



AGENDA

CABINET MEETING

Date: Wednesday, 8 October 2014
Time: 7.00 pm
Venue: Council Chamber - Swale House

Membership:

Councillors Bowles (Chairman), Gerry Lewin (Vice-Chairman), Mike Cosgrove, Duncan Dewar-Whalley, Ken Pugh, David Simmons, Mike Whiting, Ted Wilcox and John Wright.

Quorum = 3

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| | Pages |
|--|-------|
| 1. Apologies for Absence | |
| 2. Minutes | |
| To approve the Minutes of the Meeting held on 10 September 2014 (Minute Nos. 224 - 232) as a correct record. | |
| 3. Declarations of Interest | |
| Councillors should not act or take decisions in order to gain financial or other material benefits for themselves or their spouse, civil partner or person with whom they are living with as a spouse or civil partner. They must declare and resolve any interests and relationships. | |
| The Chairman will ask Members if they have any interests to declare in respect of items on this agenda, under the following headings: | |

(a) Disclosable Pecuniary Interests (DPI) under the Localism Act 2011. The nature as well as the existence of any such interest must be declared. After declaring a DPI, the Member must leave the meeting and not take part in the discussion or vote. This applies even if there is provision for public speaking.

(b) Disclosable Non Pecuniary (DNPI) under the Code of Conduct adopted by the Council in May 2012. The nature as well as the existence of any such interest must be declared. After declaring a DNPI interest, the Member may stay, speak and vote on the matter.

Advice to Members: If any Councillor has any doubt about the existence or nature of any DPI or DNPI which he/she may have in any item on this agenda, he/she should seek advice from the Director of Corporate Services as Monitoring Officer, the Head of Legal or from other Solicitors in Legal Services as early as possible, and in advance of the Meeting.

Part B Reports for Decision by Cabinet

- | | | |
|----|--|---------|
| 4. | Property Strategy | 1 - 12 |
| 5. | Staying Put Framework Agreement | 13 - 18 |
| 6. | Minutes of the Swale Joint Transportation Board meeting held on 8 September 2014 | 19 - 20 |

Cabinet is asked to approve the recommendations which fall within the remit of Swale Borough Council's Cabinet.

Members are reminded that the terms of reference for the JTB state that: The Cabinet will normally act in accordance with the advice or views of the JTB. If the Cabinet is minded to act otherwise, no decision will be taken until after a discussion between the relevant Cabinet Member and the Chairman and Vice-Chairman of the JTB.

7. Minutes of the Local Development Framework Panel held on 25 September 2014

Cabinet is asked to approve the recommendations from the Local Development Framework Panel meeting held on 25 September 2014.
(To follow).

Issued on Monday 29 September 2014

The reports included in Part I of this agenda can be made available in **alternative formats**. For further information about this service, or to arrange for special facilities to be provided at the meeting, **please contact DEMOCRATIC SERVICES on 01795 417330**. To find out more about the work of the Cabinet, please visit www.swale.gov.uk

Corporate Services Director, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT

| | |
|------------------------|-----------------------|
| Cabinet Meeting | Agenda Item: X |
|------------------------|-----------------------|

| | |
|------------------------|---|
| Meeting Date | 8 October 2014 |
| Report Title | Property Asset Strategy – progress report |
| Cabinet Member | Cllr Duncan Dewar-Whalley, Cabinet Member for Finance |
| SMT Lead | Mark Radford |
| Head of Service | Anne Adams |
| Lead Officer | Anne Adams |
| Key Decision | No |
| Classification | Open |
| Forward Plan | Reference number: |

| | |
|------------------------|---|
| Recommendations | <ol style="list-style-type: none"> 1. Note the progress made against the Property Strategy Action Plan, 2. Note the 2013/14 Property Performance Indicator results. |
|------------------------|---|

1 Purpose of Report and Executive Summary

- 1.1 The purpose of this report is to provide members with an update on progress against the Property Strategy Action Plan and to report the outcome of the annual Property Performance Indicators for 2013-14.

