

ANNEX 1

REPAIR AND MAINTENANCE STRATEGY **2007 – 2017**

1. SUMMARY

1.1 The purpose of this strategy is to ensure that the limited budgets which are available to deal with the maintenance and repair of the council's land and property assets are

- Used in a way which supports the council's corporate priorities and is consistent with the priorities set out in the
 - Corporate Asset Management Plan
 - Education Asset Management Plan
 - Housing Asset Management Plan
 - Highways Asset Management Plan

All of which have received Member approval.

- Are directed only to those assets which have been identified for retention and/or investment except where necessary for health and safety or to maintain minimum standards of accommodation
- Are co-ordinated by the Corporate Landlord to ensure best value is obtained.
- Result in a portfolio of assets which are fit for purpose.

1.2 This strategy sets out

- The objectives, aims and priorities both corporately and in the main service areas.
- Principles which are to be followed to meet these priorities.
- Commenting on the current position and practice with proposals for change.
- Details of current performance indicators and suggestions for future measurement.

1.3 It is the intention for this strategy to be in place for the next 10 years although it will be reviewed on an annual basis to take in to account any changes in national or local priorities. There will also be an annual report to Members on performance, as part of the annual report on Corporate Asset Management.

2. OBJECTIVES, AIMS AND PRIORITIES

2.1 Objectives

The overall objective in carrying out repairs and maintenance is to have all land and property assets in a fit for purpose state within 10 years.

This translates in to more specific objectives for each of the main service areas.

2.1.1 Corporate land and buildings

In 10 years all retained assets will be at least level B (defined as – 'satisfactory – performing as intended but showing minor deterioration') or better in terms of condition and will be fully accessible.

2.1.2 Education/Schools

The main objective of the Education AMP is to improve standards of existing accommodation in order to meet the needs of pupils and teachers and to ensure implementation of the national curriculum

2.1.3 Housing

The objective is to reduce repair requirements by improving the condition and specification of the elements of the housing stock when they are due for replacement through capital spend as part of the modernisation programme. This will mean that repair spend will reduce over time.

2.1.4 Highways

The council has submitted an Expression of Interest to the Department for Transport to become a Pathfinder Authority for PFI in highway maintenance which, if successful will have a substantial positive effect on the condition of the highways.

If the council is not successful in obtaining PFI credits the situation will be reassessed in 2008. The overall projected funding is reducing and budgets are at the absolute minimum to maintain the asset at its present condition, with no reduction of the backlog. If this pattern continues over the next 5 years the condition of the asset will deteriorate, and the backlog will increase rather than reduce.

2.2 Corporate Asset Management Aims and Priorities

To meet the objectives the council needs to have aims and priorities which will assist in achieving the objective set. Some of these are applicable in all areas whilst others are specific to that particular area. These are listed below.

2.2.1 Corporate Aims and Priorities

RM1 To reduce the maintenance and repair backlog

- Need for an up-to-date accurate information on the condition of all assets which is best achieved by having a 5 year rolling programme of condition surveys and a database where this information can be stored and updated when works are carried out. A specialist firm has been appointed to carry out the survey programme (subject to funding being available) and the Technology Forge Asset Management Facility database is in operation to store and use the data collected.
- Need to know what budgets are in place for each year and how the money is going to be spent. This will be done by the co-ordination of revenue and capital expenditure on repairs by the Corporate Landlord through reports to the Corporate Asset Management Group.

RM2 To vacate and dispose of those assets which are expensive to maintain and operate and are not fit for purpose

- This is achieved through having the data on performance available (through the Technology Forge or similar database) and knowledge of the service priorities

for the future and the suitability of the existing land and buildings to meet these priorities (which is known through the Service Asset Management Plans).

- If an asset is identified as expensive and not fit for purpose then an option appraisal is carried out to see if
 - Costs can be reduced
 - Works can be done to make fit for purpose
 - Asset would be better used for another service which meets the corporate priorities
- If none of the above can be achieved then disposal should take place which will reduce the backlog figures. Any repair/maintenance budgets attached to the asset could be retained by the service to be used on repair needs elsewhere within the service or could be transferred to the Corporate Landlord so it can be directed for use in accordance with the principles of this strategy. If the need can be shown, a proportion of the capital receipt could be retained to improve the condition/accessibility of other assets.

