

# Finance and Resources Committee

10.00am, Tuesday, 27 March 2018

## Property Condition Project – Delivery Programme

Item number	7.9
Report number	
Executive/routine	Executive
Wards	All
Council Commitments	

### Executive Summary

---

Condition reports on the Council's operational portfolio have identified significant backlog maintenance challenges. In response, the Council has released additional investment (capital and revenue) for 2018/19 to assist in addressing the issue.

The purpose of this report is to provide detail on how the service area will address the significantly increased delivery programme of asset management works (capital) and planned preventive maintenance (revenue) for financial year 2018/19 and beyond.

## Property Condition Project – Delivery Programme

### 1. Recommendations

---

- 1.1 That Committee -
  - 1.1.1 Notes the content of this report;
  - 1.1.2 Approves that all future capital investment reports before any committee of the Council, that have revenue implications and dependencies, are referred to the Finance and Resources Committee for approval; and
  - 1.1.3 Approves the appointment of Arcadis LLP as technical adviser for the procurement of Hard FM Services and delegates authority to the Executive Director of Resources to approve extension and variations in line with Standing Orders.

### 2. Background

---

- 2.1 Briefings on the outcome of the condition surveys on Council operational property were delivered to all political groups in November/December 2017. On 14 December 2017, Council approved an Amendment by the Green Group that stated “Notes that an opportunity to discuss the results of the survey of all Council buildings has been made available to all political groups within the Council; and that a report is scheduled to go to January Finance and Resources Committee to inform the budget process; requests that this report includes overall capital investment needs and ongoing maintenance needs in public buildings, including the school estate; requests that a further report is prepared for Finance and Resources Committee after the budget is set on the practical implications of delivering on capital investment and appropriate maintenance regime.”
- 2.2 On 23 January 2018, the Finance and Resources Committee considered the formal report that identified significant backlog maintenance challenges over the next five-year period and profiled the additional capital and revenue spend as follows.

#### **Required Capital Spend (£ms) Determined by Condition Surveys**

Year 1	Year 2	Year 3	Year 4	Year 5
2018/19	2019/20	2020/21	2021/22	2022/23
36.6	28.7	15.5	19.0	19.1

### Reprofiled Capital Spend (£ms) to Facilitate Mobilisation

2018/19	2019/20	2020/21	2021/22	2022/23
18.00	30.00	30.00	20.45	20.45

### Required Revenue Spend (£ms) Determined by Condition Surveys

2018/19	2019/20	2020/21	2021/22	2022/23
8.1	7.5	5.0	7.0	7.0

- 2.3 Committee approved an addendum by the Green Group that stated “Following the Council budget being set on 22 February 2018 requests a report to the Finance and Resources Committee immediately following Full Council on mobilising a programme of backlog investment and planned maintenance, detailing:
- Priority area for capital investment;
  - Priority areas for planned maintenance;
  - Remaining shortfalls and implications for the long term financial plan: and
  - Steps to address longer term planning for maintenance beyond the five-year time horizon.”
- 2.4 The purpose for this report is to advise Committee of the action plan being implemented to deliver the increased capital and revenue investment, highlight the risks/dependencies involved and address the Amendment and Addendum detailed above.

## 3. Main report

---

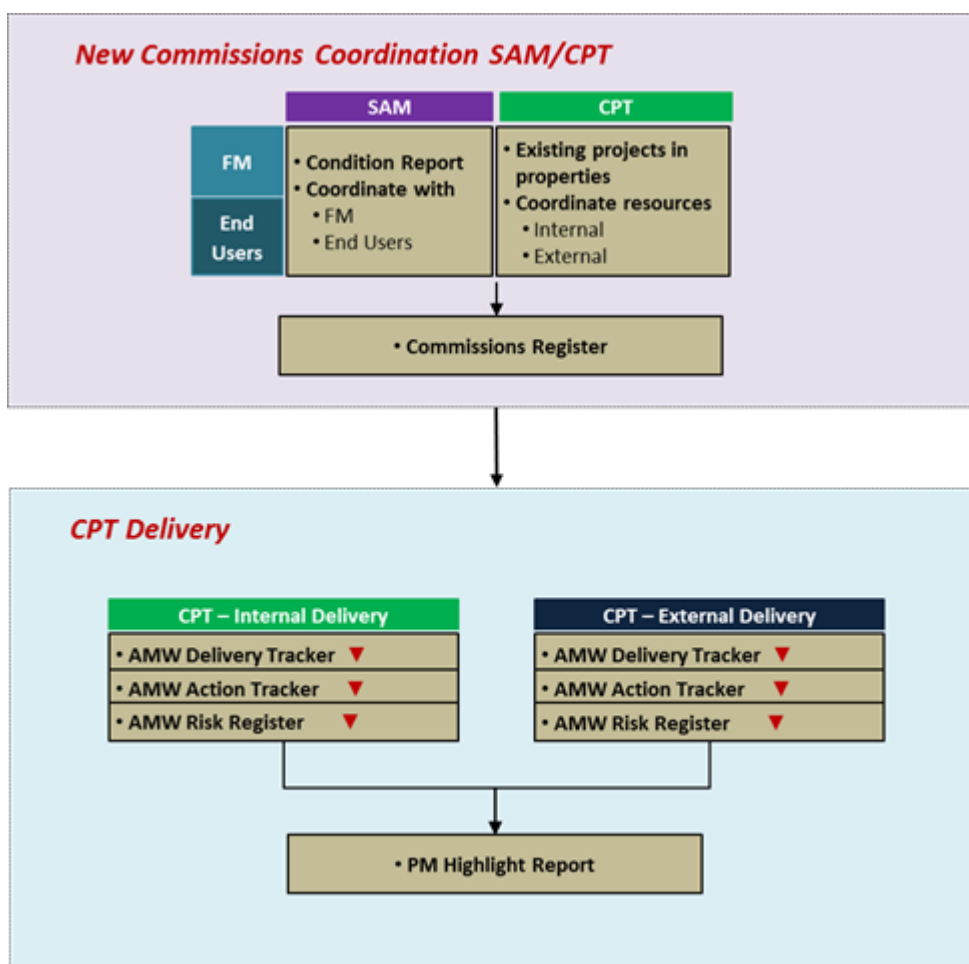
- 3.1 The overarching strategic aim is to ensure all Council owned buildings are rated Condition A or B at the end of a five-year programme. The first year allows for a mobilisation period reflected in the level of expected capital spend, which increases significantly in years two and three. It is important to set out current regimes for both capital/asset management works (AMW) and revenue maintenance spend; and the inter-relationship between the teams involved, Capital Programme Team (CPT), Strategic Asset Management (SAM) and Hard FM/Compliance (FM); and the changes required to deliver on the programme.

### **Practical implications of delivering on capital investment and appropriate maintenance regime**

- 3.2 The delivery of a programme of £30m (capital) and an additional £8.5m revenue per annum across the city is a significant task. At its peak, this could be up to 600 contracts at any one time depending on the ability to bundle works. The scale and

complexity is significantly higher than, for example, the delivery of a £35m High School, which would be a single contract with a dedicated team, no building occupier issues and delivered over a period of years.

- 3.3 The processes and procedures for the governance, planning, commissioning, and delivery capital spend are already established via the Asset Management Project Board. This also includes the interaction with reactive revenue spend and the small element of revenue based planned preventive maintenance completed in 2017/18. The governance structure is set out on Appendix 1. The Board meets on a weekly basis to discuss and agree commissions, coordination and delivery as detail below.



