

CABINET

21 September 2021

PROPERTY ASSET REVIEW – PROCUREMENT OF CONSULTANTS AND OTHER RELATED MATTERS

Report of the Strategic Director of Places

Strategic Aim:	Delivering Sustainable Development	
Key Decision: Yes	Forward Plan Reference: FP/230721	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr Oliver Hemsley, Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships, Economy and Infrastructure	
Contact Officer(s):	Penny Sharp, Strategic Director of Places	m: 07973 854906 psharp@rutland.gov.uk
	Mona Walsh, Head of Property Services	m: 07779 550314 mwalsh2@rutland.gov.uk
Ward Councillors	All	

DECISION RECOMMENDATIONS

That Cabinet:

1. Authorises the Strategic Director for Places to appoint a consultant, via the Scape Framework, to carry out surveys and other assessments necessary for the Property Asset Review. Delegates authority to Strategic Director Places, in consultation with the Portfolio Holder for Property to commission further consultancy advice from the Scape Framework as necessary.
2. Approves budget allocation of £205,801.49 from Property Repairs Earmarked Reserves to support the Property Asset Review.

1 PURPOSE OF THE REPORT

- 1.1 This report sets out background in relation to the Council's intention to carry out a Property Asset Review and seeks Cabinet approval to appoint a consultant to carry out surveys and other assessments for the review, approves other related supporting activities, approves budget required and delegates authority to the Strategic Director Places, in consultation with the Property Portfolio holder, to

commission further consultancy advice.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 RCC intends to prepare a Property Asset Review of its operational and commercial properties to assist with decision making about the future of its property assets.
- 2.2 Much of RCC owned property is operational, used to deliver council services. RCC also owns several commercial properties from which it derives an income. Some operational functions are carried out from these, but the bulk of the space is let to commercial occupiers.
- 2.3 Much of RCC's property was not designed or planned for its current use, is no longer fit for modern ways of working and is expensive to maintain. The range and type of buildings present many challenges in terms of their construction, original uses, adaptations over many years and in some cases heritage status. Catmose is a Grade 2 former house set in ornamental gardens, OEP is a former prison and The King Centre was a college.
- 2.4 The Property Asset Review will ensure RCC has information available to assist with robust decision making about future use and occupation of properties.
- 2.5 RCC has limited information on the condition of its property portfolio. Information available is generally out of date, unreliable and/or incomplete. This lack of comprehensive, reliable, and accurate information means the Council has a reactive approach to repairs and maintenance and is unable to plan and budget for a preventative maintenance plan.

3 PROPERTY ASSET REVIEW METHODOLOGY

- 3.1 The Property Asset Review will comprise the following:

Baseline Data

Condition Surveys and Access Surveys

Mechanical and Electrical Surveys

Fire Risk Assessments

Building Plans and Layouts

Legal and Title Information

Occupancy and Tenancy

Rents and Service Charges

Operational Running Costs

- 3.2 Review and Interpretation of Baseline Data

- 3.3 Asset Management Database – online database platform to manage asset management and statutory compliance.

