

UPDATE ON PROPERTY SERVICES

To: **Commercial and Investment Committee**

Meeting Date: **22 November 2019**

From: **Interim Head of Property / Deputy Chief Executive**

Electoral division(s): **All**

Forward Plan ref: **N/a** *Key decision:* **No**

Purpose: **The Committee is asked to note the update.**

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1. BACKGROUND

- 1.1 The Audit and Accounts Committee received a report identifying a number of risks and weaknesses from the Property Services Team within the Resources Directorate. As a consequence, Commercial & Investment Committee were asked to ensure progress was made. This report outlines the progress made and steps that have been put into place to improve service provision and manage risk.

2. MAIN ISSUES

- 2.1 The audit report into Property Services highlighted the following deficiencies within the service:
- Management of property assets and associated data
 - Management of FM contractors
- 2.2. To address these, the Interim Head of Property has reviewed the strengths and weaknesses of the team and has implemented the following changes:
- 2.2.1 Property Services Structure: Two technical leads, covering Mechanical and Electrical Engineering and Building Surveying, have been acting up in role for the last 3 months. This ensures decisions are being made with the appropriate skill base to identify longer terms cost effective solutions. An interim staff structure has been in place which has seen much closer integration within the Property Services team, and across property more widely and with stakeholders across the Council.
- 2.2.2 Maintenance Contracts: Weaknesses with maintenance contractors have been reviewed and contracts with Imtech and Grahams for FM services have ended. The tender for the new contract contains significantly greater depth of specification and performance indicators which are being tracked weekly to ensure service standards are being met and any poor performance can be addressed with the new supplier Team Q. Included in the specification is a Schedule on Inspections (**Appendix 1**)
- 2.2.3 Property Data: Significant discrepancies were evident between data held by Property Services and other Property Teams. As part of the SPOKES work, the teams have reconciled this data. There is now only one asset list detailed in **Appendix 2** that lists the total assets held within Property and the subset Property Services maintain. Additional temporary resource has been put in place to ensure that the full lease obligations are clear and disseminated for each lease held. As there are a large number of assets this process will be complete by December 2019 so it can be imported into a new asset management database. Detailed in **Appendix 3** is the annual spend of Property Services and the categories of spend. A target will be to identify savings in the 20/21 Financial Year.
- 2.2.4 K2 Software: The K2 software contract expires in February 2020. This contract has been in place for the last 5 years and no more exemptions are allowed. A combined project with IT to align systems with Peterborough has identified that Technology Forge is a more appropriate system to move to and a procurement exercise is underway. This will cover all aspects of Property Estate Management and Services, including asset management, planned and reactive maintenance programming, and building condition and compliance works. This system will also cover Education Capital works.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 A good quality of life for everyone

There are no significant implications for this priority.

3.2 Thriving places for people to live

There are no significant implications for this priority.

3.3 The best start for Cambridgeshire's children

There are no significant implications for this priority.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The report above sets out details in paragraph 2.2 the resource implications.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

There are no significant implications for this priority.

4.3 Statutory, Legal and Risk Implications

There are no significant implications for this priority.

4.4 Equality and Diversity Implications

There are no significant implications for this priority.

4.5 Engagement and Communications Implications

There are no significant implications for this priority.

4.6 Localism and Local Member Involvement

There are no significant implications for this priority.

4.7 Public Health Implications

There are no significant implications for this priority.

Source Documents	Location
Audit & Accounts Committee reports and minutes	Room 117, Shire Hall, Cambridge