

 <b>Executive</b> <b>13th July 2011</b>		<b>Agenda Item No.</b> <b>11 B</b>
<b>Title</b>	<b>CORPORATE PROPERTY REPAIRS &amp; IMPROVEMENTS PROGRAMME</b> <b>2011/12 JULY UPDATE</b>	
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<b>Wards of the District directly affected</b>	TBC	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	N/A	
<b>Date and meeting when issue was last considered and relevant minute number</b>	Executive Meeting 8 <sup>th</sup> June 2011 Agenda Item 22	
<b>Background Papers</b>	CMT Report April 2008 2 <sup>nd</sup> March 2011 8 <sup>th</sup> June 2011	

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliot/Bill Hunt
Head of Service		Jameel Malik
CMT		
Section 151 Officer		Mike Snow
Monitoring Officer		
Finance		Sandra Jones, Mark Smith
Portfolio Holder(s)		Cllr Vincett
Consultation & Community Engagement		
Consultation was undertaken with all relevant Section Heads 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 an update on the Corporate Property Repairs and Improvements Programme Report on 2nd March 2011 and seeks the Executive's approval to use part of the previously unallocated budget to finance newly identified projects.

## 2. **Recommendation**

- 2.1 That the Executive approve 5 new projects costing a total of £90,000 funded by the unallocated element of the 2011/12 Corporate Property Repairs and Improvements Budget.
- 2.2 That the Executive note the updated Corporate Property Repairs & Improvements Programme budget allocation and reserve list for 2011/12 as set out in Appendix A.
- 2.3 That the Head of Housing & Property Services, in consultation with the Council's Procurement Manager is authorised to procure the corporate works as per the Code of Procurement Practice.
- 2.4 That the Executive note that a further report will be brought to the Executive in October with recommendations relating to the remaining balance of unallocated budget.

## 3. **Reasons for the Recommendation**

- 3.1 The Executive approved the 2011/12 Corporate Property Repairs and Improvement budget of £1,298,600 at its meeting of 6<sup>th</sup> January 2011. At that date the Council had not completed the process of approving the earmarked reserves identified at year end. The subsequent approval of earmarked reserves totalling £277,000 makes the total Corporate Property Repairs and Improvement budget for 2011/12 £1,575,000. A further report recommending how some of the unallocated budget be allocated was approved by the Executive in June and it was agreed that a further report would be brought to the Executive in July 2011 to propose further recommendations for the remaining unallocated money.
- 3.2 The Corporate Property Investment Board (CPIB) has re-assessed and prioritised the reserve list of projects following the June update report to the Executive and recommends that £90,000 of the remaining unallocated budget is used to fund the five projects identified in the table below.

Site	Project	Priority	Budget Estimate
Town Hall	Replace central heating boilers	1	£40,000
Town Hall	Masonry and stone work repairs; phase 2	1	£20,000
Market Place	Remove section of canopy	1	£10,000
Harbury Lane	Extend car park and improve grounds security	1	£10,000
The Dell	Stonework repairs to dry stone dwarf walls and installation of	1	£10,000

	DDA compliant handrails		
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- 3.3 Although the Corporate Property Repairs and Improvement budget was agreed by the Executive in January 2011, Paragraph 10.4 of the Council's Code of Financial Practice states

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

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 in this case the senior manager will work with the Procurement Manager to ensure that the work is delivered in accordance with the Code of Procurement Practice.

- 3.4 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 2011/12 and the list of reserve projects. The proposals have followed the agreed principles to categorise each scheme and prioritise the budget allocation as approved by CMT in April 2008.
- 3.5 In addition to the projects identified in 5.1 the CPIB are also preparing scheme details for two additional projects, the structural repair of Warwick Boat House and replacing the roof at Castle Farm Sports Centre, that are considered to be priorities for the 2011/12 financial year. A further update with recommendations for the prioritisation of the aforementioned projects and budget requirements will be brought to the executive in October 2011 once the scheme details have been finalised.

#### 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 on 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 As of the 20<sup>th</sup> June 2011 there is £276, 900 of the Corporate Property Repairs & Improvements budget that is so far unallocated, £29,600 of which is the Disability Access budget. If the recommendations of this report are approved the unallocated funds will be reduced to £186, 900. A further update will be brought to the Executive in October 2011 with an up to date budget monitoring position and to recommend additional projects to allocate the balance of the remaining unallocated budget.

- 5.2 The programme will be monitored on a monthly basis as part of the Council's budget management framework. Part of this process will be to identify if any other project need to be brought forward during the year. The monitoring will determine if the budget situation means they need to replace any of the approved projects, if any of the proposed projects slip or come in under budget they could be additional to the approved list of works. Conversely if approved schemes come in over budget so that the budget would be insufficient to undertake all the approved work the monitoring will be used to determine which works are appropriate to be deferred to future years.

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 approaches 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 item A.2 of Appendix A, but instead defer any or all of the prioritised projects to future years and promote projects currently on the reserve list to the programme of works in their place.