

BACKLOG MAINTENANCE YEAR END UPDATE AND PROPOSALS FOR 2016-17 BUDGET

<u>Report of the:</u>	Director of Finance & Resources
<u>Contact:</u>	Tony Foxwell
<u>Urgent Decision?(yes/no)</u>	no
<u>If yes, reason urgent decision required:</u>	To update on current position and agree proposals for 2016-17
<u>Annexes/Appendices (attached):</u>	Annexe 1: Current position
<u>Other available papers: (not attached):</u>	

REPORT SUMMARY

The report indicates current position at year end 2015-16 in relation to the backlog maintenance programme.

RECOMMENDATION (S)

Notes

- (1) Receives the end of year progress report on the backlog maintenance programme.
- (2) Notes changes made to the programme under officer delegated authority
- (3) Requests approval to carry forward all unspent monies and schemes as indicated in Annex 1 assuming there are sufficient funds within the General Fund at year end
- (4) Officers be authorised to make adjustments to the recommended programme, within the overall budget, as a result of improved estimates becoming available where adjustment is less than £20k

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 Ensuring that assets are protected and enhanced supports the delivery of the Council's key priorities.
- 1.2 The programme supports a number of specific key priorities including measures to enhance sustainability and combat the impact of climate change.

2 Background

- 2.1 A mid-year progress report was presented to Financial Policy Panel in October 2015 which included changes to proposed schemes. These schemes are shown in Annexe 1. The changes were ratified by Strategy and Resources.
- 2.2 Annexe 1 shows the 2015/16 current position and includes minor changes to scheme budgets as well as current and forecast spend on schemes.
- 2.3 Due to financial restrictions minimal works have been carried over the past 6 months with the exception of emergency works of a Health & Safety nature. For example, the hard standing to the front of the Playhouse had become damaged by tree roots and works were carried out on an emergency basis prior to the Pantomime season commencing.
- 2.4 Officers have delegated authority to make adjustments to schemes of up to £20,000 subject to the programme being completed within the approved budget. Since the reschedule of schemes referred to in 2.1 above, 4 additional schemes have been included in the programme as follows:
 - 2.4.1 Minor improvements to reduce water consumption – leaks at the Town hall £5,439
 - 2.4.2 Upgrade to intruder alarms – Town Hall, The Wells, Alexandra Recreation ground, King Georges Field, Gibraltar Recreation Ground, Auriol Pavilion, Horton Country Park £12,506
 - 2.4.3 Path repairs – Alexandra Recreation ground £4,409
 - 2.4.4 Relay uneven paving in front of the Playhouse - £7,166

3 Backlog schemes – 2015/16

- 3.1 Annexe 1 contains the 2015/16 position of actual spend and forecast outturn for the current year schemes. A summary is shown at 4.1 below.
- 3.2 A number of non-committed schemes were put “on hold” during the year in response to the requirement to limit non-essential spend across all services. It is proposed that these schemes will be carried into 2016/17. The total value of these is £127,000 and these are marked up as “To be carried over” on Annexe 1. These will be funded from drawdown from the property maintenance reserve assuming there are sufficient funds available within the General Fund at year end.

- 3.3 Works on some approved schemes are still in progress across the two financial years. A further drawdown from the property maintenance reserve will be made in 2016/17 to cover these remaining costs. The actual value of these will not be known until after the year end but is likely to be less than £20,000. Underspending from schemes which have either come in under budget or are not progressing will be transferred to and remain within the Property maintenance reserve.

4 Financial and Manpower Implications

4.1 2015/16 planned funding and forecast spend of schemes

	£000s Budget	£000s Forecast spend
Backlog maintenance base budget	175	175
Regulatory works base budget	30	25
Watercourses works base budget	5	5
Repairs and renewals reserve funding (Longmead Social centre redecorations)	19	19
Car park fencing	3	3
Borough Boards	3	3
Planned drawdown from Property reserve	215	14
S106 drawdown re path works at Watersedge and Longmead	40	12
Total available budget	490	256

- 4.2 The property maintenance reserve as at 1 April 2015 was £221,000. The forecast drawdown of £14,000 to cover 2015/16 shortfall will give a forecast balance to be available for future years of £207,000.

- 4.3 **Chief Finance Officer's comments:** *The revised budget schedule at Annexe 1 referred to in 3.2 sets out the up to date revised budget position for all current year schemes. Funding of these schemes is set out in 4.1*

Underspends from works will be moved and retained in the Property Maintenance Reserve. These funds will only be released once approval and prioritisation had been sought.

The 10 year asset management plan will come to this Committee in June. This will include a breakdown of forthcoming works for financial year 16/17.

5 Legal Implications (including implications for matters relating to equality)

- 5.1 ***Monitoring Officer's comments:*** It is important that works to address legal & regulatory requirements are given appropriate prioritisation when works are planned and undertaken.

6 Sustainability Policy and Community Safety Implications

- 6.1 Some of the works in the programme will contribute to the achievement of relevant objectives.

7 Partnerships

- 7.1 There are no implications for the purposes of this report.

8 Risk Assessment

- 8.1 The risks associated with completion of the programme are judged to be manageable.
- 8.2 Any emergency works will be funded from drawdown from Property maintenance reserve.

9 Conclusion and Recommendations

- 9.1 This report sets out progress on the backlog maintenance programme and changes made within delegated authority.
- 9.2 Any unspent provisions will be made available for 2016/17 scheduled schemes, including emergency schemes, via the Council's Property Maintenance Reserve at year end.
- 9.3 Unspent budget provision for works in progress will be carried forward via the Council's Property Maintenance Reserve at year end

WARD(S) AFFECTED: All