

HAMPSHIRE COUNTY COUNCIL

Committee/Panel:	Buildings, Land and Procurement Panel
Date:	12 October 2010
Title:	Revenue and Capital Repairs Budgets – Half Yearly Update
Reference:	1537
Report From:	Director of Property, Business and Regulatory

Contact name: Sue Lapham

Tel: 01962 847804

Email: sue.lapham@hants.gov.uk

1. Executive Summary

1.1. The purpose of this report is to seek approval for the re-profiling of £1.06 million of school-funded capital repairs resources, the virement to revenue of £40,000 to support the delivery of the Smart Meters programme and the proposed additions to the 2010/11 capital repairs programme.

1.2. This paper seeks to

- Set out the current budget position for revenue and capital budgets
- Highlight schemes to be added to the 2010/11 programme of capital repairs
- Outline the proposal to re-profile resources from 2010/11 to 2011/12.

2. Contextual information

2.1. The 2010/11 revenue budget figure reported to the March meeting of this Panel was £16.319 million. This total has been increased to reflect the appropriate inflation allocation, adjust for minor changes in school allocations and add the unspent balance of the 2009/10 winter maintenance contingency. The revised figure totals £16.888 million.

2.2. Both the Policy and Resources (P&R) and Dedicated Schools Grant (DSG) capital repairs budgets have been adjusted to include the re-profiling from 2009/10 recommended to the Executive Member in April and the value of the year end carry forward. The combined total is now £20.691 million.

3. Revenue and capital budget position 2010/11

Revenue budget

3.1. Appendix 1 shows the level of commitment against the revenue budget as at 30 July 2010. As in previous years the headline total of 74% includes both budgets which are delegated with no buy-back arrangement and therefore

treated as 100% committed (2010/11 value £3.168m) together with the full year commitments under the engineering term maintenance contracts (2010/11 figure £7.059m). Excluding these two areas reduces the level of commitment to 34.1%, which is in line with expectations at this stage in the financial year.

- 3.2. The winter maintenance contingency carried forward from 2009/10 (£339,800) has been fully committed.

New Deal for Schools (NDS)

- 3.3. The NDS budget is capital grant and the funding year runs to the end of August i.e. the 2009/10 allocation must be spent by 31 August 2010. The 2009/10 allocation included agreed accelerated funding from the 2010/11 allocation and schemes at the required level of £11.996m have been delivered by this date.
- 3.4. The reduced 2010/11 programme of £2.127 million will be delivered by 31 August 2011.

Capital repairs

- 3.5. Appendix 2 shows the level of commitment against the combined P&R and DSG capital repairs budgets at 35.5% by 30 July 2010 which is broadly in line with the position in previous years.
- 3.6. The budgets now include the re-profiling from 2009/10 (approved by the Executive Member for Policy and Resources in April), which has the effect of increasing the P&R budget by £1.426m and the DSG budget by £1.086m. The re-profiling sought both to recognise anticipated slippage due to the poor winter weather conditions and, in the case of the DSG budget, smooth the transition to lower NDS grant funding in 2010/11 and beyond. The actual level of re-profiling proved to be higher than had been anticipated leading to additional carry forward of £887,000 and £906,000 against the P&R and DSG budgets respectively. The overwhelming majority of the amounts carried forward related to committed schemes, which were in the process of being delivered.
- 3.7. A schedule of proposed additions to the programmes for both capital repairs and NDS is shown at Appendix 3. As on previous occasions this includes projects against previously uncommitted budgets however it should be noted that, following procurement exercises for previously agreed programmes, it has been possible to identify a further £1.4M of additional schemes. This is very good news as it demonstrates through efficient delivery and procurement methods more work can be accommodated from within the same budget.
- 3.8. In order to undertake suitable procurement and allow these schemes to progress at an appropriate time for schools, approval is sought to re-profile £1.06m of DSG capital repairs into 2011/12 subject to Schools' Forum agreement.

Other allocations

- 3.9. The 2010/11 Sure Start budget of £477,000 is supplemented by a carry forward from 2009/10 of £276,000. Most of this money is committed to a small number of larger schemes and is expected to be fully spent by the year end.
- 3.10. £993,000 of the Smart meters in schools funding was carried forward from 2009/10, as agreed with Schools Forum and to fit with the implementation programme. The first phase installation programme of principal meters by the utility companies has already commenced and the work requires the engineering term maintenance contractors to provide technical and attendance support. To fund this, support approval is sought to vire £40,000 of the £993,000 to the 2010/11 revenue repairs and maintenance budget.
- 3.11. The second phase installation programme for sub-meters on school sites is due to commence in the autumn and at this stage the balance of the capital money is expected to be spent by the end of the current financial year.

4. Recommendation(s)

That the Executive Member for Policy and Resources be advised that:

1. The proposed additions/adjustments to the programme for both Capital Repairs and New Deal for School and other miscellaneous approvals as set out in paragraph 3.7 and Appendix 3 be approved.
2. The re-profiling to 2011/12 of capital repairs resources of £1.06 million as set out in paragraph 3.8 be approved.
3. The virement in 2010/11 of £40,000 from the Smart Meters in schools capital allocation to the revenue repairs and maintenance budget as set out in paragraph 3.10 be approved.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	Yes
Corporate Improvement plan link number (if appropriate):	
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

Race and equality impact assessment has been considered in the development of this report and no adverse impact has been identified.