- 3.4 The main outputs from the group are:-

- **Commissions Register** - This acts as the central control for all commissioned projects and is a 'live' document that changes daily. An extract example attached as Appendix 2. (Note the electronic Register is linked to significantly more management information available than is displayed in the example).
- **Process Map** - for each individual project setting out clearly the detailed process including risk, H&S, compliance and governance with a roles and responsibility matrix for each stage of that process (Appendix 3).

- **Highlight Report** - The information above is disseminated to each individual project manager who then assumes responsibility for the delivery and action tracker and risk register for those projects they are responsible for. The detailed information is then summarised for senior management in the form of a PM Highlight Report.

3.5 In terms of delivery arrangements, the implications can be summarised as follows:-

**AMW** - the proposals will require the appointment of a dedicated senior manager within CPT to take up a new temporary roll of AMW Delivery Team Manager, who will be responsible for driving the programme forward. All costs are absorbed within the capital projects and the existing and revised arrangements and assumptions are detailed in Appendix 4.

**PPM** – the revised arrangements and assumptions for delivering the additional PPM are shown in Appendix 5. This is an area of new work that will require new internal staff resource to ensure delivery.

#### Priority Area for Investment

3.6 The Council currently reviews identified spend requirements against the priority ratings in Table 1 below when deciding upon the nature and urgency of the works required. These ratings are generally based on the type of work required and indicative timescales.

**Table 1: Priority Ratings**

Priority Rating	Description
1	Must Do (immediate) - To address essential H&S/ comply with law/ avoid service disruption
2	Should Do (within years 1 and 2) - To achieve/ maintain basic standards
3	Would Do (within years 3 to 5) - Desirable works If affordable

3.7 The condition and priority information subsequently feeds into an overarching prioritisation matrix that helps to inform strategic asset management decisions. This matrix is provided in Table 2 below.

**Table 2: Work Priority Matrix**

Priority of Buildings	Priority of Works		
	P1 (Immediate) Must Do	P2 (Yrs 1-2) Should Do	P3 (Yrs 3-5) Would Do
BP1			
BP2			
BP3			
BP4			
BP5			

BP6			
-----	--	--	--

- 3.8 The prioritisation of the buildings takes into account the current status of the subject buildings, including the anticipated occupancy levels and whether the buildings are expected to be retained, replaced or disposed of. The current priority ratings applied in this respect are shown in Table 3 below.

**Table 3: Building Priority**

Priority of Buildings	
BP1	Operational buildings expected to be fully occupied in the long term
BP2	Operational buildings expected to be fully occupied in the medium term
BP3	Operational buildings currently under review
BP4	Operational structures (other than buildings) expected to be retained in the long-term
BP5	Operational structures (other than buildings) not expected to be retained in the long-term
BP6	Other property assets

- 3.9 Effectively, everything classified 'as must do' will be prioritised, i.e., this must be done irrespective of the building status. The next priority for capital works will be prioritised on those school establishments classified as BP1 and/or BP2 in table 3 above and are Condition C and B (in that order). These are principally primary schools and, to date, £13.03m of new works has already been commissioned at:-

- Blackhall PS;
- Broughton PS and Nursery;
- Craiglockhart PS and Nursery;
- Duddingston PS and nursery;
- East Craigs PS and Nursery;
- Echline PS and Nursery;
- Fox Covert PS and Nursery;
- James Gillespie's PS and Nursery;
- Lorne PS and Nursery;
- Queensferry PS and Nursery;
- Sciennes PS;
- St Catherine's PS and Nursery;
- St Mary's (Leith) PS and Nursery; and

- Trinty PS.

### **Priority Areas for Planned Maintenance**

3.10 The existing Repairs and Maintenance (R&M) budget will be utilised as per previous years, i.e., statutory compliance and reactive repairs (via the helpdesk). The additional budget in 2018/19 will focus on potential future H&S issues, preventative maintenance and sustainability matters such as:-

- Increased activity from inspections and close liaison with CPT projects;
- Ceiling inspections across the operational estate including making safe and good or managing until larger scale refurbishments are on site;
- High Level inspections including masonry and rendering defects, make safe/good depending on AMW programme;
- Boundary walls and fencing condition surveys, risk profiling and programme of works;
- Wave 4 schools – condition management works;
- Hard landscaping (suitability of paths, handrails) etc;
- Defined individual safety projects;
- Gutter & Drainage PPM;
- Decoration & Flooring PPM;
- Windows PPM programme;
- M&E PPM (directed by Condition, Compliance and Energy Inspections);
- Fire doors inspections and maintenance PPM (door hanging, finishes, ironmongery, intumescent/smoke strips etc); and
- Lighting upgrade programme.

3.11 In terms of the Condition C properties, it is proposed that the works required to the Wave 4 high schools (Castlebrae, Currie, Queensferry, Trinity and WHEC) will, in the main, be funded from the revenue budget until a decision is made on their long-term future. This will be the same for St Crispins Special School as it is due to be replaced as part of the capital investment programme.

### **Remaining shortfalls and implications for the long term financial plan**

3.12 Remaining shortfalls (revenue and capital) are identified in paragraph 2.2 and have now been forecast into the Council's medium term financial planning. In the longer-term, if the forecast for new requirements via Rising School Rolls, Early Years, LDP requirements, Wave 4 schools etc are accurate and there are no closures of existing operational property, the current model is not financially sustainable. This is because the future revenue requirements to maintain and service the new build will absorb any budget savings assumed from existing property budgets, which will result in the requirement additional corporate funding.

### **Steps to address longer term planning for maintenance beyond the five-year time horizon**

3.13 With immediate effect, it is proposed that service areas will be required to ensure that all future new build projects are supported by business cases which address the revenue implications of the full lifecycle cost of the proposed asset and that business case must be referred to and approved by the Finance and Resources Committee before proceeding. Specifically, revenue implications/life cycle costs

should cover future repairs and cyclical maintenance, energy costs, non- domestic rates and facility management costs. This would now be required for Rising Roles Phase 6 and the proposed new Queensferry High School.

#### **Future Delivery of Hard FM Services**

- 3.14 The current contract for the delivery of Hard FM Services expires in December 2018. Property and Facilities Management have been working with Commercial and Procurement Services to develop a strategy for future delivery. Given the value of the contract and to support the strategy and procurement process, a mini competition was undertaken on the Crown Commercial Services framework for FM Procurement Services to procure a Technical and Procurement partner. The scope of the contract is to participate in market consultation, project management of the procurement process, preparation of the tender package and to support the Council through the mobilisation of the new contract.
- 3.15 Five organisations were invited to participate in the mini competition process with four bids being returned on the 2 March 2018. The four bids were evaluated based on 70% quality and 30% price. The quality cost ratio was agreed as it was considered that the lower quality the provider, the higher the costs as the tasks will take more hours to complete and more paid for hours will be required to build up knowledge of the Council requirements.
- 3.16 Following the evaluation, it is recommended that the contract award is to Arcadis LLP for £110,413. This is based on a defined scope of tasks which have been priced on a blended day rate for the bidders and a notional number of days. It is estimated the contract term will be approximately six months up to the completion of the evaluation of the Hard FM Services Delivery Partner procurement and an option to extend for a further six months to support the Council through the mobilisation period of the contract.
- 3.17 Due to the complexity and difficulty in scoping some of the required tasks and the early stage of the procurement process for the Hard FM Services Delivery Partner, it is proposed that Committee provide Delegated Authority to the Executive Director of Resources for contract extensions and variations. Any extension or variation will be undertaken in line with the Contract Standing Orders and will be charged at the day rates within the overarching Framework.
- 3.18 The scores achieved within the mini competition are detailed below:

Organisation	Quality Score	Price Score	Total Score
Arcadis LLP	49.00	25.79	74.79
Bidder 2	42.00	30.00	72.00
Bidder 3	35.00	27.90	62.90



Bidder 4	21.00	0.00 (did not pass quality threshold of 50%)	21.00
----------	-------	--	-------

- 3.19 As Arcadis LLP scored the highest in the mini competition process, it is recommended that they are appointed. Further information on the procurement process is contained within Appendix 6.

