

ANGUS COUNCIL

PROPERTY MAINTENANCE END OF YEAR REPORT 2019/20

1. BACKGROUND

Infrastructure – Assets currently manages the property maintenance budgets for all non-housing properties within Angus Council.

The 2019/20 Approved Final Budget for non-housing maintenance was set at £2,486,000. This budget covers planned maintenance, service contracts and unplanned maintenance. The budget also includes £262,000 in respect of the operation of the Devolved School Management [DSM] scheme which is contained within the planned element of the property maintenance budget.

2. CURRENT POSITION

Appendix 1 provides a directorate breakdown of the actual 2019/20 specific in year expenditure against the property maintenance revenue budget.

It should be noted that these expenditure figures may vary from the final position recorded in the Council's accounts for 2019/20. This is due to adjustments reflected in the accounts relating to prior year accruals and amounts written off in previous years, in line with guidance from the external auditor.

A summary position is detailed in Table 1 below:

Table 1 Property Maintenance Revenue Budget & Expenditure 2019/20

	Planned Maintenance	Unplanned Maintenance	Total
Budget	£1,704,000	£782,000	£2,486,000
Expenditure	£1,860,881	£838,363	£2,699,244
Variance	+£156,881	+£56,363	+£213,244
% of Budget Spent at 31/03/20	109%	107%	109%
% of Budget Spent at 31/03/19	116%	108%	114%

Table 1 above illustrates that in 2019/20 the property maintenance budget overspent by £213,244 [9%] in accordance with the expenditure recorded through the Assets' Archimedes system. If the DSM elements were removed this would be reduced to an overspend of £62,995 [3%] [refer to Table 3 below].

Table 2 below sets out the DSM position:

Table 2 Devolved School Management Budget & Expenditure 2019/20

	Planned & Unplanned (D98)	Improvements (D99)	Total
Budget	£262,000		£262,000
Expenditure	£215,604	£196,645	£412,249
Variance			+£150,249
% of Budget Spent at 31/03/20			157%
% of Budget Spent at 31/03/19			210%

Under the Devolved School Management scheme, the devolved budget was set aside specifically for elements of planned and unplanned maintenance work only.

As illustrated above there was an overspend of £150,249 in respect of the DSM budget in 2019/20.

Participating schools hold budgets for property maintenance where savings achieved by not incurring expenditure can be carried over into the next financial year or expended in the current financial year, but not necessarily on property maintenance. Schools have the flexibility to utilise savings, or provisions, in other budgets to invest in the school, whether for property maintenance or property improvement.

Any overspend incurred by schools on their devolved budgets is met from DSM balances from previous years or carried as a deficit into the following year in accordance with the DSM scheme. Accordingly, there is no corporate budget impact because any overspend is fully absorbed within DSM funding arrangements.

Table 3 Property Maintenance Revenue Budget & Expenditure 2019/20 [Excluding DSM]

	Planned	Unplanned Maintenance	Total
Budget [Excluding DSM]	£1,442,000	£782,000	£2,224,000
Expenditure [Excluding DSM]	£1,448,632	£838,363	£2,286,995
Variance	±£6,632	±£56,363	±£62,995
% of Budget Spent at 31/03/20	100%	107%	103%
% of Budget Spent at 31/03/19	100%	108%	103%

3. FINANCIAL IMPLICATIONS

It will be noted from Table 1 that there is an overall overspend of £213,244 [9%] on property maintenance in financial year 2019/20. It can be seen from Tables 2 and 3 above that this is due to a combination of a managed overspend on Devolved School Management [£150,249] and a net overspend of £62,995 on the planned and unplanned maintenance elements for other non-housing council properties. However, all overspends have been progressed on a managed basis and absorbed within the cash limited budgets available to Council departments.

Members are reminded that, in addition to the revenue budget covered by this report, significant investment in property maintenance works was previously provided through the Property Renewal & Repair Fund on an annual basis. This avenue of funding is no longer available due to the Council's current budget restrictions. This has been partly offset by Capitalisation of Renewal & Repair bids in recent years. The recent allocation of Capital from the Supplementary Budget Allocation Headroom resulted in £1,700,000 of funding being split over 4 years from 18/19 to 21/22. Thereafter, no further funding is available from these sources. As part of the Council's Change Programme, reductions have already been applied to the Property Maintenance Budget in line with adjustments to the current stock and this will be ongoing. Although budgets are currently in place from various sources, future levels of funding for maintenance will need to be considered to account for the impact of inflation increases and additions to the Council estate, including Early Years properties.

