	-650	496	154	0	0	0
Revenue Expenditure Identified	-30	0	0	0	0	-30
Total budget Proposed	507	664	813	394	292	2,670

Bid for DDF revenue funding as follows:

	2016/17 Revised £	2017/18 Estimate £	2018/19 Estimate £	2019/20 Estimate £	2020/21 Estimate £	5 Year Total £
Planned Maintenance Programme	199.65	210.94	195.92	238.61	226.67	1071.79
Existing CSB Budget	90.00	90.00	90.00	90.00	90.00	450.00
Existing HRA Budget	6.50	7.38	6.50	6.50	14.53	41.41
DDF Required Budget	103.15	113.56	99.42	142.11	122.15	580.39
DDF Approved Budget	110.00	74.00	156.00	0.00	0.00	340.00
DDF Brought Forward	73.00	79.85	40.29	96.87	0.00	290.00
DDF Carry Forward	-79.85	-40.29	-96.87	0.00	0.00	-217.00
<b>Additional DDF Required</b>	0.00	0.00	0.00	45.24	122.15	167.39

**Legal and Governance Implications:**

None.

**Safer, Cleaner and Greener Implications:**

A number of the included projects have energy reduction/carbon emissions reduction implications as a result of improving installations, installing more modern energy efficient plant, equipment, controls and alternative sources of generation.

**Consultation Undertaken:**

There has been no external consultation undertaken in respect of this report.

**Background Papers:**

Epping Forest District Council Five Year Planned Maintenance Programme 2017-2022  
Operational and Commercial Property, copies are available in the Members Room.

**Risk Management:**

Regular planned and preventative maintenance helps to reduce the risk of interruptions to the Council's day to day operations from critical and partial systems failure, assists with financial planning and reduces the need to seek supplementary finance outside of the budgetary process.

# Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

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Due to the large number of projects involved in this report, it is necessary to assess each project individually when it commences to ensure compliance with the above.