#### **4. Measures of success**

---

- 4.1 Increased capital and revenue spend across the operational estate will mitigate against potential H&S and compliance risks.
- 4.2 Improvement on the overall condition of the estate with the strategic aim of the estate being in Condition A or B over the five-year programme.

#### **5. Financial impact**

---

- 5.1 The required level of funding for backlog maintenance has been approved for 2018/19 and forecast for the remaining four years of the programme.
- 5.2 The main direct financial implications relate to the additional temporary staff costs to deliver both the increased capital and revenue spend.
- 5.3 The capital implications relate to the additional senior manager post responsible for driving the project forward. This cost however will be absorbed within the capital costs and will not have a revenue impact.
- 5.4 The staff budget for the PPM delivery has been set at 12.5% of the additional funding made available.
- 5.5 The budget for the Technical and Commercial Partner is available within the existing Repairs and Maintenance budget. The costs for the procurement process for this are estimated at under £10,000.

#### **6. Risk, policy, compliance and governance impact**

---

- 6.1 There are significant health and safety and service delivery failure implications of not addressing the backlog maintenance, and of having no annual planned preventive maintenance programme. The additional capital and revenue investment will seek to mitigate this risk.
- 6.2 There is an expectation by the Scottish Government that all school buildings are brought up to condition A or B. This will be the five-year strategic target of the programme.

- 6.3 Prior to commencing works it is essential that stakeholders acknowledge that the delivery of works on the scale proposed across the estate will impact on day to day operations. There is therefore a requirement to clarify the need for increased tolerance of works, particularly on the school estate outside holiday periods. An integral part of the programme will be communication and engagement with establishments and this will require a full-time resource.
- 6.4 The programme will also seek to establish a suitable structure and process for addressing enquiries and/or complaints. This will prevent the diversion of resources.
- 6.5 Establishments need to be engaged early in the commissioning process. For example, vacant possession of a building maybe required for the entire summer period yet it is likely there will be activity planned over the holiday period.
- 6.6 There may be a need for a complete decant in some circumstances. This has not been identified yet but should be classified as a risk.
- 6.7 Contractor resource could be a potential pinch point particularly during the summer months when both Edinburgh and Glasgow trade holidays occur. All current framework supply chains are currently being consulted with and Procurement Services are assisting with tapping into other national frameworks that will spread the delivery risk.

## **7. Equalities impact**

---

- 7.1 The potential failure of the Council's operational estate, such as schools or care homes, would impact on some of the city's most vulnerable groups. A planned programme of investment will help mitigate that risk.

## **8. Sustainability impact**

---

- 8.1 The current programme of building upgrades makes provision to increase the Council's energy efficiency through, for example, increased insulation when roof upgrades are undertaken, replacing windows with double glazing units, and installing more efficient heating systems. Additional funding to eliminate the backlog maintenance will allow greater roll out of these sustainable measures.

## **9. Consultation and engagement**

---

- 9.1 Briefings have been provided on this wider issue to each political group.

## 10. Background reading/external references

---

10.1 None.

### **Stephen S. Moir**

Executive Director of Resources

Peter Watton, Head of Property and Facilities Management

E-mail: [peter.watton@edinburgh.gov.uk](mailto:peter.watton@edinburgh.gov.uk) | Tel: 0131 529 5962

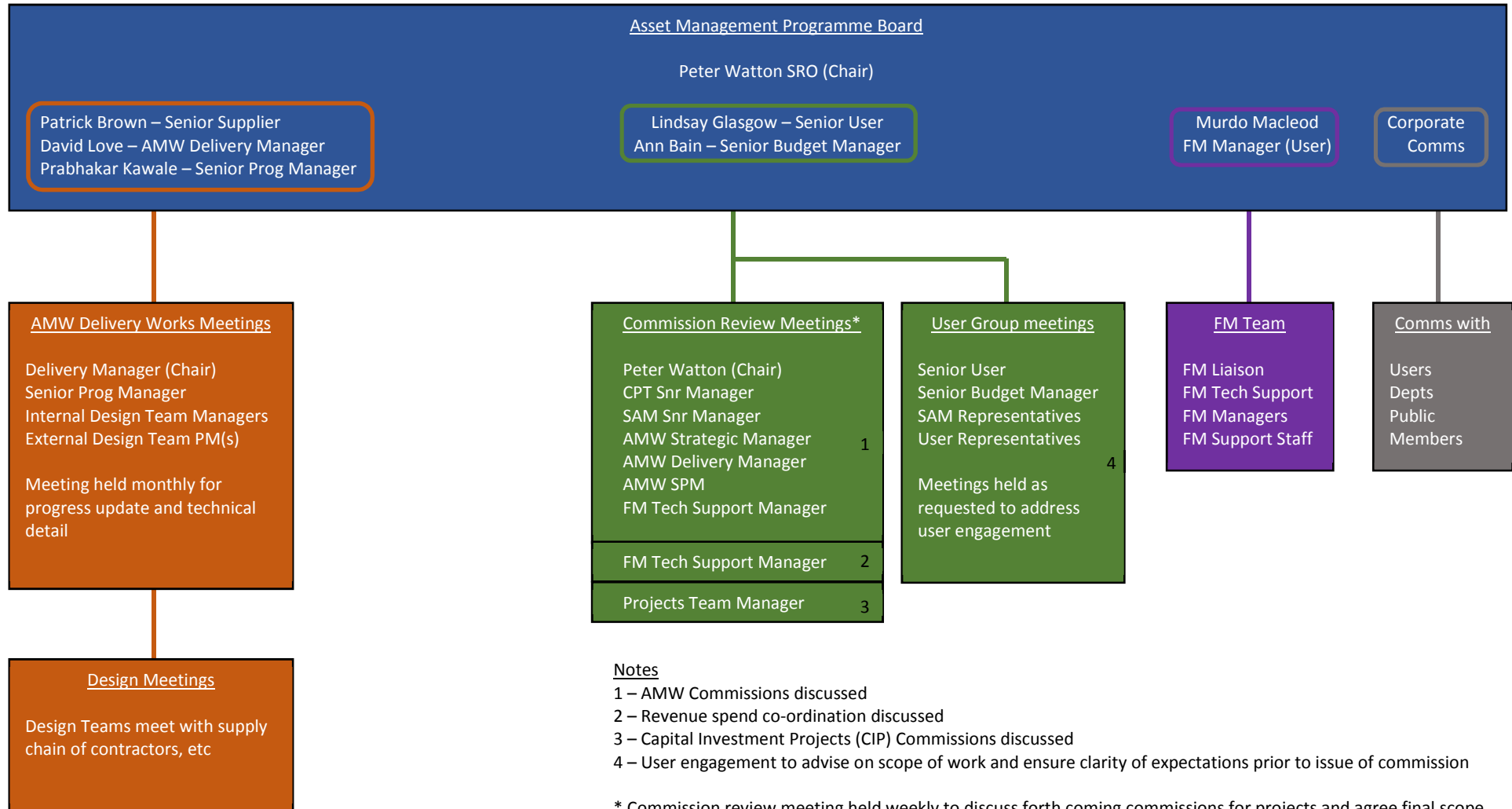
## 11. Appendices

---

1. Asset Management Strategy Board – Structure
2. Example – Commissions Register
3. Process Map – Roles and Responsibilities Matrix
4. Capital Programme Team – Revised Structure
5. Repairs and Maintenance Team – Revised Structure
6. Summary of Tendering and Tender Evaluation Process

