



Estates Strategy 2011-2020: Performance Review

Outcome requested:	Finance and Investment Committee is asked to note the progress to date against the Estates Strategy 2011–20.
Executive Summary:	<p>The current Estates Strategy was developed in 2011, its purpose was to cover the period from 2011 to 2020 and achieve the objectives set out in the Strategic Plan 2010-15 for the estate. Estates and Facilities (EAF) are currently reviewing the proposals as part of the Estate Master plan to achieve the strategic objectives set out in the new QMUL Strategy 2014-19 and beyond.</p> <p>The purpose of this paper is to summarise the progress to date on the eight aims and objectives set out in the Estates Strategy 2011-2020.</p>
QMUL Strategy:	Estates Strategy 2011 – 2020 SA1,2, 6 and 7
Internal/External regulatory/statutory reference points:	EAF Risk Register.
Strategic Risks:	EAF Risk Register.
Equality Impact Assessment:	N/A
Subject to prior and onward consideration by:	QMSE 13 October 2015
Confidential paper under FOIA/DPA	No
Timing:	Biannual report to the Committee
Author:	Stephen Wells, Director of Estates and Facilities.
Date:	7 th September 2015
Senior Management/External Sponsor	Mike Shore-Nye, Chief Operating Officer

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Background

The current Estates Strategy was developed in 2011, its purpose was to cover the period from 2011 to 2020 and achieve the objectives set out in the Strategic Plan 2010-15 for the Estate. Estates and Facilities (EAF) are currently reviewing the proposals as part of the Estate Master Plan to achieve the strategic objectives set out in the revised QMUL Strategy 2014-19 and beyond. The purpose of this paper is to summarise the progress to date on the eight aims and objectives set out in the Estates Strategy 2011-2020.

Aims and Objectives 2011-20 – Summary Performance Review

1. To provide space that combines first class functional design with distinctive and ambitious style
 - a. EAF continue to use external advisors and consultants to achieve high quality design, this can be seen in projects such as the new Graduate Centre.
2. To promote and encourage the efficient and effective use of space and, as appropriate, to realise its commercial potential
 - a. EAF has a dedicated space management database which comprehensively records the floor area and use of all spaces and notes the department or institute in occupation. The database can therefore accurately report on the total amount of space allocated to each department/institute and also identify the floor area allocated to different uses, i.e. library, centrally timetabled teaching rooms, labs and offices.
 - b. The data captured on the space management database is used by EAF to complete the annual HESA Estates Management Return (EMR). From the HESA output data we know that QMUL has a relatively small estate, to staff and student headcount and FTE, compared with other Russell Group Institutions.
 - c. The room booking team, report very high demand this academic year for teaching accommodation, with utilisation rates for all rooms of between 70 and 90%, demonstrating effective use of space.
 - d. A Space Management Group (SMG) has been established, with a representative from all faculties, cross cutting faculties, the Students' Union and the central timetabling team. The group is actively reviewing protocols to better manage space requests and to set common standards for space allocation. The SMG is chaired by the Director of Estates and Facilities and reports to Estates Strategy Board.
 - e. It is proposed to undertake an audit this year of occupancy of both teaching accommodation and offices.
3. To develop and maintain an estate and infrastructure that is compliant with relevant legislation, and financially and environmentally sustainable
 - a. Estates and Facilities commissioned an independent H&S audit in late 2014 to clarify compliance relating to the operational management of H&S within EAF. Corporate H&S were included in the scope and process to undertake this audit. A clear action plan has been developed.
 - b. EAF established an enhanced H&S Committee in early 2015, reporting to the Professional Service H&S Committee to monitor compliance with all aspects of H&S. This is attend by corporate H&S colleagues.
 - c. The university continues to have over £110M of backlog maintenance (Nifes survey 2011), there is allocation within the current capital programme for 2015/16 for the following statutory items relating to the estate £1.5M mandatory and statutory compliance, £1.0M for fire relating works as a consequence of the Regulatory Reform Order for fire (RRO) audits and £0.65K for L8 compliance relating to water

systems. Other projects such as the Maths and Engineering project refurbishments include significant resolution of backlog maintenance within these buildings. This level of investment will not address the high level of backlog in the medium term, but it is estimated that the current investment over the next five years will reduce the backlog by approximately 10%. The university has 81 buildings that require investment at different levels to eradicate backlog. These limited funds are allocated on high or significant assessment of risk.