- 1.2 The focus during 2013-14 was around the strategic review process. This is now well underway and work during 2014-15 is focused on the delivery of actions identified in the review process. This means that, whilst some of the performance figures remained static between 2012-13 and 2013-14, it is anticipated that greater improvements will be seen during 2014-15. However, there was a marked improvement in the level of rent arrears due to a more proactive approach by both the Finance and Property teams.

2 Background

- 2.1 The Property Asset Strategy 2012 – 2015 was presented to Cabinet in March 2012. A revised and updated version was then presented to Cabinet in April 2013. Since then, there has been significant progress made against the Action Plan. The key areas that are the subject of this report are:
 - The outcome of the strategic review of non-operational property (property that is occupied by a third party organisation and not directly delivering a Council service),
 - Progress against the Action Plan following the review of operational property,
 - The 2013/14 Property Performance Indicator results,

- Progress with the transfer of community assets,

3 Review of Non-Operational Property

3.1 The strategic review of non-operational property was completed in 2013/14 in accordance with the objective set out in the Property Services Service Plan. The outcomes will be translated into an Action Plan which will inform future decisions regarding disposals, investments or community asset transfers.

3.2 A summary of the outcomes is set out below:

| Type of Property | Summary of review |
|--|---|
| Surplus land & buildings | Most of the Council's surplus land and buildings are awaiting the completion of options appraisals to determine the most appropriate action. There are two closed public conveniences, a number of small vacant sites with possible development potential and some more complex sites requiring a significant level of resources to realise any potential. With the upturn in the property market seen recently it is now considered appropriate to invest resources into further investigating these sites and preparing an up to date schedule for disposals. Work has begun on this and further reports will be presented in due course. |
| Tenanted community & leisure buildings | Most of these properties are let to voluntary and community sector organisations either under the VCS Lettings Policy or the Community Asset Transfer Policy. Where there are historic arrangements in place that are due for review these will be identified and prioritised to ensure that the arrangements are meeting the Council's corporate objectives. There are a number of historical long term ground leases of 50 or 99 years with little scope for review unless requested by the tenant. |
| Depots | There are two depot sites, both with regeneration potential. The Princes Street depot is earmarked for redevelopment as part of the Spirit of Sittingbourne proposals and the Bridge Road Sheerness site may have potential if KCC decides to relocate its household waste recycling facility. |
| Shops | Most of the Council's shop premises are generating a good rental income. However, options appraisals should be carried out to ensure that there is no alternative use that could have a greater financial benefit to the Council. The poorly performing shops at Rushenden Road are to be transferred to AmicusHorizon for the development of social housing. |
| Offices | The Council has three premises that are let as offices and these are currently occupied by the Citizens Advice Bureau, Age UK and Queenborough Town Council. All will be reviewed at the end of their current leases or if the tenant wishes to vacate prior to the end of the lease. |

| | |
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| Industrial sites | The Council's leasehold interest in the two industrial sites at New Road Sheerness will be terminated at the end of the current leases. This is because the rental arrangements mean that the Council is unable to generate any income from the leases. The freehold interest will be retained. |
| Investment properties | There are thirteen industrial ground leases that generate a good rental income. The initial review has concluded that these should be retained and rent reviews continue to be implemented in accordance with the lease terms to ensure that income is maximised. |
| Grazing land | Grazing land generates very little income for the Council and can result in high management costs. Detailed reviews will be carried out of each site but it is likely that, unless the land has potential for some alternative use, the conclusion will be that the land should be sold. |

4 Review of Operational Property

4.1 The strategic review of operational property was completed early in 2013 and an Action Plan was prepared which is reviewed quarterly by the Asset Management Group.

