

ABERDEEN CITY COUNCIL

COMMITTEE	Finance & Resources
DATE	15 March 2012
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Condition and Suitability Programme 2012-2013
REPORT NUMBER:	EPI/12/059

1. PURPOSE OF REPORT

This report advises on the provisional Condition and Suitability Programme that is included in the approved Non-Housing Capital Budget for 2012/13.

2. RECOMMENDATION(S)

1. The Committee approves the schemes listed in Appendix A.
2. Instruct appropriate officials to implement the detailed programme.
3. To delegate to the Head of Asset Management & Operations, in consultation with the Corporate Asset Group and the Convenor and Vice Convenor of this Committee, to amend the programme should priorities change due to unforeseen circumstances during the year.
4. Grant approval to appropriate officers to award contracts on receipt of a valid tender submission subject to necessary funding in the approved Non-Housing Capital Budget.

3. FINANCIAL IMPLICATIONS

Expenditure will be in accordance with the Council's approved Non-Housing Capital Budget for 2012 - 2013. The approved figure identified in the 2012-13 Capital Programme for the Condition & Suitability programme is £7.4m.

4. OTHER IMPLICATIONS

Certain works contained within the programme relate to Health & Safety, Fire Risk and DDA matters and are required to conform to statutory requirements. Although the works identified in this programme are based on the current information available, these elements require to remain flexible as inspections by Health & Safety and by the

Firemaster may require additional works to be carried out at short notice.

Some of the proposed works will require the obtaining of a Building Warrant or Planning Approval prior to commencing.

It should be noted that the proposed funding level for the C&S programme is not sufficient to address the backlog maintenance or all the suitability issues detailed in the Council's Property Asset Management Plan. It primarily focuses on wind & watertight works, Health & Safety works and mechanical/electrical issues. Even with this focus it will not be able to address all the higher category works identified within the condition surveys and it will be very difficult to improve suitability. In addition lower category works such as replacement of doors, replacement of fixtures/fittings or flooring are generally not considered for inclusion within the C&S programme. These may be more sensibly funded from devolved budgets within individual services e.g. DEM.

5. BACKGROUND/MAIN ISSUES

This report brings together, for members' approval, the proposed programme for the condition and suitability works on the Council's non-housing property stock. This programme was prepared utilising the detailed property information gathered as part of the development of the Property Asset Management Plan (as detailed below), and after discussions with all the relevant Services. It was approved by the Corporate Asset Group at its meeting on 22 February.

A Capital budget of £7,400,000 was approved at Full Council on 9 February to allow the continued condition and suitability work to be progressed. Large sections of the programme are specifically aimed at increasing the expected useful life of the buildings on which work is to be carried out. The proposed programme is contained in **Appendix A**.

The provisional programme for 2012/2013 will allow substitution of schemes should it not be possible to implement any of the schemes on the primary list, or should a statutory requirement arise. Potential projects for future programmes have been identified and could be brought forward in some instances. These projects are shown in **Appendix B**. It should be noted that it is not a definitive list of the capital spend required.

In addition to the major works contained in the overall programme, a sum of £250,000 has been identified for minor works. These works are primarily related to Health and Safety, Asbestos removal and DDA projects. This list requires to be flexible as works have to be carried out at short notice to address health and safety issues or to remove asbestos after it has been identified.

Property Asset Management Plan

As part of the 2011 Property Asset Management Plan (PAMP) the following vision for property assets was stated:-

“The Council will provide property, working with partners, where appropriate, which supports the Council in the delivery of quality services by being fit for purpose, accessible, efficient, suitable and sustainable.”

In terms of Condition and Suitability this means that the aim is to have all assets in A or B Condition and A or B Suitability. The definitions of the gradings are contained in **Appendix C**. The Condition and Suitability programme clearly has an important role in supporting this vision and has been compiled accordingly.

Targets for improving the percentage of assets in satisfactory condition and reducing the backlog maintenance are also identified in the 2011 PAMP. This programme along with the rationalisation of our portfolio will provide the main tools for meeting these targets.

Energy Management

The Condition and Suitability programme provides opportunities to reduce the Council's energy use and subsequent carbon emissions. Officials across Asset Management & Operations work closely to identify potential energy improvement works and these will be incorporated into individual projects where possible.

There are also opportunities to enhance these projects through the identification of additional funding such as CEEF (Central Energy Efficiency Fund). The assets listed also have CEEF funding tied into planned the Condition and Suitability work:-

- Aberdeen Grammar School - £180k from CEEF for heating replacement linked to replacement of the Building Energy Management system.
- Ashley Road School Nursery - £15k from CEEF for heating replacement linked to refurbishment.
- Central Library – £2k from CEEF for loft insulation linked to roof/ceiling works.

Phased Works

The scale of works required for some assets, combined with budgetary restraints, makes it necessary for some works to be phased over a number of years. The 2011/12 programme saw the commencement of the following phased projects:-

- Aberdeen Grammar School – Windows

- Ashley Road School – Asbestos removal, heating replacement and external works
- Beach Leisure Centre – Replacement of Air Handling Units
- Scotstown Primary – Windows, asbestos removal and internal works

The 2012/13 programme seeks to commence the following phased projects:-

- Abbotswell Primary School – Windows, roofs and internal works
- Art Gallery – Roofs, ceilings (subject to consultation with EC&S)
- Beach Ballroom – Various work
- Town House – Roof works

6. IMPACT

Corporate - The continued implementation of the Property Asset Management Plan will ensure that the Council is utilising its property portfolios to support Services in implementing the Single Outcome Agreement. The approved property visions and asset objectives already support *Vibrant, Dynamic & Forward Looking*. They will also be reviewed by the Corporate Asset Group to link to the 5 Year Corporate Business Plan.

Public - The continuing improvement to the Council's properties through good asset management practices will help ensure that services are being delivered from buildings that are "fit for purpose". This report may also be of interest to the public as it outlines the Council's capital spending on assets.

7. BACKGROUND PAPERS

Property Asset Management Plan Update 2011
Property Asset Management Plan 2009

8. REPORT AUTHOR DETAILS

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