



The Council, 27 November 2017

Report of the Estates Committee

Date: 2 October 2017

Chair: Dr Simon Eden

Secretary: Mrs Kay Green

1 Sports Centre

It was noted that two alternative planning submissions had been prepared one including coach parking and one excluding coach parking. The submission excluding coach parking had been approved by the City Council. The Group was informed that whilst construction was underway it was likely that adjustments would need to be made to Northumberland Road to permit construction traffic either by making the road one way or by having a temporary closure on the road. It was felt that whichever solution was progressed, an opportunity existed to make that a permanent solution which would then give us the opportunity to go back and look at a solution for coach parking.

2 Student Housing/Grenfell Tower Disaster

The University had now undertaken a full review of its estate - 387 properties post the Grenfell Tower disaster. The Committee were advised that a task and finish group had been established, chaired by Keith Lilley. The committee were advised that the greatest risk area was associated with residential properties; however, the University had taken the decision to check all of its properties. Government advice was to check all properties that were fully clad in an aluminium composite material, the University potentially has two such buildings (Students Union formally University House and Clinical Dentistry). Sections and samples of the cladding for them both had been passed to BRE for testing. Clinical dentistry was not aluminium cladding but full test results are awaited.

Unlike Grenfell tower, all University buildings have a minimum of a type L2 fire detection and alarm system. In addition, all buildings have multiple means of escape and evacuation policies. Sleeping accommodation at the University has type L1 systems fitted throughout: the highest specification. All systems are regularly tested, and maintained. All buildings have an up to date Fire Risk Assessment carried out by trained and expert fire safety officers, and all buildings have an evacuation procedure not stay put. This provides a high level of assurance to the University and its students and staff.

However, it was noted that concerns had been raised regarding two of the University's residential partners whose properties had standard L3 alarm systems in place which were satisfactory and in line with South Yorkshire Fire & Rescue requirements but not up to University standards and therefore could be viewed as a potential risk. A task and Finish Group

had been established to consider the University's position in relation to its external partners and action is being taken with the help and cooperation of the building owners.

3 AMRC

The Group requested an update of how the strategy for AMRC was being developed so that it could understand the University's medium/long term plans and aspirations for the site. An understanding of letting arrangements, land ownership/lease arrangements, risks and liabilities was requested. An understanding on how future developments were to be funded was also requested so that the Group understood the dependence on external funding opportunities.

The Group was informed that different models were being considered for the 100acre site. 85acres remained available for development and the University was looking at how land could be developed to provide long term income streams and some resilience. Discussions were being held with British Land as a potential investor, British Land also had sites around the Meadowhall area which may offer other opportunities for the University in the future. Discussions with BNP Paribas who work with a variety of investors looking to fund developments under joint venture arrangements were also being held. This may be an attractive opportunity as the University's exposure to financial risk would be significantly reduced and the arrangement would see any property handed back to the University after 30 years providing a legacy into the future.

4 Estates Management Records

The Group was informed that EMR was a set of data providing reliable bench mark information for comparative purposes within the HE sector. The Group were taken through each KPI and various links between these core KPIs were drawn during the discussion.

Overall the University continued to make improvements and was in a good position moving forward. The Committee recommended that in order to improve its position it should be considering how these efficiency measures could be utilised to their greatest effect. The levels of capital investment in Sheffield were seen on the lower third of the comparison model. It was noted that condition and capital investment were key drivers as well as supporting academic improvements within the delivery of teaching and research.

5 Capital Plan Review Update

The Group understood that the capital plan, derived from Faculty Estates Strategies had been cash profiled for the period 2016 – 2021 working on the unconfirmed basis that c.75m per year would be available.

It was noted that the prioritisation of projects was undertaken through a rigorous process including the development of a business case. It was understood that Business Cases would be developed for each project which was then considered on its own merits. It was expected that c.£100m of cases would be sent to the November meeting of University Council for consideration.

The Group noted that a recent announcement by Government meant that the University's financial forecast would need to be reconsidered, it was thought that the appetite for borrowing would be low. The Business Cases would be considered in granular detail incorporating potential income streams and future maintenance/running costs.

6 District Energy & Heating Strategy Update

The Committee were advised that the District Heating network had 14 leaks identified in 2015, only two of these were known to have been repaired so far – Tower Court and Upper Hanover Street. The maintenance regime for the system had not improved and due to the recent AMEY Street works, it was now prohibitive to dig up the road under a financial penalty system. As previously reported, the University had commissioned ARUP to lead discussions between the University and Veolia to achieve progress made, however despite significant efforts, no material outcomes from Veolia had been forthcoming.

An update was given to the memorandum of understanding with Veolia where the discussion matrix highlighted the lack of progress being made. It was understood that Weston Park Hospital Trust had taken the view that failures were not acceptable and they had now removed themselves from the network.

The University would be looking to recover the costs associated with the outages it had experienced. A formal approach was being adopted to all requirements. Engagement with Sheffield Hallam University to consider what could be achieved through a joint approach was underway although expectations were low. It was understood that Sheffield City Council had now begun extension of contract negotiations with Veolia for an additional 30 years. Keith Lilley undertook to keep the Committee and UEB informed.

7 Capital Projects Update

The Committee received a presentation updating it of the ongoing Capital Projects. There were currently 95 live projects being undertaken by the Team. The presentation focussed on the five main areas where works were being undertaken.

AMRC – The Press Facility (Mclaren) , LVV, iCAIR and Royce Translation Centre were all progressing well. Practical completion for the Royce and LVV was due in November 2017 whilst the Press Facility would be complete October 2017.

The HV Power upgrade to the site had a target installation date of January to September 2018. The route was currently being adjusted in order to release developable land.

Social Sciences – Planning was obtained in July 2017. Kier Construction won the competitive tender for Contractor Services with the project cost at c.£81m gross. An Unexploded Ordnance Survey is planned to take place from 14 December 2017. The project is being managed through a 2 stage design and build process with a start on site date issued for March 2018.

Norton Sports Field Improvements – The relocation of sports pitches to facilitate the Social Science project is progressing well. The need to create additional parking on the site is being addressed via the installation of a two-way road at the side of the existing facility and is expected to be operational by the summer 2018.

Psychology - A 3000m² new build to replace existing facilities. Currently at RIBA Stage 3 with planning permission approved in October 2017. A delay to commencement on site has been experienced due to a Badger Set being on site. It is now envisaged that works will commence in July 2018. A discussion is being held with Keir Construction regarding appointing them under a YorBuild vrs Competitive Tender arrangement due to the potential marriage values with the adjacent site for Social Sciences. It is considered that some significant efficiencies could be attained regarding overall site management.

Heartspace - Works were now well underway with Interserve being the main contractor. It was reported that the Glazed roofing element was expected to start on site in June 2018 with overall completion anticipated for March 2019.

Information Commons – a refresh project had been undertaken during the summer period to a value of £1.5m. It had provided new furniture, floor coverings and decorations bring the building back upto standard.

It was reported that the University was looking to renew its framework agreement for consultant appointments through OJEU. It was looking to have this in place by June 2018.

8 Carbon Management Group

The Group was informed that the Carbon Management Group had been stood down pending the outcome of the Sustainability Review currently underway.

9 Summary

Council are asked to note the content of this report.