4.2 The key actions are set out below:

| Type of Property | Action |
|--|--|
| Cemetery buildings | In addition to the chapels, storage and rest facilities are provided for ground workers. Funding is being sought for installation of a permanent electricity supply to Love Lane chapel in Faversham and all other buildings will continue to be managed to support the cemeteries service. |
| Council managed community halls, sports pavilions and lifeguard huts | Reviews are taking place to assess current and future need for these community and leisure buildings and feasibility of asset transfer or disposal. More detail is provided in the report on community asset transfer referred to in paragraph 6.3 of this report. |
| Offices | A report about the utilisation of Swale House was circulated to Cabinet members on 16 July. The options around a new civic building have been discussed with Cabinet members and the views expressed will be used to inform a more detailed options appraisal to be completed in due course. |
| Public toilets | Options appraisals are being carried out regarding transfer of toilet facilities to community groups and parish councils. |

| | |
|-----------------|---|
| Leisure centres | Accessibility improvements are being made to the entrances of Sheppey Leisure and Swallows Leisure centres. |
|-----------------|---|

5 Property Performance Indicators

PI 1 Condition – this measures the condition of properties for which SBC has a maintenance responsibility

| TABLE 1 – Numbers and percentages of properties in each condition category | | | | |
|---|-----------------|------------------------|-----------------|----------------|
| | A – good | B– satisfactory | C – poor | D - bad |
| 2011 | 2 (4%) | 27 (59%) | 15 (33%) | 2 (4%) |
| 2012 | 2 (3%) | 32 (53%) | 25 (41%) | 2 (3%) |
| 2013 | 2 (3%) | 35 (59%) | 21 (36%) | 1 (2%) |
| 2014 | 4 (7%) | 35 (60%) | 18 (31%) | 1 (2%) |

| TABLE 2 – Total and percentage gross floor area in each condition category | | | | |
|---|-------------------------------|----------------------------------|----------------------------------|------------------------------|
| | A – good | B– satisfactory | C – poor | D - bad |
| 2011 | 223 m ² (0.6%) | 21,119 m ² (63%) | 12,058 m ² (36%) | 145 m ² (0.4%) |
| 2012 | 223 m ² (0.7%) | 12,129 m ² (36.8%) | 20,501 m ² (62.1%) | 100 m ² (0.4%) |
| 2013 | 223 m ² (0.7%) | 17,000 m ² (52.6%) | 15,024 m ² (46.4%) | 100 m ² (0.3%) |
| 2014 | 3032 m ² (9.4%) | 19,838 m ² (61.5%) | 9,313 m ² (28.8%) | 100 m ² (0.3%) |

PI 2a Accessibility – this measures the accessibility of buildings which are open to the public, which are managed by the Council or its agents.

| TABLE 3 – Numbers and percentages of properties in each accessibility category | | | | |
|---|-----------------------------|--|--|---|
| | A – fully accessible | B– fully accessible with assistance | C – partially accessible; reasonable improvements can be made | D – not accessible; improvements can not be made |
| 2013 | 1 (3%) | 21 (34%) | 3 (10%) | 4 (13%) |
| 2014 | 1 (3%) | 21 (34%) | 3 (10%) | 4 (13%) |

PI 2b Suitability - this indicator summarises the suitability in relation to location, space utilisation, and cost in use for assets managed by the Council

| TABLE 4 – Numbers and percentages of properties in each suitability category | | | | |
|---|-----------------|------------------------|-----------------|----------------|
| | A – good | B– satisfactory | C – poor | D – bad |
| 2013 | 5 (14%) | 23 (64%) | 7 (19%) | 1 (3%) |
| 2014 | 5 (14%) | 23 (64%) | 7 (19%) | 1 (3%) |

PI 2c Statutory compliance- this indicator records the level of compliance for operational assets which are not occupied by third parties and for which the Council is fully liable for complying with health and safety legislation.

