

# TONBRIDGE & MALLING BOROUGH COUNCIL

## CABINET

13 October 2010

### Report of the Central Services Director

#### Part 1- Public

#### Executive Non Key Decisions

#### 1 BUILDINGS REPAIRS RESERVE EXPENDITURE PLAN (BRREP) 2010/11 AND SIX YEAR PLAN TO 2015/16

##### Summary

**The report presents the outcome of Management Team's review of the Building Repairs Reserve Expenditure Plan (BRREP) to 2015/16 and gives details of the funding statement. It seeks Members endorsement of Management Team's consideration of the issue.**

##### 1.1 Background

- 1.1.1 The Council funds building repairs expenditure through a building repairs reserve which supports a rolling six year Expenditure Plan overseen by the Management Team. In essence year on year fluctuations in expenditure are 'smoothed out' by a transfer from the Building Repairs Reserve approved annually on the recommendation of Management Team.
- 1.1.2 The Plan is made up of a variety of items of differing types and sizes from small jobbing repairs to scheduled maintenance of specialist plant to larger projects. In its implementation there are frequent changes to the timing and scope of works within the plan. These are monitored by Management Team.
- 1.1.3 When reviewing the Plan for 2010/11 to 2015/16 Management Team were asked to consider a number of significant deletions and amendments to the Plan. It was felt by Management Team that substantial issues of this nature should be referred to Members for specific endorsement bearing in mind the importance of many of these facilities to our residents.
- 1.1.4 The report seeks to inform Members of revisions to the original BRREP estimate for 2010/11 and the overall six year plan from 2010/11 to 2015/16 inclusive. Particular reference has been given to BRREP following the need to restrict spending as much as possible as part of the Council's response to the economic downturn, subsequent budget issues and the forthcoming Government Spending Review.

## 1.2 BRREP 2010 – 2016

1.2.1 At Annex 1 is the revised BRREP for 2010/11 to 2015/16.

1.2.2 The revised estimate for 2010/11 totalling £528,750 can be expressed simply as follows:-

	£
Original estimate for 2010/11	424,300
Initial savings as at Annex 2	(150,080)
Programme changes including items carried forward from 2009/10 as at Annex 2	105,160
Revisions to 2010/11 as at Annex 2	69,470
New items added for 2010/11 as at Annex 2	79,900
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Revised estimate for 2010/11	528,750
	—————

1.2.3 The reconciliation figures above are detailed at Annex 2. This reconciliation attempts to demonstrate to Members the extent of changes made for 2010/11 in conjunction with “client” Service representatives and officers from Financial Services. It also confirms the mathematical accuracy of the adjustments.

1.2.4 As part of our full consultation with Services every effort has been made to identify savings and/or cost reductions resulting in the 2010/11 revised total of £528,750 and 2011/12 estimate of £449,750.

1.2.5 By the very nature of maintenance work, priorities and legislation change, often without warning. It is only through coordination and cooperation with our client Service representatives that we endeavour to identify and target our resources on the most essential of the items identified in the BRREP.

1.2.6 Although it is anticipated that we will achieve the £528,750 expenditure, we may struggle to keep within this limit especially if unplanned major plant expenditure continues to arise.

### 1.3 Major Items in 2010/11 and 2011/12 BRREP

1.3.1 There are some important additions or re-profiled items (all included in 2010/11 unless shown otherwise) which I would draw to Members' attention. These are listed below by facility. Committed sums can be seen emboldened at Annex 2.

<u>Tonbridge Farm Pavilion</u>	£	£
Roof tile asbestos infill repairs due to poor condition	<b><u>8,000</u></b>	<u>8,000</u>
<u>Larkfield Leisure Centre</u>		
Filter lining and media change (2011/12)	11,000	
Plant renewals due to unexpected failures	22,000	
Air handling system repairs	15,000	
Flume repairs	<b><u>10,000</u></b>	<u>58,000</u>
<u>Tonbridge Pool</u>		
Main roof repair due to leaks (2011/12)	25,000	
Exterior entrance ramp works, staff health and safety issue	10,000	
Water flow meter replacement	10,000	
Filter lining and media change (11/12)	<b><u>16,000</u></b>	<u>61,000</u>
<u>Poult Wood</u>		
Exterior decoration and repairs (2011/12)	<b><u>12,000</u></b>	<u>12,000</u>