## Appendix 1

# Asset Management Programme Governance Diagram



AMW Commissions - SAM / CPT Coordination

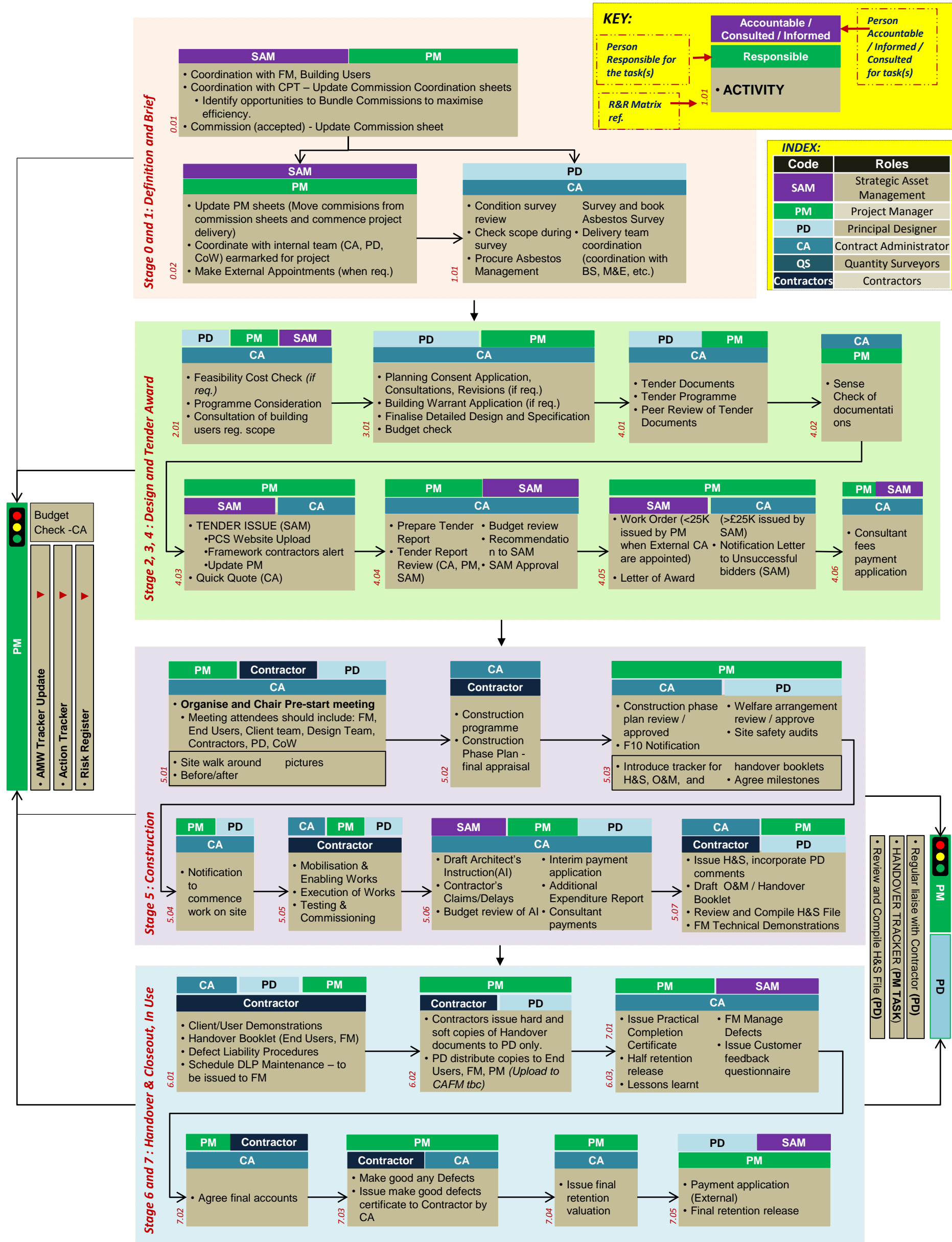
Working Document  
23-Feb-18

Comm. Value Breakdown	Bundled	Comm. Value	Unbundled	CPT Teams Delivering			
Σ Commissions Issued	42 Comm.	£ 19,853,000	169 No. UB	CEC - BS	£ 5,661,500	Ext. - BS	£ -
Σ Comm. Pipeline (Unbundled) (Est.)		£ 494,500	4 No. UB	CEC - M&E	£ 3,503,000	Ext. - M&E	£ 2,670,000
Σ Comm. Pipeline (Bundled) (Est.)		£ 913,000	9 No. UB	Σ CEC Sum	£ 9,164,500	Ext. - M-D	£ 8,846,000
Σ Sum of Above		£ 21,260,500	182 Nos.	Delivery Pending	-£ 827,500	Σ Ext. Sum	£ 11,516,000

