

EXETER CITY COUNCIL
SCRUTINY COMMITTEE – RESOURCES

23 JANUARY 2013

NON-HOUSING AIM BUDGET 2013/14

1 PURPOSE OF THE REPORT

- 1.1 To detail the work proposed to non-housing properties in order to maintain and service such buildings in 2013/14. The work financed from the Asset Improvement and Maintenance fund, referred to as AIM, is contained within the Council's overall revenue budgets.

2 PROPOSED BUDGET

- 2.1 The proposed budget for 2013/14 is:

(A)	Routine Servicing and Maintenance	£	493,100
(B)	Reactive Repairs	£	555,500
(C)	Lease Repairs	£	52,950
(D)	Service Department Recharges	£	214,570
(E)	Service Priorities and contingency	£	104,000

Total (Appendix F) £ 1,420,120

This is a reduction of some £173,000 on the 2012/13 operational budget.

- 2.2 **Appendices A to E** provide further breakdowns of the above budget categories

ROUTINE SERVICING AND MAINTENANCE (APPENDIX A)

- 2.3 This budget represents all identified work needed to inspect, service and maintain plant, equipment, controls, monitoring devices and specific structures and a reduction of some £23,000 on last year's budget is proposed. The work is required annually to ensure plant, equipment and specific structures are maintained in a fully operational and safe state. The costs listed are either based upon historical cost information updated for either operational increases as a result of changes in testing regulations, inflationary increases or for servicing and maintenance regimes that have not, previously been separately identified.

In 2013/14, changes include increased provision for resuming full responsibilities for servicing and maintenance work, outside warranty agreements for RAMM along with provision for maintaining anti-climbing paint and for service charges in relation to the operation of remote energy metering devices.

REACTIVE REPAIRS (APPENDIX B)

- 2.4 This budget is available to finance reactive property repairs and operational service work. Work of this nature is largely unpredictable and may arise in many forms throughout the financial year for any service department

Expenditure is closely monitored and controlled through the year to ensure spending is targeted to mainly urgent and essential repair work as demanded. Such monitoring provides valuable evidence as to whether the budget allocation remains a fair reflection of the financial resource needed.

This also allows for budgets to be established by taking a view of historical expenditure incurred with some allowance for projected inflationary increases. A reduction of some £48,000 is proposed on the previous year, in order to focus spending on only the most essential level of repair.

LEASE REPAIRS (APPENDIX C)

- 2.5 Periodic property checks seek to highlight potential problem areas in respect of leased properties. Often further unanticipated works arise during the year and as a result the full extent of the lease liabilities in each particular year is difficult to quantify accurately.

Nevertheless this 2013/14 budget provides a reduction of £4,000 on last year's budget

SERVICE DEPARTMENT RECHARGES (APPENDIX D)

- 2.7 This budget contains the cost of the internal staff resources required to programme, organise, tender, instigate, supervise, control, monitor and settle accounts in respect of the work proposed for this non-housing AIM programme. The budget reflects an estimate of the amount of Contracts and Engineering and Construction staff resources projected as needed to deliver the identified work programmes. For 2013/14 this budget has been reduced from 2012/13 levels by some £139,000 to mirror the proposed reductions in works budgets.

PRIORITISED WORK PROGRAMME - SERVICE PRIORITIES (APPENDIX E)

Officers have conducted a vigorous prioritisation of requests for projects from services and agreed a programme which limits the amount of work identified as service priorities to those considered either urgent or essential.

This year the need for necessary planned refurbishment work has increased from a particularly low value in 2012/13. However, whilst a contingency budget has again been set, to allow for meeting unforeseen or unplanned work that may become essential during the year, this budget has been reduced from 2012/13 levels. Overall this budget overall has increased by some £42,000 from operational budgets levels used in 2012/13.

3 RECOMMENDED

- (1) that the Committee note the proposed budget of £1,420,120 for non-housing property repairs and maintenance, a reduction of some £173,000 or 11% on last year's budget.

ASSISTANT DIRECTOR FINANCE
ASSISTANT DIRECTOR ECONOMY
ASSISTANT DIRECTOR HOUSING AND CONTRACTS

Local Government (Access to Information) Act 1985 (as amended)

Background papers used in compiling this report:

None