

THE HIGHLAND COUNCIL

Resources Committee – 11 June 2008

Agenda Item	
Report No	

Property Revenue Maintenance Budget 2008/09

Report by Director of Housing and Property

Summary

This report sets out the current position with regard to the component parts of the 2008/09 Property Revenue Maintenance Budget.

1. Property Revenue Maintenance Budget 2008/09

1.1 Background

1.2 The Resources Committee approved the overall Property Revenue Maintenance Budget allocation of £4,415,724 for financial year 2008/09 on 16 April 2008.

1.3 The table in **Appendix 1** summarises the allocated budgets by work category and details expenditure as at 19 May 2008.

2. Summary of Expenditure to Date

2.1 It will be noted that 14% of the way through the year, 24% of the budget has been spent or legally committed. Good progress is being made with regards to spend on the following budget headings: Service Contracts, Planned Maintenance Projects, Fire Legislative Works and Insurance Identified Works.

3. Budget Heading Performance

3.1 **Day to Day Building Repairs** - The current level of committed spend is running at 18% which is slightly higher than the target profile of 14%. This expenditure will be monitored to ensure that it is contained within the overall allocation while keeping buildings wind and water tight and risk ratings at an acceptable level.

3.2 **Day to Day Engineering Repairs** - The current level of committed spend is running at 19% which is slightly higher than the target profile of 14%. This expenditure will be monitored to ensure that it is contained within the overall allocation while keeping buildings open and risk ratings at an acceptable level.

3.3 **Service Contracts** – This budget has been allocated to meet the cost of servicing fixed plant and equipment. Service contracts are progressing well with committed expenditure running at 51%. This reflects the high number of contracts recently let to allow programming of work over the year and it is anticipated that the budget will come in on target.

- 3.4 **Vandalism – Remedial Works** - This budget has been allocated to deal with wilful damage to council buildings. The current level of committed spend is running at 21%, which is slightly higher than the target profile of 14%. Properties experiencing the highest level of vandalism are being analysed to identify what measures can be considered to help reduce the recurrence of such incidents and resultant costs.
- 3.5 **Planned Maintenance** – This budget has been allocated to meet the cost of minor works such as window/door replacements, heater replacements, etc. Planned projects are progressing well and the current level of committed spend is running at 16%.
- 3.6 **Cyclical Maintenance** - This budget has been allocated to meet the cost of external redecoration works, gutter cleaning, septic tank cleaning etc. Cyclical projects are being progressed and the current level of committed spend is running at 11%. Expenditure against this heading will increase substantially over the summer holiday period when a considerable number of cyclical projects will be completed.
- 3.7 **Kitchen Fabric - EHO Reports** – This budget has been allocated to deal with specific work identified by Environmental Health Officers when inspecting kitchens to ensure compliance with the Food Safety Act. The current level of committed spend is currently running at 13% which is within the targeted spend of 14% for this time of year.
- 3.8 **Structural Surveys** – This budget has been allocated to allow structural surveys of major building defects to be instructed as and when they are identified. No Structural surveys have been requested to date.
- 3.9 **Asbestos Work** – This budget has been allocated to deal with control of asbestos materials identified while carrying out routine maintenance repairs. It will be noted that the current level of committed spend is running at 10% which is within the targeted spend of 14% for this time of year.
- 3.10 **Fire Legislative Measures** – This budget has been allocated to deal with minor works identified during the course of carrying out Property Fire Risk Assessments. Minor fire legislative works are now being progressed and the current level of committed spend is running at 27%. Expenditure against this heading will be managed to ensure that the overall budget is not overspent.
- 3.11 **Insurance Identified Work** – This budget has been allocated to deal with specific work identified by the Council's Insurers when carrying out statutory inspections of Council Properties. Improvement works are now being progressed and the current level of committed spend is running at 20%. Expenditure against this heading will be managed to ensure that the overall budget is not overspent.
- 3.12 **Insurance Surveys – Zurich** – This budget has been allocated to fund an increased frequency of inspection of electrical installations by Zurich Engineers in properties which are designated as special locations, such as swimming pools. The budget will be fully expended by the end of the current financial year.

- 3.13 **Storm Damage / Winter Contingency** – Expenditure under this heading is weather dependant and highlights the expenditure necessary to keep buildings operational after extreme conditions. It will be noted that the current level of committed spend is running at 6% which reflects the seasonal nature of this budget.
- 3.14 **Leased Building Service Charges** – This budget has been allocated to meet the cost of specific lease requirements associated with office premises that the Council lease. It is anticipated that the budget will be fully expended by the end of the current financial year.
- 3.15 **Fees** – Expenditure against this heading will commence once fee payments are submitted and paid.

Recommendation

Members are asked to:-

1. Note the current position with regard to progress with the 2008/09 Property Revenue Maintenance Budget.

Signature:

Designation: Director of Housing & Property

Date: 22 May 2008

Author/Reference: Finlay MacDonald (Property Manager)

Appendix 1

Property Revenue Maintenance Budget 2008/09

	Budget	Legally Committed	Paid	Balance	% of Budget Paid / LC	% Through Year
Day to Day Building	710,000	106,367	31,239	572,394	18%	14%
Day to Day Engineering	660,000	92,547	23,977	543,476	19%	
Service Contracts	825,000	405,851	13,603	405,546	51%	
Vandalism	172,000	24,093	11,453	136,454	21%	
Planned Maintenance	498,300	54,081	27,264	416,955	16%	
Cyclical Maintenance	643,100	73,618	0	569,482	11%	
Kitchen Fabric - EHO Reports	60,000	2,723	5,281	51,996	13%	
Structural Surveys	10,000	0	0	10,000	0%	
Asbestos Work	25,000	1,980	485	22,535	10%	
Fire Legislative Measures	40,000	10,730	0	29,270	27%	
Insurance Identified Work	50,000	6,500	3,715	39,785	20%	
Insurance Surveys - Zurich	55,000	0	0	55,000	0%	
Storm Damage / Winter Contingency	75,042	2,323	2,132	70,587	6%	
Leased Building Service Charges	50,000	0	0	50,000	0%	
Fees	542,282	0	0	542,282	0%	
Overall Totals	4,415,724	780,813	119,149	3,515,762	24%	