

Appendix 1

London Borough of Hackney 2014 Long Term Building Maintenance Strategy

| 2014 | 2015 | 2017 | 2018 | 2019 | 2021 |
|---|--|---|---|---|---|
| <p>LBH Corporate Property & Asset Management reviews strategy for Corporate Maintenance incldg:</p> <ul style="list-style-type: none"> Internal service requirements Internal contract management arrangements Contract structure <p>Need for long term evolution identified as data improves over time, and take up expands</p> | <p>LBH goes to market for new contractor & up to date contract form:</p> <ul style="list-style-type: none"> Low volume scope of work 3+1+1 yr contract term Modest market response Minimal risk transfer No contractor exclusivity Rationalisation of internal accountabilities Consolidation of some service contracts eg M&E, building fabric, lifts Shift to automation in reporting and process streamlining 12 Buildings initially with scope for growth | <p>LBH explores framework providers as potential back up for poor contractor performance</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>LBH commences next maintenance strategy review:</p> <ul style="list-style-type: none"> internal service requirements contract management scope and form of contract <p>to include opportunities for in-sourcing service elements</p> </div> | <p>Carillion fails</p> <ul style="list-style-type: none"> UK Market failings exposed Market turmoil | <p>LBH identifies interim strategy</p> <ul style="list-style-type: none"> 18 month trial term Upto date NEC 3 form of contract pilot LBH budgets to be centralised Implement new internal arrangements STA for existing contractor appointment to minimise mobilisation requirements, while new approach beds in Develop insourcing approach Procure long term partner | <p>Competition for 5 year + contract, including:</p> <ul style="list-style-type: none"> Seeking quality competition for fully trialled form of contract Well established asset data set, including detailed registers and upto date condition surveys Higher volume scope of work (at least 140 sites) Greater risk transfer, and fixed price component, statutory, PPM & some reactive |

Higher volume, high data availability & quality, quality competition, optimising risk transfer, administration balanced

Low volume, low data availability, low risk transfer, administration heavy

London Borough of Hackney

2014 Long Term Building Maintenance Strategy: 2021 Status

2021

Competition for 5 year + contract, including:

- *Seeking quality competition for fully trialled form of contract*
- *Well established asset data set, including detailed registers and up to date condition surveys*
- *Higher volume scope of work (at least 140 sites)*
- *Greater risk transfer, and fixed price component, statutory, PPM & some reactive*

Plus

- Recruitment exercise to create permanent staffing bias
- Investment in in-house data management infrastructure
- New team to review ambitions for insourcing, looking at optimal operating models, viability, existing capacity within LBH, and future requirements
- External report on In-sourcing potential completed and lessons carried forward to inform priorities set out above.