- d. EAF undertook external benchmarking in early 2015 regarding the historic financial spends using both EMR data and the use of an external benchmarking advice to clarify our expenditure when compare to similar organisations. This clearly shows QMUL's spend is below the median of these benchmarks. The summary report of the gap analysis has been sent to the Chief Operating Officer for further discussion and clarification of the risks, leading into the PAR process and/or risk register.
 - e. The university does not have a regular programme to redecorate and re-floor the estates on a regular basis.
4. To develop and implement the College's carbon management implementation plan
- a. QMUL's first Carbon Management Implementation Plan (CMIP) was produced by Arup in March 2011 and approved by QMSE in April 2011. Based on HEFCE's overall sector carbon reduction target QMUL committed to an absolute reduction in Scope 1 and Scope 2 carbon emissions of 34% tCO₂e by 2020 against a 2005/6 baseline.
 - b. Compliance with the carbon reduction target is directly linked to the funding grant under the Capital Investment Framework (CIF2). It was announced in March 2011 that £11M of capital funding is available to QMUL if it meets the requirements of CIF2.
 - c. The QMUL Strategic Plan 2010-2015 required that 30% of the overall absolute carbon reduction target should be delivered by 2015. The 2011 CMIP included a fully costed and externally verified investment programme split into two phases. Phase one totalling £7.86M ran from the 2011/12 financial year to the 2014/15 financial year and was to achieve this interim reduction of 30%. Phase two costed at £5.12M ran from 2015/16 to 2019/20. A total of £12.98M over the period.
 - d. However, the 2011 CMIP and approved lower carbon capital investment programme of £12.98M was not supported on an individual project by project basis and insufficient capital investment in energy efficiency and carbon reduction/low carbon technology has been made to date.
 - e. To meet the carbon reduction target of 34%, QMUL must cap its carbon emissions at 15,634 tCO₂e/year by 2020. Emissions for the year 2014/15 were 26,232 tCO₂e, a fall of 3.5% on the previous year. However, based on current and projected levels of capital investment on carbon reduction it is highly unlikely QMUL will achieve the 34% absolute reduction target agreed with HEFCE. This has been flagged to QMSE and Finance and Investment Committee in the 2015 CMIP update.
 - f. Current projected capital investment in low carbon/energy efficiency totals £2.4M over the next four years (£900,000 in 2015/16 and £500,000pa in subsequent years). There is also an investment of circa £2M as part of the graduate centre project to install a combined heat and power plant (CHP) that will contribute to reduce the carbon output of the organisation. QMUL was also awarded SALIX revolving green funding in 2008/09 meaning QMUL receives an additional £200,000 a year to reinvest in energy efficiency works, with a focus on lighting/heating upgrades and controls with a given payback criterion.
 - g. All projects, which impact carbon, must follow the Sustainability and Carbon in Capital Projects Policy. This specifies that projects must make an operational CO₂e saving of 40% and also consider the introduction of renewable energy generation.

This is further supported by the implementation of BREEAM across a number of our projects which links with planning requirements. An ongoing programme of staff and student engagement also takes place focusing on awareness raising of the importance of energy efficiency and advocating behavioural change.

