

ANGUS COUNCIL

POLICY AND RESOURCES COMMITTEE – 7 DECEMBER 2021

INFORMATION REPORT

PROPERTY MAINTENANCE

**ABSTRACT**

This report provides information to members with regard to services in the Infrastructure Services Directorate, albeit that a decision is not required in terms of the current Scheme of Delegation to Officers and the Order of Reference of Committees.

**1. BACKGROUND**

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

The 2020/21 Approved Final Budget for non-housing maintenance was set at £2,457,000. 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 2020/21 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 2020/21. 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 2020/21**

Table 1	Planned Maintenance	Unplanned Maintenance	Total
Budget	£1,675,000	£782,000	£2,457,000
Expenditure	£1,898,568	£806,371	£2,704,939
Variance	+\$223,568	+\$24,371	+\$247,939
% of Budget Spent at 31/03/21	113%	103%	110%
% of Budget Spent at 31/03/20	109%	107%	109%

Table 1 above illustrates that in 2020/21 the property maintenance budget overspent by £247,939 [10%] in accordance with the expenditure recorded through the Assets' Archimedes system. If the Devolved School Management (DSM) elements were removed this would be increased to an overspend of £252,778 [12%] [refer to Table 3 below].

Table 2 below sets out the DSM position:

**Table 2 Devolved School Management Budget & Expenditure 2020/21**

Table 2	Planned & Unplanned (D98)	Improvements (D99)	Total
Budget	£262,000		£262,000
Expenditure	£143,220	£113,941	£257,161
Variance			-£4,839
% of Budget Spent at 31/03/21			98%
% of Budget Spent at 31/03/20			157%

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

As illustrated above there was an underspend of £4,839 in respect of the DSM budget in 2020/21.

Participating schools hold budgets for property maintenance where savings achieved by not incurring expenditure, including underspends, 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.

**Table 3 Property Maintenance Revenue Budget & Expenditure 2020/21 [Excluding DSM]**

Table 3	Planned Maintenance	Unplanned Maintenance	Total
Budget [Excluding DSM]	£1,413,000	£782,000	£2,195,000
Expenditure [Excluding DSM]	£1,641,407	£806,371	£2,447,778
Variance	+£228,407	+£24,371	+£252,778
% of Budget Spent at 31/03/21	116%	103%	112%
% of Budget Spent at 31/03/20	100%	107%	103%

### 3. FINANCIAL IMPLICATIONS

It will be noted from Table 1 that there is an overall overspend of £247,939 [10%] on property maintenance in financial year 2020/21. It can be seen from Tables 2 and 3 above that this is due to a combination of an underspend on Devolved School Management [£4,839] and a net overspend of £252,778 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 budgets available to Council departments. The overspend in this financial year was mainly in response to a desire to accelerate revenue expenditure in 20/21 to assist in supporting businesses, particularly the construction sector, due to the impact of covid and to utilise underspends in other directorate revenue budgets reducing the backlog of maintenance works.

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 any additions to the Council estate.

**REPORT AUTHOR – Gavin Balfour Service Leader Assets**  
E-mail: [Assets@angus.gov.uk](mailto:Assets@angus.gov.uk)

List of Appendices:

Appendix 1 – Property Maintenance Revenue Budget 2020/21

## Appendix 1 Property Maintenance Revenue Budget 2020/21

Dept Code	Department	Service	Planned Maintenance Spend	Unplanned Maintenance Spend	Total Spend	Budget 2020/21	Variance	% Spend		
PR	Property	Centralised Property Maintenance	£969,145	£0	£969,145	£730,000	£239,145	133%	a	
SL	Schools & Learning		£373,253	£331,189	£704,442	£660,000	£44,442	107%	b	
SL	Devolved School Management		£257,161	£0	£257,161	£262,000	-£4,839	98%		
CYP	Children, Families & Justice		£16,764	£31,303	£48,067	£47,000	£1,067	102%		
IT	HR, Digital Enablement & Business Support	Digital Enablement	£1,769	£1,289	£3,058	£4,000	-£942	76%		
AS	Angus Health & Social Care Partnership	AHSCP	£23,212	£88,228	£111,440	£101,000	£10,440	110%	c	
EC	Strategic Policy Transformation & Public Sector Reform	Strategic Policy & Economy	Economic Development	£2,043	£11,571	£13,614	£17,000	-£3,386	80%	
SC		Governance & Change	Angus Alive - The Yard	£717	£1,895	£2,612	£3,000	-£388	87%	
SF			Sports Facilities	£25,614	£110,428	£136,042	£148,000	-£11,958	92%	d
CNS			Countryside Services	£15,060	£13,872	£28,932	£27,000	£1,932	107%	
CST			Theatre	£6,841	£3,800	£10,641	£20,000	-£9,359	53%	
CSL			Libraries & Archives	£12,829	£41,090	£53,919	£33,000	£20,919	163%	e
AO			Access Offices	£802	£1,344	£2,146	£5,000	-£2,854	43%	
CSM			Museums & Galleries	£4,927	£12,851	£17,778	£19,000	-£1,222	94%	
RO			Infrastructure	Roads	£1,755	£5,020	£6,775	£6,000	£775	113%
TR	Transport [Bus Station]	£198		£353	£551	£2,000	-£1,449	28%		
BG	Communities	Environmental Services	Burial Grounds	£21,802	£7,072	£28,874	£33,000	-£4,126	87%	
PG			Parks & Gardens	£41,302	£24,946	£66,248	£66,000	£248	100%	
WM			Waste Management	£26,965	£27,573	£54,538	£53,000	£1,538	103%	
CLD		Planning & Communities	Planning & Communities	£808	£691	£1,499	£4,000	-£2,501	37%	
PD	Legal & Democratic Services	Digital & Reprographics Unit	£983	£3,224	£4,207	£4,000	£207	105%		
CORP	Facilities Management	Corporate Properties	£39,142	£39,401	£78,543	£117,000	-£38,457	67%	f	
SP		Surplus Properties	£13,140	£25,057	£38,197	£38,000	£197	101%		
MZ	Other Services	Upkeep of Clocks	£3,601	£0	£3,601	£6,000	-£2,399	60%		
MZ		Upkeep of War Memorials	£33,773	£0	£33,773	£36,000	-£2,227	94%		
HO	Housing Revenue Account	Housing [HRA Funded]	£4,962	£24,174	£29,136	£16,000	£13,136	182%	g	
		<b>Totals</b>	<b>£1,898,568</b>	<b>£806,371</b>	<b>£2,675,803</b>	<b>£2,457,000</b>	<b>£247,939</b>	<b>109%</b>		

### Notes:

- a** This overspend includes expenditure of £234,572 which was offset by the Council's overall Revenue underspend. Several planned maintenance projects were brought forwarded and funded from this Revenue underspend. This expenditure mainly related to electrical works including distribution boards, lighting to schools and heating controls along with window and door replacements and various other minor maintenance works to properties across the Council.
- b** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.
- c** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.
- d** Lower than anticipated spend on unplanned maintenance due to facilities being closed for long periods.
- e** Higher than anticipated spend on unplanned maintenance, due to boiler replacements at Forfar Library, which will be contained within the client department's Revenue budgets.
- f** Lower than anticipated spend on unplanned maintenance due to offices being closed for the whole year.
- g** Higher than anticipated spend on unplanned maintenance which will be contained within the client department's Revenue budgets.