4. REPORT AUTHOR

This report and associated schedules have been compiled by Ian Cochrane, Director of Infrastructure who can be contacted by emailing Communities@angus.gov.uk.

List of Appendices:

Appendix 1 – Property Maintenance Revenue Budget 2019/20

Appendix 1 Property Maintenance Revenue Budget 2019/20

	Department	Service	Planned Maintenance Spend	Unplanned Maintenance Spend	Total Spend	Budget 2019/20	Variance	% Spend		
PR	Property	Centralised Property Maintenance	£754,374	£0	£754,374	£750,000	+£4,374	101%		
SL	Schools & Learning		£411,776	£298,353	£710,129	£696,000	+£14,129	102%	a, b	
SL	Devolved School Management		£412,249	£0	£412,249	£262,000	+£150,249	157%	c	
CYP	Children, Families & Justice		£9,598	£33,930	£43,528	£39,000	+£4,528	112%		
IT	HR, Digital Enablement & Business Support	Digital Enablement	£1,924	£4,683	£6,607	£4,000	+£2,607	165%		
HR		HR & Business Support	£0	£218	£218	£1,000	-£782	22%		
AS	Angus Health & Social Care Partnership	AHSCP	£18,025	£83,462	£101,487	£99,000	+£2,487	103%		
EC	Strategic Policy Transformation & Public Sector Reform	Strategic Policy & Economy	Economic Development	£1,951	£12,375	£14,326	£17,000	-£2,674	84%	
SC		Governance & Change	Angus Alive - The Yard	£695	£2,030	£2,725	£3,000	-£275	91%	
SF			Sports Facilities	£56,919	£124,078	£180,997	£179,000	+£1,997	101%	
CNS			Countryside Services	£22,518	£11,077	£33,595	£34,000	-£405	99%	
CST			Theatre	£7,499	£9,420	£16,919	£20,000	-£3,081	85%	
CSL			Libraries & Archives	£8,522	£20,799	£29,321	£29,000	+£321	101%	
AO			Access Offices	£969	£3,780	£4,749	£5,000	-£251	95%	
CSM			Museums & Galleries	£5,369	£20,517	£25,886	£18,000	+£7,886	144%	d
RO			Infrastructure	Roads	£103	£2,814	£2,917	£4,000	-£1,083	73%
TR	Transport [Bus Station]	£191		£533	£724	£2,000	-£1,276	36%		
BG	Communities	Environmental Services	Burial Grounds	£8,343	£10,387	£18,730	£18,000	+£730	104%	
PG			Parks & Gardens	£38,851	£23,161	£62,012	£62,000	+£12	100%	
WM			Waste Management	£4,526	£31,888	£36,414	£31,000	+£5,414	117%	
CLD		Planning & Communities	£783	£526	£1,309	£4,000	-£2,691	33%		
PD	Legal & Democratic Services	Digital & Reprographics Unit	£1,230	£14,763	£15,993	£4,000	+£11,993	400%	e	
CORP	Facilities Management	Corporate Properties	£30,119	£78,338	£108,457	£109,000	-£543	100%		
SP		Surplus Properties	£13,984	£33,419	£47,403	£38,000	+£9,403	125%	f	
MZ	Other Services	Upkeep of Clocks	£7,552	£0	£7,552	£6,000	+£1,552	126%		
MZ		Upkeep of War Memorials	£37,451	£0	£37,451	£36,000	+£1,451	104%		
HO	Housing Revenue Account	Housing [HRA Funded]	£5,360	£17,812	£23,172	£16,000	+£7,172	145%	g	
			£1,860,881	£838,363	£2,676,072	£2,486,000	+£213,244	108%		

- Notes:**
- a** Planned Maintenance Spend includes £77K that was vired to Capital projects.
 - b** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.
 - c** DSM overspent. Under the DSM scheme the schools are responsible for the management of over or underspends in any financial year.
 - d** Higher than anticipated spend on unplanned maintenance, including lift repairs at The Meffan and Montrose, which will be contained within the client department's Revenue budgets.
 - e** Higher than anticipated spend on unplanned maintenance, due to two boiler replacements, which will be contained within the client department's Revenue budgets.
 - f** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.
 - g** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.