RM3 To spend revenue and capital on repair and maintenance only on identified retained properties

- All assets need to be reviewed, through Service Asset Management planning and corporately using agreed criteria to assess their future 'role'. Each property will be labelled

Retain - is 'fit for purpose'

Re-use - not suitable for current use but has been assessed as suitable for alternative use

Invest - Can be made 'fit for purpose' through economic capital investment

Dispose - after looking at an alternative way of providing the service currently located there

- All budget holders for repair and maintenance, both capital and revenue, will have to show to the Corporate Landlord that repair and maintenance funds are only being spent on those property assets which are identified as being retained unless
 - Urgent need to prevent failure or health and safety requirement
 - Investment to bring the property in to a 'fit for purpose' state
 - Short term repair to allow use until property is disposed/service relocated
 - The property is leased and the work is needed to comply with the lease requirements and to avoid a dilapidations claim at the end of the lease

RM4 To have a full funded repair and maintenance programme

- Although the maintenance backlog is reducing in some areas it is acknowledged that current budgets (see section 3) are insufficient to meet future needs.
- Challenge of the use of property and reduction in the number of assets will assist in the future but still a review of funding will need to be looked at.

- Once the direction and long term plan is produced showing which assets are to be retained and the expenditure needed to make them fit for purpose then the funding needs will be known.
- Bids can then be made for internal and external revenue and capital funds.
- Another source of funding especially for historic buildings is to work with established partners, such as York Conservation Trust, who have access for capital funds which are not available to the council.
- If each years needs cannot be fully funded then the Corporate Landlord, through the Corporate Asset Management Group, should consider the priorities and recommend an expenditure plan to the Executive for approval.

RM5 To increase the planned maintenance/reactive maintenance split to 70/30

- The latest set of performance indicators (see sections 3 and 4 and Annex 2) show that overall the current split is 60/40 although there are large variations between the service areas.
- By adopting the above aims and priorities the reactive side of maintenance should reduce although there will always be a need to respond to un-planned situations and failures. By looking ahead and focusing on the retained properties, planning the maintenance to make 'fit for purpose' and by accessing additional funds to meet the planned needs this target should be able to be achieved. A good current example of this is the strategy currently operating in the HRA assets (see section 3) and this will be a good model to aspire to.

RM6 To ensure Best Value principles are followed in any repair and maintenance expenditure

- As available funds are limited and likely to be so in the future then it is the Corporate Landlord's role to ensure that all expenditure obtains a maximum return in terms of meeting corporate objectives by prioritising land and buildings which the council can deliver its service from.
- This is done by, as already mentioned
 - overall co-ordination of expenditure
 - existing funds are only spent on identified retained assets unless there is a good reason otherwise
 - maintenance of accurate records on Technology Forge System or similar to identify the areas of greatest need
 - Assist services in seeking external and internal funds through bids
- In addition there is a need to have overall control of the procurement process to ensure any economies of scale can be obtained by packaging work and letting term contracts over more than one year and also co-ordination of repair programme at individual properties so minimum disruption to the service.
- The Corporate Landlord should also ensure that the aims and priorities contained in this strategy are followed by all Council services, including occupiers such as schools where revenue and capital budgets are delegated. This will need good communication and sharing of information between budget holders and the Corporate Landlord and also the opportunity for the Corporate Landlord to challenge the use of these limited budgets by the service or occupier. This will be achieved by having repair and maintenance issues as a regular item on the Corporate Asset Management Group agenda

RM7 To minimise the councils 'exposure' to asbestos, legionella and other hazardous material

- This is an area already controlled across the council by the Corporate Landlord. Advice on dealing with the issues that arise are produced from Property Services and corporate budgets are maintained by the Corporate Landlord and used according to need.
- This policy must continue and additional budgets applied for to eradicate the presence of these risks or as a minimum to ensure they are adequately managed.
- Presence of such materials should be an important factor in the labelling of buildings and deciding on their future (see RM3).

RM8 To ensure all work carried out results in the Councils land and buildings being left in a sustainable condition

- This links directly to the overall objective of all property assets being fit for purpose as part of this is to have land and buildings which will have an economic future in terms of repair needs over the expected length of service delivery from this location and also meet other sustainable criteria in terms of condition and use

3. CURRENT SITUATION

3.1 Dealing with repair and maintenance of the council's diverse asset base is an authority wide issue. Whilst the Corporate Landlord is aware of the backlog and resulting issues and priorities the current strategy does have variations.

3.2 Annex 2 details current condition, required maintenance and spend across the council. This information is reported to Members annually as part of the Property National Local Performance Indicators.

