

21st March 2024

Assets & Environment

Property Strategy and Estates

Sites

- **Photovoltaics (solar panels)** – The Council continues to work with partners to scope out large scale photovoltaics on buildings and land it owns or controls, with a view to reducing its net carbon emissions and reduce its energy bills. The initial results appear promising. A report will be proposed to be presented to Cabinet on 7th May.
- **Lodge Road disposal** – Surveys have been completed and marketing has commenced. Proposals to relocate DWP from ground floor of Lodge Road to Daventry Leisure Centre are progressing and at present they remain in Lodge Road. We are also engaged with the NHS about providing space for health uses in the property in support of the growth of Daventry.
- **Future of County Hall** – Cabinet approved the strategy for County Hall, and we are currently working with colleague from Works to implement the process set out in this decision. This will include how we separate blocks across the site to facilitate the long leasehold disposals. Designs for other areas of County Hall (Front Block, etc.) remain under review as part of the Office Optimisation programme including the provision for relocation of Northampton Town Council from the Guildhall.
- **Dallington Grange development** – Althorp has reached a provisional agreement with the developer. WNC continues to review the position in line with its own option, and a conclusion on the price is expected shortly. Initial estimates are that the anticipated receipt will be in excess of current forecasts which is extremely positive. Discussions are also underway with the developer and NPH on the land proposed to be retained for WNC to deliver affordable housing.
- **Watering Lane, Collingtree development** – Cabinet approved the process for disposing of the site and we are mobilising that process. This will involve external legal advice being required. We have also agreed to allow the farmer to continue to farm the land to September 2024 to ensure this land remains managed in the interim.
- **Daventry SE employment allocation** – A submission for pre-planning advice has now been submitted by the consortium.
- **Evelyn Wright EPH (former)** – Discussions on possible service interest in the site continue to be explored and work on demolition is progressing. An agent has been appointed in case the service interest is not viable.

Systems and strategies

- **Asset management database procurement** – Work continues on the implementation of the Concerto system which will be a significant advancement in the Council's ability to manage its new portfolio effectively, supporting functions across Assets & Environment. The project remains on schedule to enable the Estates and Property Response functions to go live on 1st April 2024.
- **Asset valuations** – The 2022/23 valuations have been received and are being reviewed by Estates and colleagues in Finance. Valuations have been commissioned for the 2023/24 programme as well as further refinement of the future rolling programme.
- **Aged debt** – Working closely with the aged debt team in Finance to recover debt and implement payment plans where possible. Aged debt remains a key area of focus and we are prioritising the larger aged debtors in the short term. In recent months the aged debt has been reduced by approximately 50% of the original level which is extremely positive. There is still significant work to do to recover what is largely Covid related debt.
- **EPC assessments** – In light of the changes to Minimum Energy Efficiency Standards (MEES) which came into force on 1st April and future expected changes, we have reviewed the energy performance certificates (EPCs) on the Council's estate. We have recently completed the tender for a new EPC assessor which will go live in the coming weeks.
- **Improving estates data** – The team is making process in resolving outstanding lease renewals and rent reviews. As this work progresses, we are identifying issues with the use and condition of some of the properties which has taken priority. These are being addressed with colleagues in Works.
- **Recruitment** – The grading of the Property Strategy and Major Projects Manager role has yet to be fully resolved and as such recruitment has not yet commenced. This is a key role for the delivery of significant workstreams.

Facilities Management

Facilities, Public Realm & Heritage Structure

The Facilities, Public Realm and Heritage structure continues to develop. The priority for the service is to ensure structures are robust, effective, and efficient. We are currently awaiting final confirmation of the operational requirements for our facilities in Northampton as part of the Office Optimisation project. Once confirmed the service structure will be reviewed with the expectation that a restructure will be completed in 2024/25.

Current projects

The Facilities, Public Realm and Heritage team continues to lead or collaborate on many projects, developing the corporate landlord function. Of particular note:

- **Contracts** – Reviewing our current arrangements, which are generally disaggregated across WNC with a view to aggregating them into single WNC contracts. Our approach is to undertake this review by priority. So far, we have awarded contracts for WNC cleaning services and for fleet management services. Our current focus is on the following contracts:
 - **Security services.** We are creating a framework of services that will enable other public bodies to access and generate an income for WNC. This is a large project and

is being assisted by a project manager and business analyst from the Transformation team. Due to the scale of this project the tender issue is now expected to go live in March 2024.

