











Report of: Built Environment Business Manger

To: Executive Board

Date: 3rd April 2006

Item No:

Title of Report : 2006/2007 Capital and Revenue Building Improvements for Non Housing Properties

 <u>Summary and Recommendations</u>	
 Purpose of report:	To inform Members of the proposed programme of works for building improvements to non housing properties for the 2006/2007 financial year and seek major project approval to the proposed programme.
	
	
Key decision:	Yes
Portfolio Holder:	Councillor Baker ~ Capital Projects and Procurement Portfolio Councillor Hollingsworth ~ Over-arching Responsibility
	
Scrutiny Responsibility:	Finance
 Ward(s) affected:	All
 Report Approved by:	Councillor Baker Councillor Hollingsworth Steve Holt – Leisure Craig Buckby – Neighbourhood Renewal Jeremy Thomas / Lindsay Cane – Legal Services Andy Collett - Finance
	
 Policy Framework:	None
 Recommendation(s):	
1.	To grant Major Project Approval for the Revenue part of the programme and authorise officers to carry out the various projects detailed in Appendix A for completion during 2006/2007.
2.	To grant Major Project Approval for the Capital part of the programme and authorise officers to carry out the various projects detailed in Appendix A for completion during 2006/2007.



1. Each year the Executive Board is asked to approve the programme of building works for the Council's non-housing property.
2. The proposed programme of works for 2006/2007 is attached as Appendix A. The total budget for 2006/2007 is £771,988, split as £521,988 as revenue funding and £250,000 as capital funding. This report seeks to allocate the anticipated budget to specific schemes and properties.
3. As in previous years the revenue funded part of the work programme is proposed to cover reactive and services contract maintenance. The level of the available revenue funding is such that it is used almost exclusively to keep buildings weatherproof and operational by addressing health and safety and lease obligations. This part of the proposed programme is allocated largely on historic lines based on previous years spending.
4. This report has been included in the Forward Plan, but at the time of writing no comments have been received. In compiling the report, all relevant Business Managers were asked to submit bids for inclusion in the work programme.
5. A financial profile for the capital part of the programme is attached as Appendix B.
6. All revenue budgets are already included in the overall Council budget.
7. There are no specific legal implications
8. There are no staffing implications other than the possible need to employ external consultants for the design of some of the individual capital projects. Fees for such appointments are included in the budgets shown. As in previous years, Oxford Building Solutions will carry out the majority of the works in the proposed programme.
9. The works will be implemented during the 2006/2007 financial year.
10. Members will recall that in previous years we have reported on the build up of the maintenance backlog. In January 2006, a report was approved by the Executive Board which set out a series of measures to address this issue which included:-
 - Using existing capital budgets to address maintenance backlog issues at Leisure Centres and Community Centres as directed by the emerging strategy exercises,
 - Using existing capital budgets to address maintenance backlog issues at Parks buildings,
 - Encouraging commercial tenants to take on full repairing liabilities for the properties they occupy,

- Allocating up to £1,000,000 of revenue finance from the Department of Works and Pensions contingency reserve if and when this becomes available,
- Allocating an additional £500,000 into the capital programme in year 2009/2010 to finance maintenance backlog works,
- Investigating options for further disposal of high maintenance and/or low income properties to finance works to other retained properties,
- Allocate and ring fence 5% of the rental income when leases are renewed or rents reviewed to finance future maintenance where negotiations are unsuccessful in persuading tenants to take on full repairing responsibilities,
- Await decisions on the office accommodation strategy and Town Hall major re-development with regard to these buildings, and the Westgate Shopping Centre redevelopment with regard to works for Westgate Car Park.
- Investigate other financing options such as the use of Section 106 receipts, Area Committee funding and Prudential Borrowing.

Further reports will be brought forward regarding these proposals, as the strategies develop, to seek approval for the available finances in order to reduce the maintenance backlog over the coming years.

Appendices attached:-

Appendix A ~ Proposed programme of revenue and capital works

Appendix B ~ Financial appraisal

Name and contact details of author: John Bellenger
Section Manager
Built Environment Business Unit
St Aldates Chambers
St Aldates
Oxford
OX1 1DS
Telephone:- 01865 252775
E mail:- jbellenger@oxford.gov.uk



Background papers: None