- h. As part of a planned Sustainable Infrastructure Assessment survey funding of £30,000 has been allocated via the PAR process to update the original ARUP carbon reduction plan and identify how QMUL could achieve the overall 34% carbon reduction target and what the costs would be. These findings and recommendations will be presented to QMSE.
5. To provide a safe, secure and accessible environment on all College campuses
 - a. In order to raise its profile, improve reaction response times and provide a more responsive service on the Mile End Campus Security have relocated their operational base from the Queens Building to France House. The positive impact created by this has included a significant reduction in anti-social behaviour that was previously a blight on the well-being of students living in the Student Village.
 - b. EAF have identified risks associated with the current CCTV system and traffic management that will need funding in the near future.
 - c. Significant progress has been achieved in the area of Emergency Planning and Business Continuity. In addition to an effective and still evolving Incident Management Plan there have been a number of successful exercises and briefing sessions that have moved arrangements forward and achieved the involvement of some key staff members. Through the appointment of a dedicated Business Continuity Manager (August 2015) this progress is being rolled out to all schools, faculties and departments.
 - d. One of the major commitments of Security is the response provision for Fire and First Aid.
 - i. The provision of First Aid cover out of hours requires that the majority if not all of the security officers need to be fully trained which is a significant time and cost issue. The level of cover has increased significantly in the last two years to an acceptable level of 70%.
 - ii. Two years ago the level of false fire alarms was nearly 1 activation a day and the change in the stance of the London Fire Brigade threatened a charge to organisations for attendance which would have cost £143,000 per year for QMUL. To address the problem and to remove the financial threat Security has managed in and successfully sustained a 'seek and search' verification process that has resulted in a call out rate of 7 for the full year compared to a previous yearly total of 321.
 - e. A regular aspect of the capital programme is works associated with the Equality Act (previously DDA), mainly in the areas of improving access to buildings and facilities, this is funded as part of the mandatory and statutory compliance budget of the capital programme. The proposed works are prioritised by the disability and dyslexia team.
 6. To complete agreed schemes and to define a timetable for the implementation of other development proposals identified in this Estates Strategy for the period 2011-2020.
 - a. EAF are leading on the development of the Estates Master plan, a series of space and site options that can support the institution's 20 year vision for the future. We are using an external architectural master planner (BDP) and presenting to QMSE regarding potential options for their consideration and approval prior to presentation to Council. EAF are working to an early 2016 completion of this project.
 - b. Appendix 1 contains a summary table for projects that were indicated in the Estates Strategy 2011 to 2020 and a progress update.

7. To capture accurate and reliable information about the College's estate and develop robust processes to enable sustainable decision-making
 - a. The Estates Management Record, the annual estates management return to HESA, now comprises some 700 fields of data, including Occupational Health and Safety returns. There are very few mandatory fields, but QMUL returns between the low 90s to 100% of the fields, for the various sections.
 - b. Data quality on floor area, tenure, age, DEC rating, energy and water consumption, rateable value and insured replacement cost is accurate. Good systems capturing these data items are well embedded within the normal operation of the Directorate.
 - c. Data on room use should be good, but is somewhat dependent upon academic departments keeping EAF updated on and change of use on room occupancy. EAF do remind on an annual basis departmental contracts to check data for their department.
 - d. Data quality on waste both from day to day activities and capital construction is improving and will continue to do so following the appointment of a dedicated Waste Manager in late 2014.
 - e. Data quality on the condition of the Estate and its functional suitability is more variable, and would benefit from a comprehensive review which was last undertaken in 2011 by NIFES. HEFCE recommended that this should be reviewed every 5 years.
 - f. QMUL has established a HESA integration group which is attended by a member of Estates and Facilities. The Group is requiring all returns to HESA should follow the Code of practice for higher education data collections that has been prepared by the UK higher education (HE) funding bodies. The integration group now expects there to be an audit trail on the accuracy of data returned. EAF will be complying with this requirement.

8. To adopt an integrated approach to providing estates services in order to deliver them efficiently and effectively.
 - a. In early 2015 external benchmarking was undertaken in the areas of security, cleaning, portering, catering grounds and gardens and maintenance.
 - b. There is a robust governance structure with relevant committees in the areas of capital projects, space management, sustainability, residences and H&S. Reporting to the Estates Strategy Board.
 - c. Large and or significant projects have project working groups (PWG) to develop the scope of each project and monitor delivery.
 - d. The senior management team within EAF meets on a monthly basis to discuss both strategic and operational matters. Each of the Assistant Directors are aligned with either a Faculty or cross cutting area to ensure enhanced customer interactions, this includes assisting developing of plans and proposals for the following year as part of the PAR process.
 - e. EAF has a robust process for developing, updating and reviewing its risk register in the management of all risks associated with the management of the estate and the services it provides. This was presented to Audit and Risk Committee in 2014.

Prepared by Stephen Wells
13th October 2015.

