

# Chichester District Council

**CABINET**

**7 April 2015**

## **Asset Maintenance Standards 2015-20**

**Cabinet Member:**

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### **1. Recommendation**

#### **1.1 That the Cabinet approve the Asset Maintenance Standards (April 2015 – March 2020)**

### **2. Background**

2.1 The Council has an annual asset maintenance budget of £380,700 to fund the repair and maintenance (R&M) of its property assets valued at £85m. This budget funds planned and reactive maintenance works and minor asset improvements. The works are identified in the R&M five year rolling programme and are managed by the Building Services team in accordance with the requirements of the Council's approved Asset Management Plan (AMP). The key purpose of the R&M programme is to maintain buildings to a safe and acceptable standard of repair so that they remain fit for purpose and suitable and sufficient for use. Historically the breakdown of spend of this budget is:

- Planned works/maintenance 58%
- Reactive repairs (unplanned) 12%
- Support agreements for equipment/services 30%

2.2 The operational delivery of the programme requires a range of building property maintenance and management skills. Corporately this function is provided by an in-house team with works mainly contracted out to external contractors. The service utilises a number of framework agreements to source contractors, in addition to open tendering. However, there are regular difficulties that arise in securing responses from contractors particularly when sourcing work of a low value or when requiring work to be completed out of normal hours.

2.3 In response to this need, the in-house team has expanded its trade skill base over recent years to undertake some reactive and planned maintenance work and building improvements. These would previously have been contracted through the minor or responsive repairs framework agreements

or separately tendered. This approach of using the council's own resources will continue and will assist in the efficient delivery of the programme. Therefore the in house team will aim to retain a trade skill capability.

- 2.4 The last R&M five year programme was completed on 31 March 2015 and the 2015/2020 R&M programme is now in place.

### **3. Outcomes to be achieved**

- 3.1 Over time, the benefits of adopting a standards approach to property maintenance should reduce overall costs by 3%.
- 3.2 This approach will ensure that the budget is expended based on an asset's status or critical importance in delivering services and ensure that assets are maintained to an appropriate standard or physical condition. Assets will always achieve, as a minimum requirement, the required statutory and legal compliance standards

### **4. Proposal**

- 4.1 New R&M Standards will be introduced from April 2015 to coincide with the start of the new five year operational R&M programme. As a result asset maintenance standards (see Appendix 1) will be based on:

- An asset's operational use, status and condition (defined in Appendix 2); and
- The purpose of the repair e.g. for health and safety reasons, legislative, security etc. and the degree of urgency (defined in Appendix 3)

- 4.2 Cabinet is requested to approve the proposed repairs and maintenance standards relating to the Council's assets as set out in Appendix 1 that are intended to ensure consistency with the new R&M programme and aid corporate asset management planning.

- 4.3 Once in place the data collected from the programme will provide an opportunity for challenge in order to demonstrate its effectiveness within the confines of a fixed annual budget. Continuous monitoring will also help to identify trends to inform the review processes of the AMP and decisions regarding the future retention of assets.

### **5. Alternatives that have been considered**

- 5.1 Alternative options would include maintaining all property assets to a condition rating inconsistent with the requirements of the AMP i.e. in terms of property status and condition rating. This would not be economic or cost effective and would not demonstrate best value.

## 7. Resource and legal implications

7.1 Appointment of additional internal trade skill based staff, within current budget resource, will enable more flexible and timely maintenance and repair work to be undertaken.

## 8. Consultation

8.1 There has been no external consultation. However, the asset maintenance standards applied in Appendix 1, will be subject to a further review as part of the full review of the AMP planned for 2015/16.

## 9. Community impact and corporate risks

9.1 Corporate risks will be reduced through appointment of internal resources to undertake minor works.

## 10. Other Implications

<b>Crime &amp; Disorder:</b>	None
<b>Climate Change:</b>	None
<b>Human Rights and Equality Impact:</b>	None
<b>Safeguarding:</b>	None

## 11. Appendices

- 11.1 Proposed Asset Maintenance Standards.
- 11.2 Property and Asset Maintenance Categories (as defined within the Asset Management Plan).
- 11.3 Definition of the nature of the defect.

## 12. Background Papers

None