

# THE HIGHLAND COUNCIL

## Resources Committee – 1 October 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 16 September 2008.

## 2. Summary of Expenditure to Date

2.1 It will be noted that 47% of the way through the year, 54% 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, Cyclical Projects, and Insurance Identified Works.

## 3. Budget Heading Performance

3.1 **Day to Day Building Repairs** – The current level of committed spend is running at 54% which is slightly higher than the target profile of 47%. 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 44% which is within the targeted spend of 47%. 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 76%. 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 54%, which is slightly higher than the target profile of 47%. 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. The current level of committed spend is running at 41%. The commissioning of works will be accelerated to ensure that all projects are completed within this financial year.
- 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 progressing well and the current level of committed spend is running at 58%.
- 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 42% which is within the targeted spend of 47% 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 38% which is within the targeted spend of 47% 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 22%. 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 55%. 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 14% 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** – The level of fee commitment is currently at 47%. This amount is relative to the level of maintenance works commissioned to date.

**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: 16 September 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	124,249	256,862	328,889	54%	<b>47%</b>
Day to Day Engineering	660,000	85,197	202,209	372,594	44%	
Service Contracts	825,000	373,885	255,568	195,547	76%	
Vandalism	172,000	27,611	66,045	78,344	54%	
Planned Maintenance	498,300	111,747	94,237	292,316	41%	
Cyclical Maintenance	643,100	144,986	228,106	270,008	58%	
Kitchen Fabric - EHO Reports	60,000	10,441	15,051	34,508	42%	
Structural Surveys	10,000	0	0	10,000	0%	
Asbestos Work	25,000	2,400	7,176	15,424	38%	
Fire Legislative Measures	40,000	0	8,758	31,242	22%	
Insurance Identified Work	50,000	12,610	15,089	22,301	55%	
Insurance Surveys - Zurich	55,000	55,000	0	0	100%	
Storm Damage / Winter Contingency	75,042	250	10,303	64,489	14%	
Leased Building Service Charges	50,000	0	0	50,000	0%	
Fees	542,282	56,873	198,000	287,409	47%	
<b>Overall Totals</b>	<b>4,415,724</b>	<b>1,005,249</b>	<b>1,357,404</b>	<b>2,053,071</b>	<b>54%</b>	