- 5.1 Compliance against statutory maintenance requirements is reviewed regularly. Table 5 below summarises a snapshot of the situation as at 1st April.

| TABLE 5 Statutory compliance | | | | |
|-------------------------------------|--|--|--|-----------------|
| Statutory duty | Percentage of properties fully compliant 1/4/12 | Percentage of properties fully compliant 1/4/13 | Percentage of properties fully compliant 1/4/14 | Comments |
| Duty to manage asbestos | 25% | 99% | 100% | |

| | | | | |
|-------------------------|------|------|------|--|
| Legionella | 68% | 76% | 81% | An issue with water temperature testing of cleansing and cemetery sites was identified and resolved so compliance is now 100% for 14/15. |
| Gas safety | 100% | 29% | 100% | Drop in compliance in 1/4/13 was due to gas safety contractor going into liquidation just before servicing was due |
| Fixed electrical safety | 100% | 100% | 100% | |
| PAT | 100% | 100% | 100% | |
| Fire safety | 98% | 97% | 100% | |

PI 3a Running costs

- 5.2 Table 6 summarises the running costs for each category of property, less any relevant income, with Table 7 showing the same information per metre squared of the properties.
- 5.3 Community halls spend has reduced due to the disposals of Alexander Centre and Borough Hall and Offices spend has reduced following the closure of the Sheerness District Office. The peak in spend in Community Halls in 2010/11 was due to refurbishment works at Kemsley Hall.
- 5.4 Where sports pavilions and seafront are showing a low or minus cost, this is due to the income generated at these sites. The peak in spend for Seafront buildings in 2011/12 was due to an underground water leak resulting in high water charges, part of which were refunded in the following year.

| TABLE 6 Net cost of buildings | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Cemetery buildings | £11,560 | £10,362 | £13,050 | £15,913 |
| Community halls | £149,555 | £53,913 | £33,115 | £39,102 |
| Sports pavilions | -£7,342 | £25,473 | £2,540 | £13,650 |
| Seafront | -£36,119 | £49,407 | £1,858 | £2,877 |
| Heritage buildings | £15,231 | £21,578 | £33,410 | £18,209 |
| Offices | £309,115 | £481,540 | £411,302 | £311,804 |
| Toilets | £309,693 | £327,527 | £286,978 | £304,824 |

| TABLE 7 Net cost per m² of buildings | | | | |
|--|----------------|----------------|----------------|----------------|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 |
| Cemetery buildings | 33.31 | 29.86 | 37.61 | 46 |
| Community halls | 58.08 | 20.94 | 19.71 | 48 |
| Sports pavilions | -0.67 | 2.33 | 0.23 | 9 |
| Seafront | -26.00 | 36.00 | 3 | 4 |
| Heritage buildings | 18.40 | 26.06 | 40.35 | 22 |
| Offices | 35.92 | 55.95 | 47.79 | 39 |
| Toilets | 411.73 | 435.44 | 381.53 | 405 |

PI 3b Environmental performance

- 5.5 The calculation for carbon dioxide emissions alter each year, dependent on the conversion factor provided by the Department of Energy and Climate Change. This figure and its calculation may result in an increase in the calculation of CO₂ emissions, even if usage of gas and electricity falls.
- 5.6 The marked increase in electricity at Kemsley Hall has been attributed to the building being used during the day for a nursery from January 2012 and to the installation of external lighting. In general there was a reduced requirement for heating in 2011/12 due to the milder winter.

| TABLE 6 Total CO₂ emissions (Kg) | | | |
|--|--------------------|------------|--------------|
| Swale House | Electricity | Gas | Total |
| 2010/11 | 216,450 | 147,480 | 363,930 |
| 2011/12 | 239,590 | 95,729 | 330,319 |
| 2012/13 | 264,572 | 144,576 | 409,149 |
| 2013/14 | 246,008 | 137,909 | 383,917 |
| Kemsley Hall | | | |
| | Electricity | Oil | Total |
| 2011/12 | 6,448 | 26,679 | 33,127 |
| 2012/13 | 23,172 | 40,820 | 63,992 |
| 2013/14 | 21,298 | 37,394 | 58,692 |
| King George Pavilion | | | |
| | Electricity | | Total |
| 2011/12 | 3,405 | | 3,405 |