Auto Inputs (SUM)	Drop-down menus
----------------------	--------------------

Last Commission on 16-Feb-18

Total-Σ	42	38					Total-Σ	£ 21,084,500	£ 19,853,000	182	0	158	56	0	0	61	160			
Sheet Ref.	Comm. Reissue Ref	Property	Work Type	Proposed Project work				Comm. Bundles	Project Estimate	Commission Budget	SAM Priority	17 / 18	18 / 19	19 / 20	20 / 21	21 / 22	Comm. Drafts	Comm. Issued	CPT Delivery	
1.00	18.018	Balgreen PS	Roof & Rainwater	Overhaul and upgrade as necessary slated roof in conjunction with window replacement				1	£15,000	£ 1,470,000	M		Y					16-Feb-18	Ext. - M-D	
1.01	18.018	Balgreen PS	Doors & Windows (external)	Replace remainder of original windows to main building				1	£350,000		M		Y					16-Feb-18	Ext. - M-D	
1.02	18.018	Balgreen PS	Doors & Windows (external)	Replace/upgrade defective timber framed window units				1	£70,000		M		Y					16-Feb-18	Ext. - M-D	
1.03	18.018	Balgreen PS	M&E	Replace boilers, controls and radiators. Survey and replace as necessary hot and cold supply pipes				1	£550,000		M		Y					16-Feb-18	Ext. - M-D	
1.04	18.018	Balgreen PS	M&E	Replace radiators. Survey and replace as necessary hot and cold supply pipework				1	£45,000		M		Y					16-Feb-18	Ext. - M-D	
1.05	18.018	Balgreen PS	M&E	Lighting, distribution board, fire alarm and intruder alarm upgrade				1	£350,000		M		Y	Y				16-Feb-18	Ext. - M-D	
1.06	18.018	Balgreen PS	M&E	Lighting upgrade				1	£45,000		M		Y					16-Feb-18	Ext. - M-D	
1.07	18.018	Balgreen PS	Internal Fabric	Decorate walls, ceiling, skirtings, doors, replace floor coverings where disrupted. (15% @ £75)				1	£32,000		M		Y					16-Feb-18	Ext. - M-D	
1.08	18.018	Balgreen PS	External Fabric Enhancement	Upgrade poining to external boundary wall				1	£8,000		M		Y					16-Feb-18	Ext. - M-D	
2.00	17.047	Bonnington Centre	Fire Safety	Fire Alarm upgrade				1	£35,000	£ 35,000	H		Y				12-Dec-17	15-Dec-17	Ext. - M-D	
3.00	17.016	Broughton Primary School	M&E	Small power and lighting				2	£202,000	£ 476,000	M		Y	Y				16-Feb-18	CEC - M&E	
3.01	17.016	Broughton Primary School	Fire Safety	Fire alarm upgrade				2	£85,000		H		Y	Y			16-Nov-17	16-Nov-17	CEC - M&E	
3.02	17.016	Broughton Primary School	M&E	Small power and lighting				2	£124,000		M		Y	Y				16-Feb-18	CEC - M&E	
3.03	17.016	Broughton Primary School	Water Quality Pools	Break our reform/replace and upgrade drainage to pool edge 40m and Upgrade pool extract £13K				2	£13,000		M		Y	Y				02-Feb-18	CEC - M&E	
3.04	17.016	Broughton Primary School	Internal Fabric	Repair isolated areas of cracked plaster to walls see survey IW00014250/00014266/00014328 £10K				2	£10,000		M		Y	Y				02-Feb-18	CEC - M&E	
3.05	17.016	Broughton Primary School	Internal Fabric	Redecorate walls, ceiling, skirtings, doors and replace floor coverings throughout in areas where work has disrupted existing finish. (15% @ £75) £42K				2	£42,000		M		Y	Y				02-Feb-18	CEC - M&E	
3.06	17.017	Broughton Primary School	Doors & Windows (external)	Window Upgrade, Repair/upgrade central rooflight/External walls				1	£205,000	£ 360,000	H		Y	Y			16-Nov-17	16-Nov-17	CEC - BS	
3.07	17.017	Broughton Primary School	External Fabric Enhancement	Repair and repoint boundary wall and associated fencing and gates IW0004374/0004375 £30K				1	£30,000		M		Y	Y				02-Feb-18	CEC - BS	
3.08	17.017	Broughton Primary School	Roads and Pavements	Repair and resurface as necessary tarmac and concrete flag stones see Condition report IW00014360/00014377/00014379/00014411 £33K				1	£33,000		M		Y	Y				02-Feb-18	CEC - BS	
4.00	17.022	Brunstane Primary School and Nursery	External Fabric Enhancement	Repair/upgrade conrete sills and lintols				1	£70,000	£ 70,000	H		Y				12-Nov-17	20-Nov-17	CEC - BS	
5.00	17.033	Buckstone PS	Water Quality	Water Supply Separation				1	£60,000	£ 60,000	M		Y				30-Nov-17	30-Nov-17	CEC - M&E	
6.00	TBC	Carrickvale Community Centre	Fire Safety	Fire resistance upgrade to office in protected zone.					£7,500		H		Y						CEC - BS	
7.00	TBC	Castlebrae High School	M&E	Upgrade radiators, heaters and fans to Gym hall					£83,000		H		Y						Ext. - M-D	
8.00	18.020	Clermiston PS	Roof & Rainwater	Renew and upgrade all roofs, repair upgrade spalling soffits				1	£660,000	£ 1,315,000	M		Y	Y				16-Feb-18	Ext. - M-D	
8.01	18.020	Clermiston PS	Internal Fabric	Renew upgrade all damaged areas of ceiling				1	£20,000		M		Y					16-Feb-18	Ext. - M-D	
8.02	18.020	Clermiston PS	Doors & Windows (external)	Remove and upgrade defective render repair/upgrade defective timber to windows				1	£15,000		M		Y					16-Feb-18	Ext. - M-D	
8.03	18.020	Clermiston PS	Internal Fabric	Identify rectify fault and Repair/upgrade plaser to walls where damp/damaged				1	£12,000		M		Y					16-Feb-18	Ext. - M-D	
8.04	18.020	Clermiston PS	M&E	Replace boilers and controls, radiators as necessary throughout and LST rads in gym hall. Upgrade old fans				1	£500,000		M		Y					16-Feb-18	Ext. - M-D	
8.05	18.020	Clermiston PS	M&E	Electrics asesed by AB no work required				1	£0		M		Y					16-Feb-18	Ext. - M-D	
8.06	18.020	Clermiston PS	Internal Fabric	Decorate walls, ceiling, skirtings, doors, replace floor coverings where disrupted. (20% @ £75)				1	£40,000		M		Y					16-Feb-18	Ext. - M-D	
8.07	18.020	Clermiston PS	External Fabric Enhancement	External repairs/upgrade to tarmac, railings and handrails				1	£15,000		M		Y					16-Feb-18	Ext. - M-D	
9.00	17.013	Clovestone Gardens HOP	M&E	Boiler and Heating upgrade				1	£115,000	£ 115,000	H		Y				12-Nov-17	16-Nov-17	CEC - M&E	
10.00	17.008	Corstorphine Primary School	M&E	Upgrade radiators, heaters and fans to Gym hall				1	£90,000	£ 90,000	H		Y				14-Nov-17	14-Nov-17	CEC - M&E	
11.00	18.008	Craiglockhart PS	Doors & Windows (external)	Window Upgrade (Front and Side Elevations)				1	£146,000	£ 626,000	H		Y				29-Nov-17	16-Feb-18	Ext. - M-D	
11.01	18.008	Craiglockhart PS	M&E	Boilers, Radiators and water services pipework				1	£340,000		M		Y				19-Jan-18	16-Feb-18	Ext. - M-D	
11.02	18.008	Craiglockhart PS	M&E	Small power and lighting				1	£100,000		M		Y				18-Dec-17	16-Feb-18	Ext. - M-D	
11.03	18.008	Craiglockhart PS	Roads and Pavements	Renew concrete hardstanding where crazed in area of shelter (15m2) and patch repair tarmac mostly in West gable and rear elevation due to tree root movement (120m2) £8K				1	£8,000		M		Y					16-Feb-18	Ext. - M-D	
11.04	18.008	Craiglockhart PS	Internal Fabric	Redecorate walls, ceiling, skirtings, doors and replace floor coverings throughout in areas where work has disrupted existing finish. (10% @ £75) £25K				1	£25,000	£ 900,000	M		Y					16-Feb-18	Ext. - M-D	
12.00	17.041	Davidsons Mains Primary School	External Fabric Enhancement	Replace Rooflights				1	£17,000		£ 17,000	H		Y				12-Dec-17	15-Dec-17	Ext. - M-D
13.00	17.014	Duddingston PS	Doors & Windows (external)	Window upgrade/Replacement				1	£470,000		H		Y	Y			16-Nov-17	16-Nov-17	CEC - BS	
13.01	17.014	Duddingston PS	M&E	Boiler/Heating hot wateRadiators/Hot/Cold pipework				1	£285,000		L		Y	Y			16-Nov-17	16-Nov-17	Ext. - M&E	
13.02	17.014	Duddingston PS	M&E	Renew lighting including E/L				1	£60,000		M			Y				02-Feb-18	Ext. - M&E	
13.03	17.014	Duddingston PS	Internal Fabric	Redecorate walls, ceiling, skirtings, doors and replace floor coverings throughout in areas where work has disrupted existing finish. (25% @ £75) £52K				1	£52,000		M			Y				02-Feb-18	Ext. - M&E	





## CPT Process - AMW Programme Delivery

### Roles & Responsibilities Matrix

<b>R:</b>	Does the task
<b>A:</b>	Accountable for the task
<b>C:</b>	Consulted with before the task
<b>I:</b>	Informed when the task is completed