2. Crime prevention issues

The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime. The proposed budget allocations will support crime prevention issues.

3. Climate Change

The proposed budget allocations will support climate change proposals.

Revenue Maintenance 2010/11
Commitments as at 30 July 2010

	Budget	Commitment	
	£'000	£'000	%
Non-Education Services			
Redecorations	610	51	8.4
Engineering servicing and repairs	1,890	1,810	95.8
Minor structural repairs	966	579	59.9
Asbestos testing (*)	46	0	0.0
Vandalism reinstatement	123	76	61.8
Sub-total	3,636	2,516	69.2
Contingency	767	340	44.3
Delegated to schools			
Delegation under LMS scheme	2,717	2,717	100.0
Eotas	25	25	100.0
Delegation under fair funding:			
Community Schools	8,727	6,247	71.6
Foundation Schools	426	426	100.0
Sub-total	11,895	9,415	79.2
Other Allocations			
Strategic consultants (**)	442	198	44.8
Non functional buildings	118	16	13.6
Gypsy and Traveller Sites	30	11	36.7
Sub-total	590	225	38.1
Total	16,888	12,496	74.0

Notes

Budget figure includes amounts carried forward from 2009/10 and minor adjustments relating to schools allocations.

(*) The figure quoted for asbestos testing indicates that no contracts have been let against this commitment up to end of July but work is planned to spend the allocation this financial year.

(**) Strategic consultants are employed when necessary, to provide additional resources to deal with peaks in workload and where the full complement of specialist skills is not retained in-house (e.g. Acoustics, Structural Engineering, Ecology).

Capital Repairs 2010/11

Commitment as at 30 July 2010

Area of Work	Budget	Commitment
	£'000	%
Corporate Risk Assessment		
Condition of building fabric	9,310	24.0
Mechanical services failure	2,088	59.9
Fire including arson	1,410	76.0
Electrical services failure	1,644	30.5
Asbestos	1,061	14.7
Structural collapse	341	74.9
High level access to plant	102	0.0
Other priorities	1,164	19.7
CRA contingency	69	0.0
Other Allocations		
Joint funded landlord's minor works	451	17.4
Strategic maintenance	405	49.5
Landlord's contributions	219	29.7
County Farms	239	1.9
External works/landscaping	175	58.4
Other priorities	600	36.7
Contingency	1,413	68.8
Total	20,691	35.5

Proposed additions and adjustments to the Capital Repairs and New Deal for Schools (NDS) programmes and other miscellaneous approvals

Capital Repairs

Location	Description of works
£50,000- £100,000	
Purbrook Park School, Waterlooville	Slate roofs low level
Oakfield Primary School, Totton	Scola 3 cladding
Thornden School, Chandler's Ford	Forum block roof and Art block
New Milton Youth Centre, New Forest	Contribution to roofing
Hounslow School, Totton	Replace incoming gas service
Henry Beaufort School, Winchester	Roofing to 4 storey and Sports Hall
Various sites	Replace obsolete light fittings/upgrade classroom lighting
Phoenix Centre, New Milton, New Forest	Contribution to roof repairs (part of Children Centre maintenance works)
£100,000- £250,000	
Court Moor School, Fleet	Roof to Dinorbin Block
Crofton School, Stubbington nr Fareham	Tech block re-roof
Connaught School, Aldershot	Main block windows and ROSLA roof
Morelands Primary School, Bitterne, Southampton	Lower School roof
Oak Meadow Primary School, Fareham	Replacement roof finishes and cladding replacement
Parsonage Farm Infant School, Havant	Flat roofing
Sharps Copse Primary School, Havant	Various roof repairs (part of Children Centre maintenance works)
Over £250,000	
Robert Mays School, Odiham	Boiler replacement, chimney installation, underground heating mains replacement
Wavell School, Farnborough	Mk 1 Scola phase 1
Oak Meadow Children's Centre, Fareham	Replacement roof finishes and Cladding replacement (part of Children Centre maintenance programme works)

Over £500,000	
Wavell School, Farnborough	MK Scola phase 1

NDS Condition Programme

Yateley Schools - replacement of underground mains. This was reported to a previous meeting in the £50k to £100k category but the works are now estimated in the £100k to £250k category.

Other Miscellaneous Schemes

Corporate Risk Assessment (CRA) Programme

Bulmer House OPH - replacement of failed boilers. The works will be tendered and the funding will come from the Mechanical Failure CRA budget which was reported as a lump sum in the March meeting.

Strategic Improvements to Older Persons Homes

Funding allocation allowances totalling £400,000 have previously been reported to support the joint strategic investment in Elderly Persons Homes with Adult Services. The programme has now been fully defined and it is proposed that £315,000 of the overall allowance will be allocated to a refurbishment works project proposed at Thurlston House, Fleet. A future project appraisal will be presented to the Executive Member for Policy and Resources Decision Day in December.