3.3 Corporate Land and Buildings

3.3.1 These are managed more actively by the Corporate Landlord in partnership with Council Service representatives and a rolling 5 year programme of condition surveys ensures regular checks of the assets are carried out.

3.3.2 Whilst individual services are responsible for their own budgets and expenditure, over the last 5 years the Corporate Landlord has had a central corporate repair budget which it has used, through consultation with the services, to assist in improving the condition of retained assets – in line with the principles of RM3. Initially the Corporate Landlord was given £1.4m in 2002 as a result of the issue being raised in an earlier Corporate Asset Management Plans to improve condition and accessibility of buildings. The current budget is £250k p.a. which is not adequate and so is used often only on high priority cases.

3.3.3 Partnership working between the Corporate Landlord and service areas is increasing and the benefits can be seen in a decreasing backlog of 20% in the last year. This is partly due to good use of maintenance spend and also asset rationalisation, again done in a Corporate Landlord/Service Area Partnership.

3.4 Housing

The strategy for the council housing portfolio is operated in a different way as all repair and maintenance is linked to the modernisation programme which is based on government lifecycles or building components and condition and so components are replaced with a modern equivalent before the end of their lifecycle. Therefore, there is no quantifiable repair backlog although, as can be seen from the PI information expenditure is at a high level.

3.5 Education

Condition surveys are updated annually and form an element of the prioritisation for the schools' capital programme in line with the corporate and DCSF policies of taking a strategic whole school approach rather than 'patch and mend'.

The Directorate has a Performance Indicator that measures the number of schools with a D (defined as 'bad – life expired and/or serious risk of imminent failure') rating recorded for any condition element and has a target of 3 schools for the current year. Urgent items are dealt with either by the school using its own Devolved Formula Capital (DFC) or by the LA through AMP Priorities, a funding stream approved by Members for this purpose as part of the capital programme.

3.6 Highways

The condition of highways and the public's satisfaction with the state of the carriageways and footways is reported annually to the City Strategy EMAP.

4. PERFORMANCE MEASUREMENT

4.1 Annex 2 sets out the current National Performance Indicator (NAPPMI 1) which is reported for condition and maintenance across the council. This is the first year that figures have been reported in this format and detail although the council has collected and reported similar information on the previous basis of calculation required by Central Government.

4.2 There have also been other indicators collected by individual service areas and these are set out below.

4.3 This data will continue to be collected and reported on an annual basis both in service area reports and also the report on the Corporate Asset Management Plan.

4.4 It is suggested that targets are also set in relation to this strategy which can also be reported on.

These are as follows:-

Corporate Land and Buildings

- Reduce the outstanding repair backlog by 10% p.a. (2006/7 figure 10.66%)
- Have all buildings with public space fully accessible within 5 years (2006/7 figure %)

- Within 5 years have only buildings with no asbestos or other hazardous materials present or, where they are present, have it managed within legislative requirements and guidelines (figures to be collected for 2007/8)
- Achieve within 3 years the 70/30 split of planned/reactive maintenance and then stay at that split (2006/7 figure – 60/40 split)
- In 10 years all retained assets are at level B or better (2006/7 figure 37.2%)

Highway Maintenance Performance Indicators and Targets

Indicator	Baseline Data	Headline Target	Monitoring Tools and methods
Percentage of York's Principal Roads where structural maintenance should be considered (BVPI 223)	2004/05: 41%	2010/11: 36%	SCANNER machine date on 50% of network (whole network but in one direction only)
Percentage of York's Non-Principal classified road network where maintenance should be considered (BVPI 224a)	2004/05: 18.83%	2010/11: Target will be set in 2006 when full baseline data available due to change in monitoring method	SCANNER machine date on 50% of network (whole network but in one direction only)
Percentage of York's Unclassified Road network where maintenance should be considered (BVPI 224b)	2004/05: 15.2%	2010/11: Target will be set in 2007 when full baseline data available due to change in monitoring method	Annual coarse visual inspection survey on 25-33% of the network
Percentage of Cat 1, 1a and 2 Footways where structural maintenance should be considered (BV187)	2004/05: 15.8%	2010/11: 15%	Annual detailed visual inspection of 50% of the network
Bridge Condition Index	2005/06: 75% 'good condition' 25% 'fair condition'	2010/11: 75% 'good condition' 25% 'fair condition'	Baseline from general inspections, future data from principal inspections

Housing Stock

- %ge of urgent repairs completed on time
- %ge of properties receiving a 12 month landlord's gas safety inspection

Schools

- Number of schools with D rating for any condition element