| | | | |
|---------------------------|--------------------|------------|--------------|
| 2012/13 | 5,173 | | 5,173 |
| 2013/14 | 6,100 | | 6,100 |
| Toilets | | | |
| | Electricity | | Total |
| 2011/12 | 39,721 | | 39,721 |
| 2012/13 | 19,975 | | 19,975 |
| 2013/14 | 42,562 | | 42,562 |
| Heritage buildings | | | |
| | Electricity | Gas | Total |
| 2011/12 | 8,451 | 13 | 8,464 |
| 2012/13 | 11,941 | 37 | 11,978 |
| 2013/14 | 16,829 | 21 | 16,850 |

PI 4b Void rate

| TABLE 7 Void rate | | | |
|--|---------------------|---------------------|---------------------|
| | 1 April 2012 | 1 April 2013 | 1 April 2014 |
| Shops | 27.27% | 27.27% | 27.27% |
| Offices | 0% | 0% | 0% |
| Investment assets | 6.67% | 6.67% | 0% |
| Miscellaneous properties | 0% | 0% | 0% |
| Land held pending development/ disposal | 25% | 0% | 0% |
| Depots | 0% | 0% | 0% |
| Community/leisure properties | 7.41% | 3.7% | 3.7% |
| Central House offices | 10% | 0% | 0% |
| New Road industrial estate phase 1 | 7.14% | 0% | 0% |
| New Road industrial estate phase 2 | 15.38% | 15.38% | 15.38% |
| Overall void rate | 9.73% | 6.19% | 5.36% |

PI 4c Rent arrears

| TABLE 8 Rent arrears | | | |
|-----------------------------|---------------------|---------------------|---------------------|
| | 1 April 2012 | 1 April 2013 | 1 April 2014 |
| Shops | 41.26% | 30.49% | 22.71% * |
| Offices | 0% | 0% | 0 |

| | | | |
|--|--------------|--------------|-------------|
| Investment assets | 16.29% | 9.37% | 8.19% |
| Miscellaneous properties | 1.6% | 2.45% | 0.95% |
| Land held pending development/ disposal | 6.83% | 8.29% | 6.63% |
| Depots | 0% | 0% | 0% |
| Central House offices | 1.76% | 0% | 0% |
| New Road industrial estate phase 1 | 11.38% | 14.76% | 11.99% |
| New Road industrial estate phase 2 | 36.34% | 43.31% | 11.67% |
| Percentage arrears/gross rental income | 14.3% | 10.7% | 8.1% |

* This has now been collected via bailiffs

PI 5 Contribution to Corporate Priorities (new PI for 2013/14)

| Corporate Priority | Percentage of properties 2013/14 |
|---|---|
| Not contributing to any corporate priority | 1.6% |
| Contributes to one corporate priority | 60.5% |
| Contributes to more than one corporate priority | 37.9% |

6 Progress with the transfer of community assets

6.2 Since the Property Strategy was presented to members in April 2013 the following community assets have been transferred to voluntary sector organisations under the Community Asset Transfer Policy:

- Milton Regis Court Hall,
- Kemsley Community Centre,
- Borough Hall, Queenborough,
- Thistle Hill Community Centre.

6.2 In addition, the following community assets are in the final stages of a transfer with the legal formalities still to be completed:

- Faversham Community Gymnastic and Activity Centre,
- Minster Abbey Gatehouse,
- Leysdown Football Pitch.

6.3 A review of the Community Asset Transfer Policy has recently been carried out and the draft revised policy was presented to the Policy Development and Review Committee on 3 September. Where appropriate, the comments made by the

committee will be incorporated into a revised version of the policy and this will be presented to Cabinet on 5 November 2014.

7 Alternative Options

- 7.1 There is no realistic alternative option to having a Property Asset Strategy and CIPFA guidance states that it is good practice to manage assets at a strategic level.