4 PROCUREMENT OF SUPPORT AND ADVISORS

- 4.1 The capacity and capability within RCC Property Services is focussed on managing the day to day operations of the Councils estate. Due to the specialist and infrequent nature of undertaking condition surveys it is common practice for local authorities to outsource this activity. 3rd party consultants will be procured to carry out the following Baseline Data activities for assets listed at Appendix A, Part 1, with the remaining activities completed in-house. RCC will carry out Baseline Data on other Council owned property assets listed at Appendix A, Part 2:
- Condition Surveys and Access Audit
 - Mechanical and Electrical Surveys
 - Fire Risk Assessments
 - Plans and Layouts
- 4.2 RCC will manage and control its asset management and statutory compliance activities on an online database platform provided by the appointed consultants.
- 4.3 Fire Risk Assessment work is already underway and is due to be completed during October. This was previously approved by the Strategic Director of Places using delegated approvals. No new budget approval is required but it is listed here for completeness only.
- 4.4 Due to the complexity of the range and type of buildings owned by RCC it is important that appointed advisors have the specific skills and expertise required. A further requirement is the ability to meet RCC's reporting deadlines.
- 4.5 A review of Frameworks confirmed the Scape Framework would best meet RCC's requirements, with competitive pricing and being procurement compliant. The most suitable consultant will be appointed based on meeting eligibility requirements and having provided details of fees for completing the work required in response to the Councils brief.
- 4.6 RCC needs to engage a range of support from a variety of sources to deliver the Property Asset Review. These include the following.
- 4.7 Appointment of a consultant, via the Scape Framework, to complete the following, with the consultant engaging and managing sub-consultants as required.
- Condition Surveys, M&E Surveys, Access Audit and Measured Surveys
 - Drone Surveys
 - Provision of an Asset Management and Statutory Compliance Database Platform
- 4.8 Client Agent - Specialist M&E Engineer to act as Client Agent on behalf of RCC given the additional capacity required to carry out this necessary activity.
- 4.9 Project Office - There is a need to provide an office base for consultants and RCC staff for the duration of activity related to producing the Property Asset Review and

any works arising. A suitable vacant office at OEP has been identified. Set up costs are needed to establish the office, but where possible existing resources will be used and OEP budget codes will be credited with the value of rent, service charge and other monies.

4.10 Property Services Staff Support - Additional staff support will be needed to assist with arranging access, enabling intrusive inspections and completing and coordinating minor making good works. This will require a Casual Premises Officer for up to 4 months.

4.11 In addition there will be considerable resource required from the wider Property Services Team to support the Property Asset Review work. This project has been assessed as medium risk in line with the corporate project management framework and will need to be managed within the service. This will not have direct budget implications but will result in Property Services carefully managing its resources and prioritising workloads to ensure the timescale for the Property Asset Review is met.

5 **TIMESCALE**

5.1 By March 2022 the Council will have the information needed to begin to develop a property strategy and begin to devise an Asset Management Plan that will fully address the issues in para 2.5.

6 **CONSULTATION**

6.1 The proposed process has been discussed with the relevant Council Officers and with the Portfolio Holder.

6.2 The proposed approach to the procurement process has also been discussed with the Council's Commissioning Manager and Welland Procurement Unit.

7 **ALTERNATIVE OPTIONS**

7.1 The alternative option would be to seek to directly employ a range of suitably qualified surveyors and engineers. This option has been ruled out due to the short-term nature of the work activity and limited supply of suitably qualified personnel in the market. Engaging a 3rd party consultant provides RCC with a single point of contact, resulting in improved control and management of the work.

8 **FINANCIAL IMPLICATIONS**

8.1 Funding for this project will come from the Property Repairs Earmarked Reserves. As part of the Outturn 20/21 report Council approved topping up this reserve by £214,000. Based on the current costing (see below) this will be more than sufficient to cover the costs.

8.2 Total budget costs are **£205,801.49**

8.3 Budget costs, outside of existing budget, are as follows:

Consultant	
-------------------	--

Condition and M&E Surveys	£ 85,916.16
Access Audit	£ 11,594.88
Measured Surveys	£ 27,992.45
Drone Surveys	£ 5,195.52
Data Base Platform	£ 5,068.80
Total	£135,767.81 excl VAT

8.4 Client Agent

8.4.1 Budget allowance up to of **£51,750** to 31 March 2022, with possible budget savings arising from Property Services vacancy.

8.5 Project Office

Project Office	
Rent, Service Charge, Rates and Utilities	£4,996
Set Up including IT, furniture and repairs	£5,600
Total	£10,596

8.5.1 Budget provision of **£10,596** for operation of Project Office to Mar 2023, for duration of Property Asset Review and follow up activities, making use of existing resources to establish the office, with some other costs being met where possible from existing budgets. The set up costs listed are the maximum expected. OEP income will be credited with the amount of rent and other occupancy charges so there will be no impact on OEP budgets.