<b>Final (R4)</b>	<b>26-Jan-18</b>
R3	13-Sep-17

Ref.No	Stage	Tasks	SAM	PM	CA	PD	Contract or
0.01	Stage-0_Definition	<ul style="list-style-type: none"> <li>• <b>Coordination with FM</b></li> <li>• <b>Coordination with Building Users (or responsible persons)</b></li> <li>• <b>Coordination with CPT</b> <ul style="list-style-type: none"> <li>- Identify opportunities to Bundle Commissions to maximise efficiency.</li> <li>- Scope, programme and budget checks</li> </ul> </li> <li>- <u>Update SAM/CPT Coordination sheet</u></li> <li>• <b>Commission (accepted)</b> <ul style="list-style-type: none"> <li>- <u>Update Commission sheet</u> (Line items bundled from coordination sheets)</li> </ul> </li> <li>• Provide Condition Surveys relevant to each commission</li> </ul>	R	I/C			
0.02	Stage-0_Definition	<ul style="list-style-type: none"> <li>• <u>Update PM sheets</u> (Move commissions from commission sheets and commence project delivery)</li> <li>• <b>Coordinate with internal team (CA, PD, CoW) earmarked for project</b></li> <li>• <b>Make External Appointments (when req.)</b> <ul style="list-style-type: none"> <li>- Delivery Team Lead</li> <li>- Principal Designer</li> <li>- Contract Admin</li> <li>- Delivery Support</li> <li>- CoW</li> </ul> </li> </ul>	A	R			
1.01	Stage-1_Brief	<ul style="list-style-type: none"> <li>• Condition survey review</li> <li>• Check scope during survey</li> </ul>	I	I	R	C	
1.01.1	Stage-1_Brief	<ul style="list-style-type: none"> <li>• Procure Asbestos Management Survey and book Asbestos Survey</li> <li>• Delivery team coordination (coordination with BS, M&amp;E, etc.)</li> </ul>		I	R	C	
2.01	Stage-2_Concept Design	<ul style="list-style-type: none"> <li>• Feasibility Cost Check (if req.)</li> <li>• Programme Consideration</li> <li>• Consultation of building users req. scope</li> </ul>		I	R	C	
3.01	Stage-3_Developed Design	<ul style="list-style-type: none"> <li>• Planning Consent Application, Consultations, Revisions (if req.)</li> <li>• Building Warrant Application (if req.)</li> <li>• Finalise Detailed Design and Specification</li> <li>• Budget check</li> </ul>		I	R	C	
4.01	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• Tender Documents</li> <li>• Tender Programme</li> <li>• Peer Review of Tender Documents</li> </ul>		I	R	C	
4.02	Stage-4_Technical Design	Sense Check of tender documentations (External)		R	C		
4.03	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• <b>TENDER ISSUE (SAM)</b> <ul style="list-style-type: none"> <li>- PCS Website Upload</li> <li>- Framework contractors alert</li> <li>- Update PM</li> </ul> </li> </ul>	R	I			
4.03.1	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• Quick Quote (if req.) (&lt;£25K direct appointment by CA, £25K-£50K quick quote via SAM)</li> </ul>		I	R		
4.04	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• Prepare Tender Report                             <ul style="list-style-type: none"> <li>- Tender Report Review (CA, PM, SAM)</li> <li>- Peer Review of Tender Documents</li> </ul> </li> <li>• Budget review</li> <li>• Recommendation to SAM</li> </ul>	I	I/C	R		
4.04.1	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• SAM Approval</li> </ul>	R	I	I	I	
4.05	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• Work Order (&lt;25K issued by PM when External CA are appointed)</li> </ul>	I	I	R		
4.05.1	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>• Letter of Award (&gt;£25K issued by SAM)</li> </ul>	R	I	I		

Ref.No	Stage	Tasks	SAM	PM	CA	PD	Contract or
4.05.2	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>Notification Letter to Unsuccessful bidders (SAM)</li> </ul>	R				
4.06	Stage-4_Technical Design	<ul style="list-style-type: none"> <li>Consultant fees payment application (by PM when External CA appointed)</li> </ul>	I	A/I/R	R	I	
5.01	Stage-5_Construction	<ul style="list-style-type: none"> <li>Organise and Chair Pre-start meeting</li> <li>Meeting attendees should include: FM, End Users, Client team, Design Team, Contractors, PD, CoW</li> </ul>	I	C	R	I	C
5.01.1	Stage-5_Construction	<ul style="list-style-type: none"> <li>Site walk around</li> <li>Before/after pictures (CoW)</li> </ul>	I	C	R	I	I
5.02	Stage-5_Construction	<ul style="list-style-type: none"> <li>Construction programme</li> <li>Construction Phase Plan - final appraisal</li> </ul>		I	A		R
5.03	Stage-5_Construction	<ul style="list-style-type: none"> <li>Construction phase plan reviewed / approved</li> <li>F10 Notification to H&amp;S Executive (if req.)</li> <li>Welfare arrangement reviewed / approved</li> <li>Site safety audits</li> </ul>	I/A	I	R/C	R/C	
5.03.1	Stage-5_Construction	<ul style="list-style-type: none"> <li>Introduce tracker for H&amp;S file, O&amp;M file, Testing &amp; Commissioning and Handover booklet</li> </ul>		R		C/I	
5.03.2	Stage-5_Construction	<ul style="list-style-type: none"> <li>Agree milestone targets with contractors</li> </ul>		I	R/A	I	
5.04	Stage-5_Construction	<ul style="list-style-type: none"> <li>Notification to commence work on site</li> </ul>		I	R	I	
5.05	Stage-5_Construction	<ul style="list-style-type: none"> <li>Mobilisation &amp; Enabling Works</li> <li>Execution of Works</li> <li>Testing &amp; Commissioning</li> </ul>		I	I/C	I	R
5.06	Stage-5_Construction	<ul style="list-style-type: none"> <li>Draft Architect's Instruction(AI) (if req.)</li> <li>Contractor's Claims/Delays</li> <li>Budget review of AI (QS/CA)</li> <li>Interim payment application (by PM when External CA appointed)</li> <li>Consultant fees payment application (by PM when External CA appointed)</li> <li>Additional Expenditure Report (if req.)</li> </ul>	I	A/I/R	R	I	C
5.07	Stage-5_Construction	<ul style="list-style-type: none"> <li>Issue all H&amp;S info to PD</li> <li>Draft O&amp;M / Handover Booklet</li> <li>Incorporate comments from PD</li> </ul>		I	C	A	R
5.07.1	Stage-5_Construction	<ul style="list-style-type: none"> <li>Review and Compile H&amp;S File</li> </ul>		I	C	R/A	C
5.07.2	Stage-5_Construction	<ul style="list-style-type: none"> <li>FM Technical Demonstrations</li> </ul>		I	A	I	R
6.01	Stage-6_Handover & Close-out	<ul style="list-style-type: none"> <li>Client/User Demonstrations</li> </ul>		C	A	I	R
6.01.1	Stage-6_Handover & Close-out	<ul style="list-style-type: none"> <li>Defect Liability Procedures</li> <li>Schedule DLP Maintenance - To be issued to FM</li> </ul>		I	A	I	R
6.02	Stage-6_Handover & Close-out	<ul style="list-style-type: none"> <li>Contractors issue finalised hard and soft copies of Handover documents (H&amp;S file, O&amp;M file, Testing &amp; Commissioning and Handover booklet) to PD only.</li> </ul>		I	I	A	R
6.02.1	Stage-6_Handover & Close-out	<ul style="list-style-type: none"> <li>PD distribute copies (<i>Upload to CAFM tbc</i>)</li> <li>- 1 hard copy + disk to property</li> <li>- 1 disk for SAM Capital Works Manager</li> <li>- 1 disk for Head of Soft FM</li> <li>- 1 disk for Lead for Technical Support FM</li> <li>- 1 disk for CPT</li> </ul>	I	I	I	R/A	
6.03	Stage-6_Handover & Close-out	<ul style="list-style-type: none"> <li>Issue Practical Completion Certificate</li> <li>Release half retention</li> </ul>	I	I	R/A	C	I
7.01	Stage-7_In Use	<ul style="list-style-type: none"> <li>Lessons learnt (if req.) (PM/CA)</li> </ul>	I	R	C	I	I