- **Window cleaning.** We have commenced the procurement process for a contract which provides cyclical cleaning at key accommodation and will enable services to call off against the contract for ad hoc cleaning requirements. This contract is currently on track for a go live date of April 2024.
 - **Pest control.** The tender is currently live. This has been led by one of our Property Response Officers, who is being mentored by our Soft FM contracts manager: Jessica Hiams.
 - **CCTV maintenance.** The current maintenance contract expires in March 2024, and we are currently progressing with the procurement of a new service contract. This is in progress with the likelihood there may be a short waiver required to ensure compliance with procurement regulations.
 - **Event catering.** The Guildhall team are currently in the process of reprocurring the Event catering framework for the Guildhall. This framework provides three lots including the Museum Cafe. This is expected to be delivered for summer 2024.
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- **In-house compliance –** We are working with the Works team to review the contract spend on minor compliance works such as weekly flushing for Legionella. This is with a view to analysing the cost benefit of bringing this service inhouse. Data analysis is underway. Unfortunately, both our inhouse maintenance staff have recently let their roles, one has moved internally to the Works team, and one has left WNC. The requirement will be reviewed as part of the proposed service restructure.
 - **Centralised event hire and room bookings within WNC buildings –** We have engaged with the Place Shaping service to review the current activity across WNC with a view to centralising all our room bookings requirements, both internal and external, into one arrangement. External room booking enquires will then have access to all suitable facilities across WNC and will be able to choose which better suit their needs, which should increase usage and income. The review is currently underway. It is being led by the Northampton Area FM.
 - **Decommissioning of Lodge Road –** Lodge Road is now restricted to necessary operational personnel and team are in the process of cataloguing items such as furniture for relocation or disposal. The team have done a fantastic job of recycling furniture, recipients currently include: WNC country parks, food banks, Children's Trust / Children's centre, Daventry Leisure Centre, local church groups, staff for home working, Tove depot, and charities such as the Air Ambulance service.
 - **Integrating the Property Response service across WNC –** The team are now up and running as the WNC Property Response Service. Concerto is due to go live from 1st April, at this point the demand on the service is expected to increase. To support this a team restructure is being progressed to ensure we have sufficient resource in the right place to meet the demand.
 - **Access control integration –** The cloud server has been built and the ex NCC data has been migrated to this server. Testing of the system is underway, once this is complete the project will move forward to integrate our buildings to one system.

Works

Property Maintenance & Assurance

A wide range of maintenance and assurance work is underway. Some highlights are listed below.

Concerto System: New property software system being rolled out in April, lots of time given to project by the team data input needed and cleansing of existing documents should lead into a more streamlined service and data base that can be viewed by all stakeholders and building managers.

RAAC: assessment of all corporate buildings has been completed and the team continue to work with colleagues in adult care commissioning to ensure privately run properties are safe and fit for residents.

St Giles Terrace: Row of shops have now had roof finishes renewed to stop water ingress, works continue to bring the properties up to a lettable standard.

Schools: Interim surveyor/s employed to audit schools, with the initial focus being on local authority maintained schools, checking that compliance and testing is up to date, liaising with the health and safety team and offering technical advice and support to head teachers and governors if required.

Commercial properties: Fire risk assessments on going along with condition surveys and compliance works to establish financial implications for portfolio across WNC and feed into the estates strategy as required.

Children's Trust: Supporting children's trust with compliance works and repairs to properties ongoing.

Flood defences: defences: New engineer appointed to survey and inspect flood defence systems at Duston and Upton Mill Flood biannually. Work ongoing to various locations on the Northampton flood defences such as repointing walls and clearing culverts.

Brackley leisure centre: Replacement roof and PV panels project restarted early March. New lighter panels were ordered with works scheduled to be completed early April.