8.6 Other Property Services Staff

8.6.1 Casual Premises Officer budget of **£7,687.68** is required to support the project.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

9.1 The procurement process will be managed by the Council to ensure that it complies with the requirements of all relevant legislation including the Public Procurement Regulations 2015.

9.2 Legal advice will also be taken on the process and the precise wording of any contract.

10 DATA PROTECTION IMPLICATIONS

10.1 A Data Protection Impact Assessments (DPIA) has been completed. No adverse or other significant risks/issues were found.

11 EQUALITY IMPACT ASSESSMENT

- 11.1 An Equality Impact questionnaire has been completed. No adverse or other significant risks / issues were found. As such, a full Equality Impact Assessment (EqIA) has not been completed.

12 COMMUNITY SAFETY IMPLICATIONS

- 12.1 It is important that the Council has a full and complete understanding of the condition of its assets so it can make provision for addressing issues to maintain safety and service delivery.

13 HEALTH AND WELLBEING IMPLICATIONS

- 13.1 Provision of well maintained and cared for assets will ensure workers and visitors to the site are able to carry out their daily activities safely whilst contributing to the sustainability of the asset and future carbon footprint.

14 ORGANISATIONAL IMPLICATIONS

- 14.1 Environmental implications

- 14.2 The proposed procurement process will assist with future decision making about Council property assets.

- 14.3 Human Resource implications

- 14.4 The engagement of Client Agent is being discussed with HR.

- 14.5 Procurement Implications

- 14.6 The procurement process is being discussed with the Council's Commissioning Manager and the Welland Procurement Unit to ensure that all relevant legislation and guidance is followed.

15 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 The Council has limited information on the condition of its property assets, carries out reactive repairs and is unable to budget accurately. Many of its assets are expensive to run and not fit for modern ways of working. It does not have sufficient capacity or resource in house to complete all parts of the task required and is therefore seeking approval to appoint consultants, along with budget approval for other areas of support. Approval will enable the Council to make robust and evidence based decisions about its property assets.

16 BACKGROUND PAPERS

- 16.1 There are no additional background papers to the report.

17 APPENDICES

- 17.1 Appendix A – Schedule of Properties

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

Appendix A. Schedule of Properties

Part A

- Catmose House (HQ) incl extension
- Catmose Cottage
- Rutland Museum
- Museum Store
- Oakham Library
- Ryhall Library
- Ketton Library
- Uppingham Library
- Visions Children Centre
- Oakham Bus Station
- Jules House
- The King Centre
- Oakham Football Club
- Unit 1 Ketton Business Park
- Unit 2 Ketton Business Park
- Unit 3 Ketton Business Park
- Unit 4 Ketton Business Park
- Unit 5 Ketton Business Park
- Unit 6 Ketton Business Park
- Unit 7/8 Ketton Business Park
- Ashwell garages Unit 7
- Ashwell garages Unit 8
- Ashwell Garages Unit 9
- Ashwell Garages Unit 10
- Ashwell Business Unit
- Ashwell Depot
- Cottage No2, Ashwell
- OEP Unit 1 - 11 (a -c)
- OEP Unit 2 (a,b & d)
- OEP Unit 3
- OEP Unit 4
- OEP Unit 7 (multiple Stores)
- OEP Unit 8 (a & b)
- OEP Unit 9
- OEP Unit 10
- OEP Unit 12
- OEP Unit 13 (a -b)
- OEP Unit 16a (Ground Floor)
- OEP Unit 16b
- OEP Unit 16C
- OEP Units16a (First Floor)

- OEP Unit 17 (kitchen)
- OEP Unit 18 (a-d)
- OEP Unit 19 Active Hub
- OEP Unit 20
- OEP Unit 21
- OEP Unit 22
- OEP Unit 23 (a - c)
- OEP Unit 24
- OEP Block F
- OEP Block E
- OEP Block G

Part B

- Oakham Castle
- Car Parks
- Garage Sites
- Unadopted Highway Land
- Civil Amenity Sites
- Public Open Space