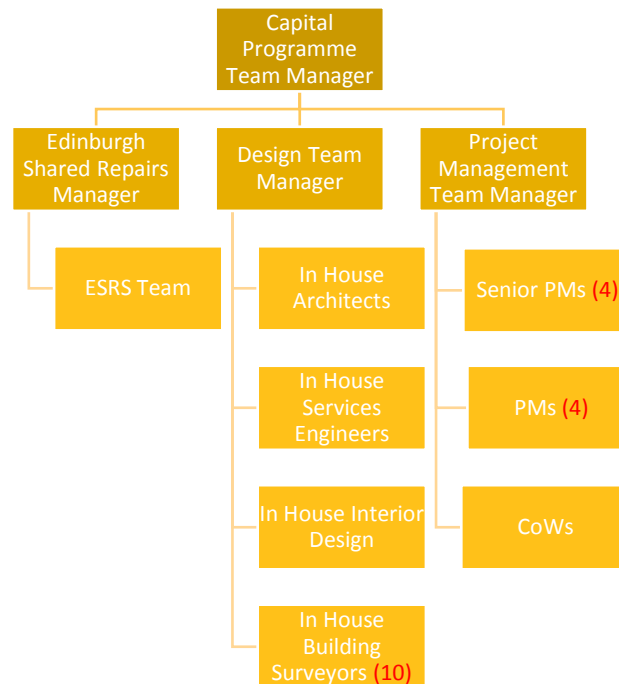


Ref.No	Stage	Tasks	SAM	PM	CA	PD	Contract or
7.01.1	Stage-7_In Use	<ul style="list-style-type: none"> <li>FM Manage Defects</li> </ul>		I	A		R
7.01.2	Stage-7_In Use	<ul style="list-style-type: none"> <li>Issue Customer Feedback Questionnaire</li> </ul>	A	R			
7.02	Stage-7_In Use	<ul style="list-style-type: none"> <li>Agree final accounts</li> </ul>	I	I	R		C
7.03	Stage-7_In Use	<ul style="list-style-type: none"> <li>Make good any Defects</li> <li>Issue make good defects certificate to Contractor by CA (at end of DLP)</li> </ul>		I	A	I	R
7.04	Stage-7_In Use	<ul style="list-style-type: none"> <li>Issue final retention valuation</li> </ul>	I	I	R	I	
7.05	Stage-7_In Use	<ul style="list-style-type: none"> <li>Payment application (External)</li> <li>Final retention release</li> </ul>	I	R		I	

## Appendix 4

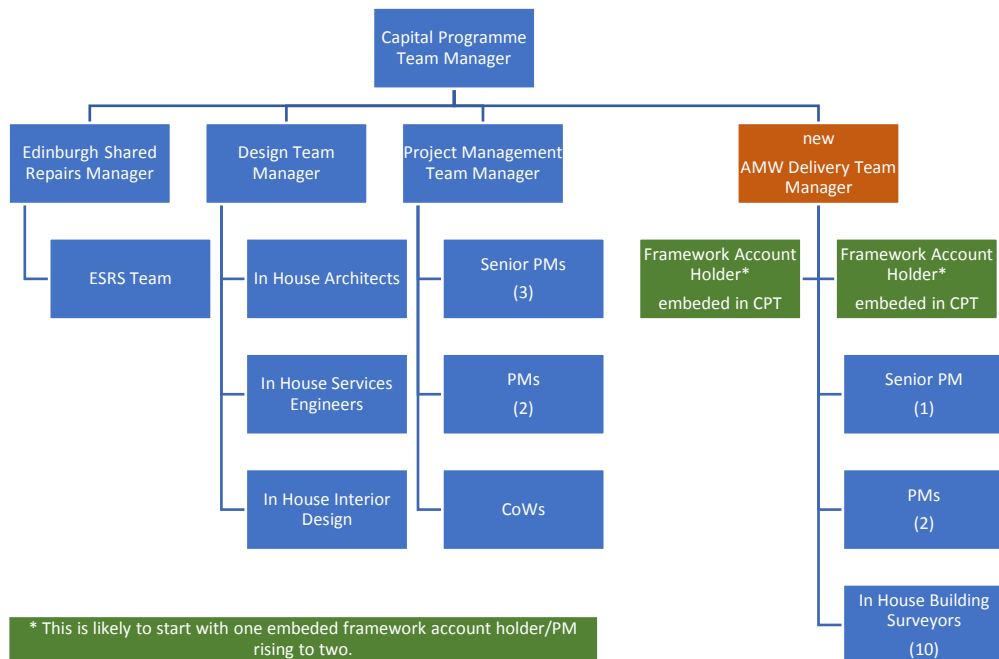
The Asset Management Works (AMW) programme is delivered by the Capital Programme Team (CPT) within Property and Facilities Management. Current arrangements and associated resources to accommodate the planned increase in annual expenditure are inadequate. The current team structure is provided below:

### Current CPT structure:



- This team delivers the current AMW programme (pre 2018/19) along with other Capital Projects utilising in-house resources and professional services framework supply chain. The key areas associated with the delivery of the AMW Programme are the Building Surveyors, Services Engineers, Project Managers and one Senior Project Manager supported by the Design Team Manager

## Proposed CPT Structure:



- This proposed structure provides for a dedicated temporary team focussed on the AMW programme delivery (for 2018/19 onward). The new team would be drawn largely from existing resources. The Building Surveying resource (which works almost exclusively on the AMW programme) would be transferred to the new AMW Delivery team. The Services Engineering team (which works on both AMW and CIP projects) will remain under the Design Manager and provide support to the AMW Delivery Team as required (matrix management). The Project Management team would be divided as outlined.
- The change will add one manager to the CPT Structure. It is anticipated that this manager would be appointed internally and there will be backfill appointments from across the CPT structure. Depending on the outcome of the process, there could be a need for an external appointment to address backfill at a lower level.
- This proposed AMW Delivery Team will also have access to the current Framework Professional Services supply chain.

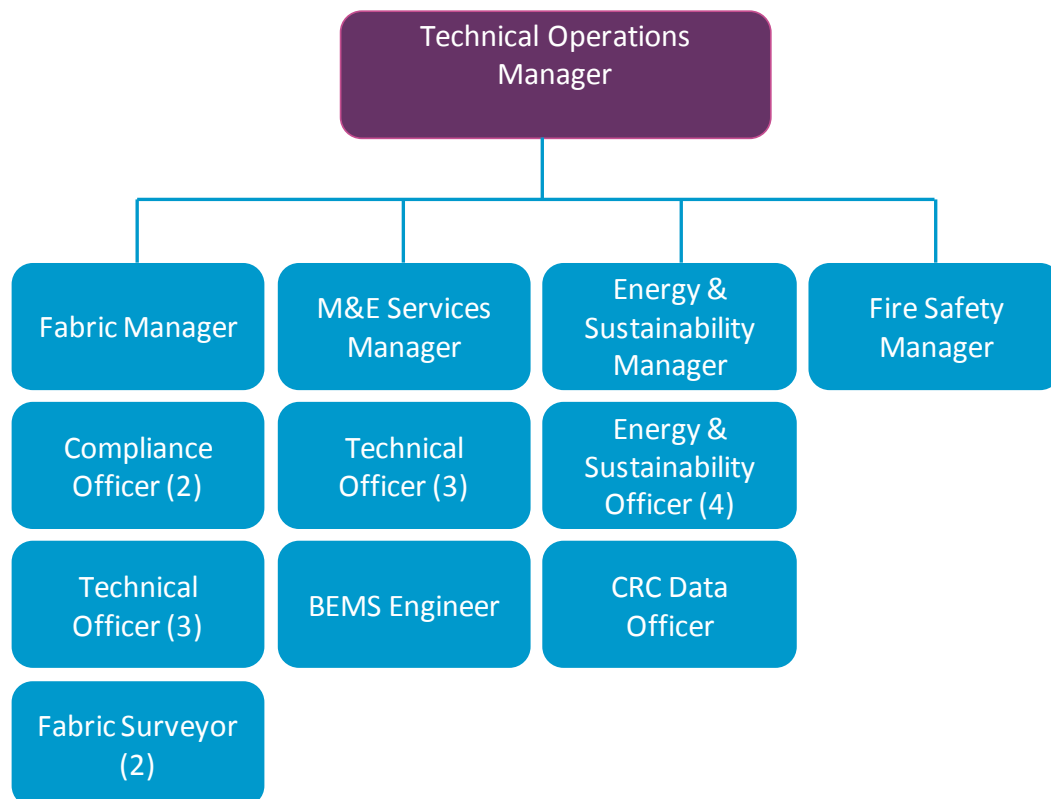
Engagement is taking place with the existing multidisciplinary framework providers to embed them directly in to the delivery of the programme. The aim will be to have their respective account holders located within the AMW Delivery Team ensuring close management of the external multidiscipline providers. To date, there have been positive discussions with the three multidiscipline framework providers and they have been approached to provide revised fees reflecting the nature of the works on the AMW programme and CVs for their proposed Framework Account Holder (programme manager). The utilisation of the multidisciplinary framework will open up a significant resource for the design and management of works.