Construction

The team is working on a wide range of projects from feasibility to construction. Highlights among the construction projects include:

Office Optimisation Phase 2: With the budget approved and requirements agreed, this project is now moving at pace. It will deliver more efficient, fit-for-purpose facilities

St John's Tiffield: Planning permission has been granted for the building of a new 250 place all-through SEND school. Buildings are being demolished to make way for the new school and we have entered into the main construction contract. Works are programmed to complete at the end of August 2025. The school operator, Greenwood Academies Trust, will be allowed to undertake its fit-out works in June 2025 ready for opening in September 2025.

Tiffield Gateway School Extension: Tenders have been returned for works to the extension and swimming pool on site. The next step will be to choose the construction contractor to deliver the works. The budget may be under pressure following tenders; this is being addressed.

Northampton Leisure Centres: the original planned works to the leisure centres has been completed. However, whilst undertaking these works other issues were identified that require attention so the scope has been extended to ensure that we provide safe, fit for purpose, and compliant facilities.

County Hall: An increased budget for the works has been agreed by Council. The team have engaged with planners to ensure we protect the historic value of the buildings. This project dovetails with Cabinet's approval to proceed with the Office Optimisation project phase 2 which will again provide a long term purposeful and efficient use of the buildings on the site.

Royal & Derngate Theatre: A draft report outlining options to ensure that the roof structure is safe is currently being reviewed. The team is working closely with the Royal & Derngate team to minimise the commercial impacts of the RAAC.

Recruitment: the team have completed a round of recruitment and have successfully appointed three new construction project managers to deal with the large pipeline of works coming through.

Energy

Energy contracts for October 2024 to September 2028 have been signed. These will minimise costs as far as possible, by sharing purchasing power through the LASER buying group

The extension for the solar PV system for OAS is underway. The system will be commissioned in early March.

Procurement for a PV system for 1 Newnham Drive in Daventry is underway. This will support one of our commercial clients with decarbonising their industrial activity and will provide the Council with an income from selling the electricity produced.

An EV charging infrastructure strategy has been drafted and will go for consultation in April before it is finalised and presented to Cabinet for approval.

Sustainable heat network(s): The techno economic study is completed and showed there are options for delivering sustainable heat, initially focused on central Northampton but with opportunities for further growth. Heat sources may include large river, air source heat pumps, and commercial waste heat. The Council has secured grant funding from the HNDU round 13 for the next stage of this project (the Detailed Project Development, DPD, phase).

Finance

Revenue Monitoring

Period 9 was reported to Cabinet in February and showed a forecast year end position of £3.5m. In period 10 we saw further pressure primarily within Adult Social Care with the overall overspend increasing to £4.2m.

We are currently pulling together the position for Period 11 (February) which is highlighting further pressure within the Children's Trust which is likely to push the forecast outturn up again.

It is that crucial time of the year and as part of the closedown process we will consider if there are any further areas we can consider which will reduce the pressure on the revenue account.

Exceptional Financial Support

Members will have seen that the government are 'minded to' support our application for exceptional financial support. Local authorities sometimes apply for this support if they are in financial distress but that is not the reason why we applied for such support. We were previously granted a capitalisation direction previously to use to transform our services and help to reduce ongoing costs.

£6.6m of this previous level of support remains unused and therefore we simply applied to carry this previously unused allocation forward to help to transform early years and Children's services in order to provide a better service to our residents and seek to reduce ongoing costs to the Council.

A full technical explanation on this matter from the Executive Director of Finance was included in the Members' Bulletin on Friday 01 March. If you are interested in learning more about this I would recommend you read that article.

Budget 2024-25 and beyond

Members will be aware that the budget and Council Tax was set for 2024-25. Whilst that is another milestone we do not stop there and are already considering the challenges for next year and beyond.

Closure of Accounts

The finance team are deep in the throes of preparing the accounts for 2021-22, 2022-23 and 2023-24.

At the same time, the Government are consulting on bringing in a 'statutory backstop' for all accounts that are outstanding up until financial year 2022-23. This means that if they have not been completed and audited by 30 September 2024 they will be qualified. This is to seek to clear the huge national backlog of outstanding accounts which it is then hoped can be prepared and audited in line with statutory deadlines going forward.

Our auditor has already confirmed that they will not be in a position to audit our accounts by September 2024 and therefore we will be caught up in this situation.

Councillor Malcolm Longley
Cabinet Member for Finance