8. Consultation Undertaken or Proposed

- 8.1 The Property Asset Strategy has been developed in consultation with the Asset Management Group, the Cabinet member and key Heads of Service and officers within the authority.
- 8.2 Wider consultation with the community and the users and occupiers of the Council's property portfolio forms part of the property review process that is set out in the strategy document.

9 Implications

| Issue | Implications |
|---------------------------------------|--|
| Corporate Plan | The strategy document demonstrates clear links with the corporate priorities of localism, open for business and healthy environment. In addition, the Community Asset Transfer policy is key to meeting the objectives within the localism priority. |
| Financial, Resource and Property | All financial, resource and property implications are set out in detail within the strategy document. |
| Legal and Statutory | None identified at this stage. |
| Crime and Disorder | None identified at this stage. |
| Sustainability | Sustainability issues are addressed within the strategy document. |
| Health and Wellbeing | None identified at this stage. |
| Risk Management and Health and Safety | All relevant risk assessments are carried out as part of the review process set out in the strategy document. |
| Equality and Diversity | A Community Impact Assessment was completed and forwarded to the CIA Group for approval when the Property Strategy was prepared. |

10 Appendices

None.

11 Background Papers

None.

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| Cabinet Meeting | Agenda Item: 5 |
|------------------------|--|
| Meeting Date | 8 October 2014 |
| Report Title | Staying Put Contractor Framework |
| Cabinet Member | Cllr Wright, Cabinet Member for Housing Cllr Dewar-Whalley, Cabinet Member for Finance |
| SMT Lead | Pete Raine, Director of Regeneration |
| Head of Service | Amber Christou, Head of Housing and Health |
| Lead Officer | Jo Purvis, Strategic Housing and Health Manager |
| Key Decision | Yes |
| Classification | Open |
| Forward Plan | Reference number: |
| Recommendations | <ol style="list-style-type: none"> 1. Cabinet agrees to extend the Staying Put Contractor Framework for a further six months from the framework end date of October 2014. 2. Cabinet agrees to procure a new three and a half year Contractor Framework Agreement for Staying Put. |

1 Purpose of Report and Executive Summary

- 1.1 This report seeks approval to waive the existing requirement to procure a new Staying Put Contractor Framework and extend the existing framework for six months and procure a new three and a half year Framework Agreement, starting in April 2015.

2 Background

- 2.1 Staying Put is the Council's in-house Home Improvement Agency, which provides adaptations and repairs within the homes of elderly and vulnerable residents across the Borough. The service manages a Contractor Framework for the delivery of works funded primarily through Disabled Facilities Grants (DFGs). The current Framework started in October 2011 and consists of 17 contractors.
- 2.2 The Framework operates as a preferred supplier list for physical works carried out in people's private homes. Works undertaken through the Framework include major adaptations to properties, such as the installation of flush-floor showers; work to prevent falls, such as the installation of grab rails; work to enable people to be discharged from hospital, such as moving bedrooms downstairs; and other minor works and adaptations to a property, such as installing wheelchair ramps or clearing rooms where hoarding has been taking place.

- 2.3 Works undertaken are funded through a variety of sources, including DFGs, home repair loans, funding provided by Swale Clinical Commissioning Group, and residents directly funding works themselves.
- 2.4 The value of the current Framework Agreement is an estimated £350,000 per annum. The value and types of works undertaken through the Framework over the last three years is set out below:

| | DFG works | Hospital discharge and prevention | Repairs/ loans/ private | TOTAL |
|--------------|-------------------|-----------------------------------|-------------------------|-------------------|
| 2011/12 | 350,000 | 26,927 | 11,304 | 376,927 |
| 2012/13 | 400,000 | 12,554 | 55,243 | 467,797 |
| 2013/14 | 416,980 | 37,738 | 97,655 | 552,373 |
| TOTAL | £1,166,980 | £77,219 | £164,202 | £1,397,097 |

- 2.5 The current Framework value was set based on the estimated level of DFG works to be carried out through the Framework. Since then there has been a growth in other small works undertaken, such as repairs and adaptations. The new Framework Agreement will reflect this, and so will be advertised with an approximate value of £500,000 per annum. The total value of the Framework over the life of the contract will be £1,750,000.