Appendix 1

Realising the vision to 2020: implementation and financing

Proposed development projects 2011-2020 and estimated costs

Note: this table is reproduced from Page 40 of the document Estates Strategy 2011-2020, this includes the estimated costs figures published in this document that may have changed as schemes have developed.

A	Projects under way	Estimated Costs £m	Progress
1	Restoration of Peoples' Palace and Great Hall	5.1	Complete
2	Landscaping of Arts Quarter (final phase) and improvements to the Arts Building	1.7	Complete
3	Demolition of Old Chemistry	3.95	Complete
4	Student Centre – The Hub	5.0	Complete
5	Modernising fire precautions (all campuses)	3.45	On-going, phase 5 commenced.
B	Projects on all Campuses		
6	Enhanced long term maintenance regime to ensure that Estate backlog condition targets set in College Strategic Plan are achieved in areas not already covered by projects listed here	78.0	The College continues to have over £110M of backlog maintenance, the current capital programme has an allocation for works associated with backlog and LTM, further supported by total building refurbishments i.e. GO Jones etc. There is currently no medium term allocation of the necessary funds to reduce the backlog of the retained estate and this is reflected in the EAF risk register.
7	Carbon reduction programme to achieve 2020 target	13.0	Significant under-allocation of capital funds has put this target at significant risk, gap analysis work being undertaken to clarify investment required to meet approved carbon management plan of a 34% reduction in carbon by 2020.
8	Completion of work across all campuses to achieve full accessibility	TBC	On-going
9	Rationalisation and improvement of College sports facilities	TBC	Not commenced.
C	Projects under Consideration at the Mile End Campus		
10	Anniversary Site – Graduate Centre with academic and residential accommodation, including landscaping of Old Chemistry site and area from Bancroft Road to Geography Square; and review of future of IRC Building	30.0	On site, opens early 2017.
11	Library Refurbishment – Phase 3	2.1	Not commenced, further phases planned as part of resolution to increasing

			student numbers. Funding to be identified.
12	Refurbishment of Engineering	30.0	Phase 1 on site with phase 2 currently being designed. Current allocation is for £30M which include £5M from HEFCE STEM funding. Scrutiny committee analyzing opportunities to fund future phases to refurbish rest of building outside of current funded project.
13	Refurbishment of Mathematics	12.0	Site cleared within existing building and due to start of site early 2016, after completion of final design. Budget increased to include additional centrally timetable rooms, revised budget £20M.
14	Refurbishment of Physics (G.O.Jones)	12.0	Defect liability period, post project review to be completed.
15	Queens' Building – refurbishment of public areas and student facing facilities	2.5	Minor works undertaken on ground floor, PWG set up to clarify scope and opportunities, currently not funded within capital programme.
16	Reconfiguration of the Francis Bancroft Building to allow further expansion of the School of Business & Management	0.8	Not commenced
17	Future Student Residences	TBC	On-going. Governance arrangements over seen by the Residential Strategy Group chair by Philip Ogden reporting to ESB.
D	Projects under Consideration at Whitechapel and Charterhouse Square		
18	Completion of fit-out of the Innovation Centre including SMD & other users	17.0	No further worked planned within these areas.
19	Extension and refurbishment of Joseph Rotblat and Old Anatomy	TBC	Not commenced, options being considered as part of revised 20 year Estates Master plan.
20	Refurbishment/redevelopment of Dawson Hall and Foyer House Phase 2	TBC	High priority areas commenced over summer 2015, currently there is £11M of backlog maintenance
21	Student Association Building Refurbishment (Whitechapel)	1.1	Complete
22	Neuron Pod and Blizzard Mews Development	5.0	On-going fund raising for Neuron Pod.
23	Joint Project with Barts and Royal London NHS Trust to provide a Graduate Centre at Whitechapel and create a Medical Learning Campus	TBC	Not commenced.

24	Relocation of the Dental Institute in association with the Barts and London NHS Trust	TBC	Complete.
E	Projects on other campuses		
25	Updating and rationalising of research support facilities	TBC	Not commenced.
26	CCLS (Centre for Commercial Law Studies) expansion into new space at Lincoln's Inn Fields	1.5	Complete, and further expansion in the past year into the top floor.