

 Executive 15th February 2012		Agenda Item No. 11
Title	Corporate Property Repairs and Improvement Programme 2012/13	
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Wards of the District directly affected		
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?		
Date and meeting when issue was last considered and relevant minute number		
Background Papers	CMT Report April 2008	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes
Equality & Sustainability Impact Assessment Undertaken	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive	20/1/12	Chris Elliot
Deputy Chief Executive	20/1/12	Bill Hunt
Deputy Chief Executive and Monitoring Officer	20/1/12	Andrew Jones
Head of Service	20/1/12	Jameel Malik
Section 151 Officer	20/1/12	Mike Snow
Corporate Property Investment Board	20/1/12	All members
Finance	20/1/12	Sandra Jones, Mark Smith
Portfolio Holder(s)	26/1/12	Cllr Norman Vincett
Consultation & Community Engagement		
Consultation was undertaken with all relevant Section Heads and the Corporate Property Investment Board to agree this update.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report provides the rationale for the proposed allocation of the works against the budget for the Corporate Repairs and Improvement Programme for 2012/13.

2. Recommendation

- 2.1 That the Executive approve the proposed allocation of the Corporate Property Repairs and Improvement Programme budget for 2012/13, as set out in Appendix A.
- 2.2 That the Head of Housing & Property Services, in consultation with the Council's Procurement Manager, is authorised to procure the works as per the Code of Procurement Practice.
- 2.3 That the £29,600 DDA budget (Disability Discrimination Act) is merged into the Corporate Repairs and Improvement Planned Project Budget.
- 2.4 That the Head of Housing & Property Services will present a half year update Report on the agreed projects for the unallocated budget.

3. Reasons for the Recommendation

- 3.1 Housing and Property Services manage the Corporate Property Repairs and Improvement Programme budget and coordinate the proposed programme of works, which has been set following consultation with the Corporate Property Investment Board and client service areas who manage the various corporate buildings and assets.
- 3.2 To ensure that the Council is spending the budget effectively in the current climate it is considered that members need to be aware of the principles underpinning the budget allocation to ensure the process is transparent. **Appendix A** identifies the works proposed for 2012/13 (Table A3) and the list of reserve projects (Table A4). The proposals have followed the agreed principles to categorise each scheme and prioritise the budget allocation as approved by CMT in April 2008.
- 3.3 Paragraph 10.4 of the Council's Code of Financial Practice states, with regard to schemes in the Capital Programme:

"....the senior manager (in this instance the Head of Housing and Property Services) does not have authority to incur expenditure....."

Finance has indicated under proper accounting practices it will be necessary to deliver some of the recommended schemes by means of revenue contributions to capital. Therefore in addition to the budget approval it is necessary for Executive to give authority to the senior manager concerned to incur the necessary expenditure. It is proposed that the Head of Housing and Property Services will work with the Procurement Manager to ensure that the work is delivered in accordance with the Code of Procurement Practice.
- 3.4 The current separation of the Corporate Property Repairs and Improvement and Disability Discrimination Act (DDA) access works budgets is somewhat artificial,

as disability access works are managed as part of the overall Corporate Property Repairs and Improvement programme. Therefore it is proposed to merge these budgets to simplify the reporting and financial management. The agreed principles for assessing projects ensure that disability access works will continue to be prioritised.

4. Policy Framework

- 4.1 The internal element of the Fit for the Future Programme has the twin objectives of improving the quality of the range of services that the Council directly provides whilst achieving efficiency and cost savings and/or increased income to meet the significant financial challenges we face. These recommendations assist both elements.
- 4.2 The proposed projects directly support the maintenance and improvement of the Councils corporate assets that form part of the cultural offer available to residents and visitors in support of the Council's Vision of Warwick District being a great place to live work and visit.
- 4.3 The recommendations are also consistent with the need to ensure that we invest in our assets to ensure they remain fit for purpose and meet all health and safety and other legislative requirements.

5. Budgetary Framework

- 5.1 The Corporate Repairs and Improvement budget for 2012/13, as proposed within the Budget report to this Executive meeting, in accordance with Council's Financial Strategy. The base budget for 2012/13 is £1,187,400 (£746,500 for routine and responsive repairs and maintenance, £440,900 for planned projects). A further £148,000 of works planned for 2011/12 will now proceed in 2012/13, giving a total budget of £1,335,400.
- 5.2 Both the new base budget and Earmarked Reserves/Slippage (for projects originally planned for 2011/12) are included within the 'Budget 2012/13 and Council Tax – Revenue and Capital' report, to be considered by the Executive on 15th February 2012 and Council on 22nd February 2012, and so are presented here subject to approval of the relevant recommendations in that report. It should be noted that £30,000 of the requested earmarked reserves are allocated to the St Nicholas Park pathway and drainage project. This scheme is currently under review and it is understood that should the earmarked reserve be approved, the funds would be returned in the event that the project is not considered to be a priority for 2012/13.
- 5.3 **Appendix A** of this report summarises the Corporate Repairs and Improvement budget, and for the proposed planned projects (Table A3) identifies whether projects have been deferred from 2011/12 (Earmarked Reserves) or are new to the 2012/13 programme.
- 5.4 Appendix A also identifies unallocated funds of £135,900. The Corporate Property Investment Board (CPIB) are currently working to develop scheme designs and budget estimates for several schemes that are considered by the board to be a priority for 2012/13. It is proposed that the CPIB will issue a further updated report to the Executive once the scheme details have been prepared to request permission to deliver the proposed scheme. The schemes being developed are listed below:

Building/Site	Scheme Description
St Nicholas Park, Warwick	Resurfacing and drainage of the footpaths
St Nicholas Park, Warwick	Refurbishment of the paddling pools
Victoria Park	Refurbishment of the paddling pools
Newbold Comyn Leisure Centre	Heating to the entrance foyer
The Royal Pump Rooms	Heating to the entrance foyer

5.4 Under proper accounting practices some of the planned projects should be capitalised, primarily because they are deemed to significantly enhance the usage or life of an asset or replace a significant part of an asset, rather than being maintenance/repairs. These will still be funded from the Corporate Repairs and Improvement programme by making a revenue contribution to capital, so there is no change in the 'bottom line'.

5.5 The programme will be monitored on a monthly basis as part of the Council's budget management framework. This will involve prioritising the timing of projects, their relative importance and managing the budget.

6. Alternative Option(s) considered

6.1 One alternative would be to not apply the previously agreed budget setting criteria and/or not to manage the budget centrally but instead let service areas decide priorities and allocation. These options were rejected when the review was carried out in 2008.

6.2 A second alternative would be not to proceed with the current proposed programme of works as set out in Table A3 of Appendix A, but instead defer any or all of the prioritised projects to future years.