3 Proposals

Waiver

- 3.1 Staying Put aims to be a self-funded service. Core costs of Staying Put, including staff, are currently funded through a contractual arrangement with KCC. The contract with KCC provides £57,000 per year for three years to fund core costs, and is due to expire in September 2015.
- 3.2 Future funding from KCC beyond this point is currently uncertain and cannot be guaranteed. Due to this uncertainty, it is proposed that the existing Contractor Framework, which is due to expire at the end of October 2014, is extended for an additional six months, taking it up until the end of April 2015. By this point, it should be clear how or if, Staying Put will continue to be funded, either externally or internally.
- 3.3 Utilising a waiver will enable works to continue to be undertaken using the existing contractors on the Framework Agreement. Works will continue to be costed at the rates set in the Agreement.
- 3.4 The value of the six month extension of the current Framework is estimated at £175,000.

New Framework

- 3.5 Between now and April 2015 a procurement exercise will be undertaken to put a new Contractor Framework Agreement in place to start from April 2015. The proposed length of time for the Framework is three and a half years, to bring it in line with expected future external funding, which tends to run from September – September.
- 3.6 The proposed value of the new Framework is estimated at £500,000 per annum. The Framework will be advertised on the same terms as the existing Framework, with no guarantee of income for the contractors.
- 3.7 The new Framework will contain explicit reference to other works beyond those funded by DFGs, and will be divided into three lots:
- Lot 1: DFG physical works – i.e. shower room conversions, external ramping;
 - Lot 2: Hospital discharge works – i.e. lowering doorsteps for wheelchair access, bringing bedrooms downstairs. This is urgent work that will need to be completed to strict timescales; and
 - Lot 3: Repairs – any other repairs to homes.
- 3.8 Organisations will be able to bid for any or all of the lots. It is anticipated that the separating of the Framework into specific lots will encourage smaller firms to bid and increase the number of preferred suppliers able to provide hospital discharge and small repairs works, as there are only a few on the existing Framework.
- 3.9 As the Framework relates to works and has a value of less than £4.3m, the EU procurement rules do not apply, and there is no requirement to advertise the opportunity in the Official Journal of the European Union.

Localism

- 3.10 The new Framework will provide a great opportunity for local businesses and will be specifically marketed at them. As well as being advertised through the South East Procurement Portal, Economic and Community Services will contact all relevant local organisations to make them aware of the opportunity.
- 3.11 The inclusion of specific lots on hospital discharge and repairs is designed to encourage more local small and medium-sized businesses to apply for, and be successful in getting onto, the Framework.

4 Alternative Options

- 4.1 The existing Framework could be allowed to come to an end without a waiver or a new Framework Agreement being put in place. This would mean that any works would need to be procured using the Council's Standing Orders approach to

procurement, ie quotes would need to be sought for each work undertaken, which would be time-consuming and potentially more costly. Each year, around 150 jobs are put through the Framework Agreement; seeking quotes for each of these would be a time-consuming process, which could potentially incur delays for the customer.

- 4.2 In addition, rates for individual types of works are fixed under the Framework Agreement, meaning that the Council knows the costs of works for the lifetime of Agreement and that they are competitive, providing better value for money for the customer and taxpayers. If the Council were to seek quotes for each individual work, there would be less control over costs.
- 4.3 If no or reduced funding is forthcoming from KCC for next year, the Council may choose to fund the core costs of Staying Put directly, using specific existing earmarked reserves.
- 4.4 Alternatively, the Council may decide to close the service. If the service were to be closed, Lot 1 of the new Contractor Framework will still be required to enable the delivery of Disabled Facilities Grant works within the Borough, but will need to be managed by another part of Housing and Health Services.

