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|--|---------------------|
| Committee: | Date: |
| Corporate Asset Sub Committee | 5 June 2019 |
| Subject: Additional Repairs and Maintenance Programme 2018/19 Quarter 4 | Public |
| Report of: City Surveyor Report ref CS 190/19 | For Decision |

Summary

The report provides an overview of the progress and expenditure of the three-year 2016/17 Additional Repairs & Maintenance Programme (AWP) at the end of the financial year 2018/19.

The programme for 2016/17 totals 269 projects with a budget of £5.248m over the life of the programme. Total cost of the programme was £4.906m, excluding the £221,550 previously agreed for carry-over into 2019/20.

One project expected to complete in 18/19 (ornate metalwork in London Central Markets) was not completed because of delays that project suffered due to access restrictions caused by neighbouring construction works being undertaken by Crossrail and Thames Water. Bar that, and projects your committee has already agreed will be carried into 2019/20, the programme is complete. While some final accounts remain to be agreed, current figures indicate that savings over the programme total £342,018.

Recommendations

Members are asked to approve the:-

- a) provision of £192,300 from the 2016/17 AWP budget into 2019/20 for project C037AW006L, LCM ornate metalwork maintenance finishes;
- b) provision of £100,000 from the 2016/17 AWP budget into 2019/20 to allow settlement of final accounts when agreed; and
- c) carry over of savings on this programme into the 2019/20 CWP to fund cyclical works currently on the reserve list.

Main Report

Background

1. The Additional Repairs & Maintenance Programmes (AWP) have been derived from the Forward Maintenance Plans to maintain the Corporation's operational estate in "fair to good" condition. Each AWP programme has a three-year delivery window. This report covers the remaining year of the 2016/17 programme at the end of the second quarter of financial year 2018/19.
2. The AWP has been replaced by the Cyclical Works Programme (CWP) from 2017/18. Progress on the CWP is reported half-yearly.
3. This report is based on spend figures as at 31/03/2019. An analysis of the overall programme to date is set out in the appendix to this report.

Current Position

4. The position on the current AWP programme is provided in the tables below. Progress against the 2018/19 targets and overall progress are presented separately. A breakdown based on fund and area of service can be found in the appendix.

| TABLE 1: TOTAL PROGRAMME PROGRESS TO DATE AT 31/03/19 | | | | | | |
|--|---------------------|---------------------------|--------------------------|-------------------|-----------------------------|-----------------------|
| Fund / Service | Total Budget | Total Actual Spend | Further Committed | Total Cost | Balance Un-committed | Total Progress |
| | £000's | £000's | £000's | £000's | £000's | % |
| 2016/17 Programme | | | | | | |
| City's Cash** | 2,831 | 2,394 | 281 | 2,675 | 156 | 94% |
| City Fund | 1,574 | 1,379 | 40 | 1,419 | 155 | 90% |
| Guildhall Admin * | 843 | 792 | 20 | 812 | 31 | 96% |
| TOTAL | 5,248 | 4,565 | 341 | 4,906 | 342 | 93% |

* £203,784 budget transferred to Capital from AWP

**£74,375 budget transferred to Capital from AWP

| TABLE 2: SPEND AGAINST 2017/18 TARGETS TO DATE AT 31/03/19 | | | | |
|---|---------------------|-----------------------|-----------------------------|-----------------------------|
| Fund / Service | Total Budget | Budget 2018/19 | Actual Spend 2018/19 | Spend Against Target |
| | £000's | £000's | £000's | % |
| 2016/17 Programme | | | | |
| City's Cash | 2,831 | 1,555 | 1,088 | 70% |
| City Fund | 1,574 | 565 | 330 | 58% |
| Guildhall Admin | 843 | 141 | 90 | 64% |
| TOTAL | 5,248 | 2,261 | 1,508 | 67% |

2016/17 Programme

5. The 2016/17 AWP programme consists of 269 projects with a total value of £5.248m. One project that was expected to complete in 2018/19 (C037AW006L, LCM ornate metalwork maintenance finishes, budget £200,000) was specified and procured but delivery was delayed because of neighbouring works by Crossrail and Thames Water. Those obstructions have now eased and the works can now progress. Bar that project and the seven projects previously approved for carry over into 2019/20, the programme is complete.
6. Actual spend appears substantially behind target. The shortfall is primarily made up of £221,550 for projects previously deferred to 2019/20, plus £192,222 ordered but not delivered on the ornate metalwork project at LCM and savings of £342,018 (showing as “Left to Spend” at the Appendix) on projects completed across the programme.
7. The status of the programme is summarised in the table below:

| TABLE 3 End of Programme Summary | | | |
|---|--|---------------|-------------------------------------|
| Item | Description | Status | Comment |
| Projects Carried Over | C017AW019L, C157AW002L, R157AW001L, R167AW002L, R167AW003L, R087AW014L, R087AW001L | In hand | All for delivery by end of 2019 |
| C037AW006L | Main Market, General, Metalwork Maintenance Finishes (Ornate) | Order Placed | Carry over to 2019/20 now requested |
| Remainder | 159 Projects | Complete | |

Corporate & Strategic Implications

8. The Additional Works Programme sets out to deliver three of the key objectives in the Corporate Property Asset Management Strategy.
 - SO.1 – Operational assets remain in a good, safe and statutory compliant condition.
 - SO.2 – Operational assets are fit for purpose and meet service delivery needs.
 - SO.3 – Capital and supplementary revenue programmes are affordable, sustainable and prudent and that the limited available resources are directed to the highest corporate priorities.

Conclusion

9. Progress on the 2016/17 programme is regaining track, and the remaining budget provision will be prioritised to ensure completion in 2018/19 financial year.

Appendix

- 2016/17 Additional Works Programme

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