- The above CPT structure will continue to have both in-house Design and Project Management functions. These functions will be focussed on the delivery of Capital Investment Programme (CIP) related projects utilising in-house and external resources.
- The Edinburgh Shared Repairs Service would not be impacted by the changes

## Appendix 5

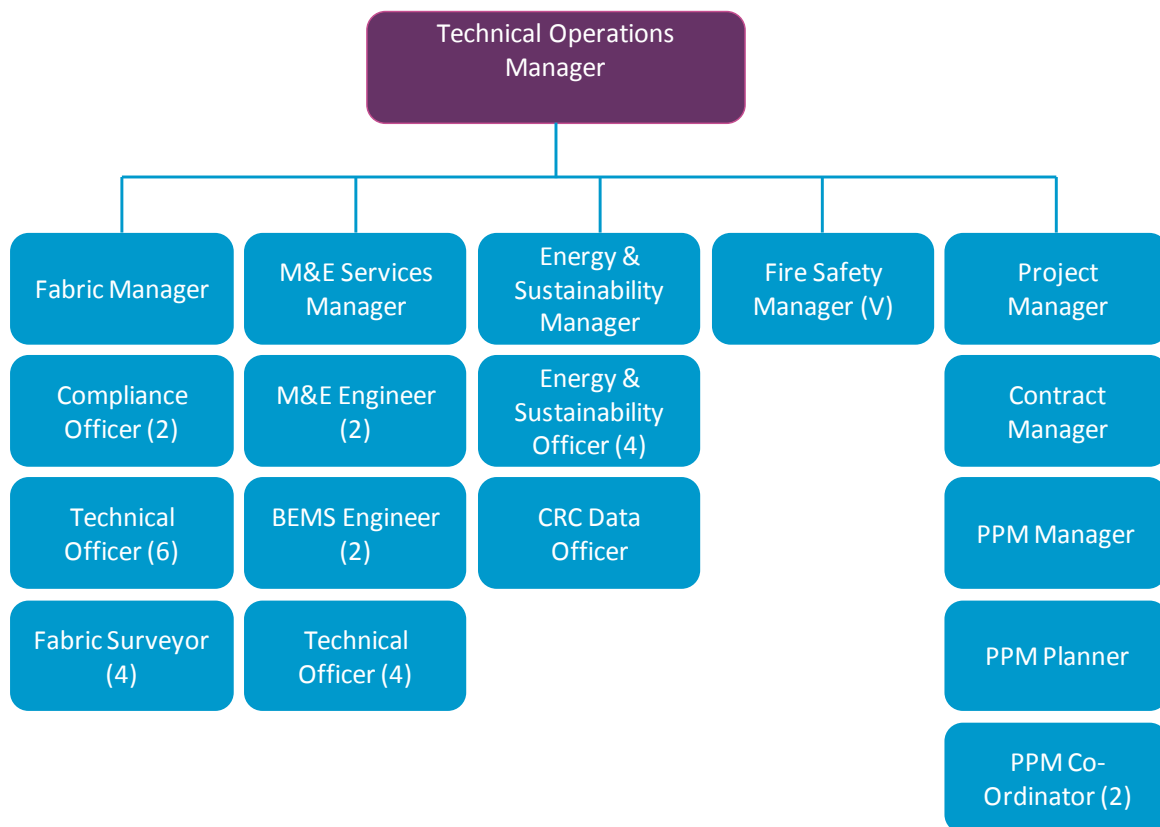
Repair and Maintenance (R&M) services are provided within Property and Facilities Management. Current arrangements and associated resources to accommodate the planned increase in annual expenditure are inadequate. The current team structure is provided below:

### Current R&M structure:



- This team delivers the current R&M service (pre- 2018/19), which is based on statutory compliance and inspections, wind and water tight structures and health and safety, along with other small projects and minor works utilising in-house resources and supply chain. The key areas associated with the delivery of the R&M services are the Managers for Fabric, M&E, and Energy & Sustainability. They are supported by Compliance Officers, Technical Officers, Surveyors, BEMS Engineer and Energy & Sustainability Officers.

## Proposed R&M Structure:



- This proposed structure provides for a dedicated temporary team focussed on the R&M PPM key objectives programme (for 2018/19 onward). The existing team roles in many cases would be increased with resources from the supply chain frameworks. In addition, a Project Manager, Contract Manager, PPM Manager, and other support roles detailed above would be required.

Engagement is taking place with the existing multidisciplinary framework providers to embed them directly in to the delivery of the programme. The aim will be to have their respective account holders located within the R&M Team ensuring close management of the external multidiscipline providers. Discussions have commenced with multidiscipline framework providers, initially to appoint the overall Project Manager role.

- The above R&M structure will deliver the following key objectives:
  - Resources – Create an interim structure to meet requirements over 12-24-month period, commencing April 2018.
  - Increased project activity from inspections.
  - Accelerated works from Condition Surveys e.g. health & safety critical.
  - PPM - develop and implement based on criticality, condition survey and projects.
  - Statutory Compliance – assurance program.
  - School alignment project – plan that covers C&F equipment requirements.

- Defined projects e.g. Wave 4 Schools.
- Building access for works and associated costs.

Assumptions:

- Procurement
  - Suppliers to support substantial increase in workload
  - Waivers required for existing suppliers from Autumn 2018
  - Successful strategy to deliver the future R&M partner/s post Autumn 2018
- Labour
  - Sourced through existing frameworks
  - Temporary roles aligned to overall R&M key objectives
  - Workspace and required IT equipment will be provided

## Appendix 6 - Summary of Tendering and Tender Evaluation Processes

Contract	Contract for the provision of Technical and Commercial Advisory Support for the procurement of a Hard FM Services Delivery Partner	
Contract Period	1 <sup>st</sup> April 2018 – 30 <sup>th</sup> March 2019	
Estimated Contract Value (including extensions)	£110,413	
Procurement Route Chosen	Mini Competition	
Tenders Returned	4	
Name of Recommended Supplier(s)	Arcadis LLP	
Price / Quality Split	<b>Price 30</b>	<b>Quality 70</b>
Evaluation Criterion and Weightings	<b>Criteria</b>	<b>Weighting (%)</b>
	Project Delivery Team	40
	Approach	60
Evaluation Team	The evaluation team consisted of officers from Corporate Property.	