5 Consultation Undertaken or Proposed

- 5.1 Customer satisfaction surveys are carried out following works being undertaken. Customer feedback from previous clients will be used to inform the specification for the new Framework.

6 Implications

| Issue | Implications |
|----------------------------------|--|
| Corporate Plan | Both the existing and new Framework support the Corporate Priorities of Embracing Localism and Open for Business by providing opportunities for local small businesses. They also support the Corporate Priority of Healthy Environment by contributing to the local health agenda, and minimising the impact of private housing on health. |
| Financial, Resource and Property | The value of the six month extension of the current Framework is estimated at £175,000. The estimated value of the new Framework will be £1,750,000. |
| Legal and Statutory | The nature of the works carried out under this agreement fall under the activities listed in Schedule 2 of the Public Contracts Regulations 2006, constituting Works within the meaning of the 2006 Regulations. The approximate value of the proposed extension to the existing framework agreement is £175,000 plus VAT for a period of six |

| | |
|---------------------------------------|--|
| | <p>months. The total value of works over a four year period has been estimated at £1,750,000.</p> <p>Using the total value over four years, the estimated value is below the threshold for Works, pursuant to the Public Contracts Regulations 2006 (currently £4,322,012) and therefore falls outside the scope of the European procurement regime. As a result, it is intended for a waiver, pursuant to Paragraph 13.1.1 of the Contract Standing Orders, to apply as the agreement is <i>“not subject to the EU rules and the work is required as a matter of urgency and a delay would be likely to lead to financial loss, personal injury or damage to property.”</i></p> |
| Crime and Disorder | None identified at this stage |
| Sustainability | None identified at this stage |
| Health and Wellbeing | The works carried out under the existing and new Frameworks will have a positive impact on the health and wellbeing of elderly and disabled residents across Swale. Works undertaken will provide adaptations and home improvements that will make residents’ homes safer and help them to live in their own homes for longer rather than either staying in hospital or moving into residential care. |
| Risk Management and Health and Safety | <p>The existing arrangements have been in place for three years; therefore the risk associated with the current arrangements have been identified and can continue to be managed.</p> <p>For the new Framework, the management of financial and operational risks, including health and safety, will be considered as part of the Council’s agreed procurement processes. Successful organisations will be required to ensure that they comply with minimum health and safety standards and adhere to the Council’s Health and Safety Policy. Responsibility for health and safety of contractors will remain with the contractor organisation.</p> |
| Equality and Diversity | <p>The existing and new Framework actively support elderly and disabled residents within Swale, by helping them to live in their own homes for longer.</p> <p>For the new Framework, tendering organisations will be asked to confirm their commitment to comply with the Equalities Act 2010 around discrimination. They will also be checked to ensure that they have not been found guilty of any unlawful discrimination or been subject to a formal investigation by the CEHR within the preceding three years.</p> <p>These proposals do not envisage any change in the level of service provision to residents with particular protected characteristics (age, disability) and therefore does not require a formal impact assessment.</p> |

7 Appendices

7.1 none.

8 Background Papers

8.1 None.

Agenda Item 6

Agenda Item No. 7

Recommendations for approval – Swale Joint Transportation Board – 8 September 2014

Part Two - Minutes for recommendation to Swale Borough Council's Cabinet

Minute No. 219 – Lansdowne Primary School, Gladstone Drive, Sittingbourne

(1) That a report is submitted to SBC's Cabinet to explore the implementation of double yellow lines on the bends in the roads and the Planning Committee looks at a second entrance to the school, both vehicular and pedestrian, to the Stones Farm development.

Minute No. 220 – Preston Avenue, Faversham – proposed extension of double yellow lines

(1) That the existing waiting restrictions in the near vicinity of 38 Preston Avenue, Faversham be extended as on the consultation plan.

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