

EXETER CITY COUNCIL

SCRUTINY COMMITTEE - RESOURCES 25 MARCH 2009

AIM PROPERTY MAINTENANCE PROGRESS REPORT 2008/2009

1 PURPOSE OF THE REPORT

- 1.1 This is the third quarterly report, covering the period from October to December 2008. (but including updated figures at 17 February 2009). The report details the financial position of the £7m programme of reactive and planned property maintenance and refurbishment. This report covers just Revenue funded housing and non-housing schemes as approved by Council for the financial year 2008/2009. In some cases this programme further includes budgets for schemes rolled forward from 2007/2008. Where necessary this report will provide specific details on significant programme variations.

2 BACKGROUND

- 2.1 The Council approved the following:

	£
(a) Housing Reactive Repairs	3,419,600
(b) Housing Servicing Contracts	625,710
(c) Housing Maintenance Works	568,500
(i) Service Recharges	276,630
(h) Lease Requirements	101,330
(d) AIM Priority Programme	1,007,840
(j) AIM Reactive Repairs	515,760
(g) AIM Service Contracts	352,530
(k) AIM Operational Essentials	123,790

Total £ **6,991,690**

- 2.3 The current level of spending against the specifically monitored budgets in 2008/2009 above presently indicates underspend of £106,000 overall (1.5%).

A copy of the full financial monitoring report is available on the Intranet.

HOUSING

- 2.4 **Housing Reactive Repairs Generally – overall budget £3,419,600**

This budget is split into eight separate parts in order to better raise and monitor orders and control work and costs. As all these provisions are for works of a reactive nature it is difficult to predict the extent or pattern of likely expenditure in the year. However, based on the present rate of spending, a projected overspend of some £209,000 is likely to be sustained. Such a prediction arises due to a general increase in the cost of repairs and an increased amount of reactive repair orders issued. Nevertheless such overspend has effectively been negated due to savings on other revenue based budgets and the use of contingency funds allocated for Housing Services

2.5 Gas and Central Heating Servicing – budget £515,000

This budget is set to provide the statutory requirement to inspect and service gas appliances in tenanted properties on an annual basis. Over time, whilst the actual cost in carrying out such servicing work has risen, costs have also risen due to the increasing numbers of gas appliances fitted as a result of the extensive central heating installation programme. The present rate of spending suggests that overspend in the order of £35,000 is likely, but such overspend is compensated by use of contingency sums.

2.6 Lift Maintenance – budget £12,730

This budget was originally set to cover for repairs and maintenance work ostensibly to passenger lifts. However, with the amount of repairs needed this year it is likely that the budget will be overspent. This situation has somewhat been exacerbated because a number of stair lifts have since been installed to tenanted properties. So, after warranty period, the amount of repair work required in respect of these stair lift installations has increased expenditure against this budget. Overspend of some £6,000 is predicted.

NON-HOUSING

2.7 City Wall repairs – budget £66,800

This budget was set to repair the City Wall at various locations. However, more repair work from further inspection has since been identified, particularly from having to relocate certain utility services, such that additional costs of some £16,000 are likely to be incurred. Nevertheless this overspend can be compensated by projected savings elsewhere within the non-housing programme.

2.8 Non-Housing Reactive Repairs Generally – overall budget £515,760

This budget is split into ten separate parts in order to better raise and monitor orders and control work and costs. As all these provisions are for works of a reactive nature it is difficult to predict the extent or pattern of likely expenditure in the year. Consequently whilst three of these part budgets indicate overspend, based on spending rate, this is more than compensated by projected underspend elsewhere within the overall budget provision for reactive repairs.

2.9 Operational Essentials Generally – overall budget £123,790

This budget is split into four separate parts in order to properly allocate requisite amounts to certain facilities. This allows facility managers to have transparent financial support to enable them to more quickly and easily organize repair and maintenance issues to keep facilities open and safe for the public. Again, repair issues are difficult to predict and therefore financial provisions can prove to be adequate or less so. Consequently one of these budget parts, specifically relating to the Canal provision, shows overspend but this is more than balanced by controlled underspend elsewhere within the overall budget for operational essentials.

3 RECOMMENDED

- (1) that the third quarter financial position of the £7m programme of reactive and planned property maintenance and refurbishment for 2008/2009, as detailed above be noted.

HEAD OF CONTRACTS AND DIRECT SERVICES
HEAD OF HOUSING
HEAD OF ESTATES
HEAD OF TREASURY SERVICES

S:PA/LP/ Committee/309SCR1
19.2.09

COMMUNITY & ENVIRONMENT DIRECTORATE

Local Government (Access to Information) Act 1985 (as amended)
Background papers used in compiling this report:
None