<u>Tonbridge Cemetery Chapel</u>  Chapel stonework repairs (2010/11 and 2011/12)	<u>19,600</u>  <u>19,600</u>
<u>Gibson West</u>  Refurbishment of office wing toilets  Bank earthworks to deter cyclists	25,000  <u>2,800</u>  <u>27,800</u>
<u>Tonbridge Castle</u>  Tonbridge Castle Chamber Carpet – Replacement of worn carpet due to increased use of facility  External wall repair and associated redecoration (excl Gateway) (2011/2012)	10,000  <u>23,700</u>  <u>33,700</u>
<u>Gibson East</u>  Footpath construction to protect pedestrians (2011/12)	<u>5,000</u>  <u>5,000</u>  <u><b>£225,100</b></u>

#### 1.4 Funding Issues and Deferred Items

- 1.4.1 It can be seen from the funding statement at Annex 3, that there are sufficient funds available to meet projected expenditure over the life of the Plan. At the end of the Expenditure Plan period (2015/16) the Building Repairs Reserve is in credit to the sum of £83,229. However, to achieve this position, it has been necessary to scrutinise all of the items contained in the Plan, both cyclical and those specifically requested by Services.

1.4.2 This has resulted in the deferment or removal of items listed below. Members may wish to note these items which reflect Council priorities as considered by Management Team.

1.4.3 Members need to be aware that there are also several high value long term cyclical items that have been deferred to year 2016/17 (in the 10 year unfunded 'virtual' Plan) that will be assessed each year for inclusion in the funded six year plan.

<u>Tonbridge Pool</u>	£	£
Refurbishment of foyer toilets (deferred to 2012/13)	20,000	
Treatment of glulam beams (deferred to 2016/17)	15,000	
External decoration and repairs (deferred to 2016/17)	<u>20,500</u>	
		<u>55,500</u>
<u>Poult Wood</u>		
Repairs and waterproof coating to roof (deferred to 2016/17)	22,000	
Squash court repairs (removed from 11/12)	<u>5,000</u>	
		<u>27,000</u>
<u>Tonbridge Cemetery Chapel</u>		
Internal decoration (deferred to 2016/17)	<u>5,000</u>	
		<u>5,000</u>
<u>Gibson West</u>		
External decoration and repairs (deferred to 2017/18)	100,000	
Internal decoration of offices (deferred to 2016/17)	45,000	

Internal decoration of public areas (deferred to 2016/17)	<u>40,000</u>	<u>185,000</u>
<u>Tonbridge Castle</u>		
External decoration and repairs (deferred to 2016/17)	<u>50,000</u>	<u>50,000</u>
<u>Gibson East</u>		
Reception acoustic improvements (deferred to 2012/13)	6,000	
Internal decoration of offices (deferred to 2016/17)	<u>14,000</u>	<u>20,000</u>
<u>Land Review</u>		
External decoration and repairs of Castle Lodge and River Walk offices (deferred to 2016/17)	<u>9,700</u>	<u>9,700</u>
		<b><u>£352,200</u></b>

## 1.5 Other Issues – (Plant Condition Surveys and Swimming Pool Filters)

- 1.5.1 To assist the asset management of our leisure facilities a detailed condition survey of major plant within the centres has recently been undertaken. This will be used to better educate budget decisions taken in future when annually reviewing the first two years of the BRREP. Members will be interested to note that the condition survey has identified a potential spend of £1.1 million on replacing major plant over the next 10 years.

1.5.2 The LSBU Contracts Manager has advised of the need for a better regime for replacement of the media and relining of the main swimming pool filters. The estimated cost over the six years of BRREP is £67,000 which has been factored in. Members should note however that this estimated cost is based on the assumption that a proposed capital scheme for the installation of UV filtration (which should reduce the cost of future filtration changes) is approved.

## **1.6 Legal Implications**

1.6.1 This Plan has been developed in accordance with our known health and safety requirements. Other issues may emerge during the life of the Plan and any response will be assessed by corporate management team to ensure we are complying with our legal requirements.

1.6.2 All procurement will be undertaken in accordance with the Council's Financial Regulations.

## **1.7 Financial and Value for Money Considerations**

1.7.1 This report fundamentally concerns funding the BRREP. Members should be reassured, however, that within the Plan we seek value for money by applying the Council's Financial and Contract Procedure Rules and scanning the market to achieve competitive rates.

## **1.8 Risk Assessment**

1.8.1 Failure to maintain our assets to an appropriate standard could have risk implications in respect of health and safety matters, quality of the Council's image, customer take-up and associated income streams. It could also lead to a fall in the value of the Council's asset base.

## **1.9 Policy Considerations**

Asset Management

Biodiversity and Sustainability

Crime & Disorder Reduction

Customer Contact

Equalities/Diversity

Health and Safety

Procurement

## **1.10 Recommendations**

1.10.1 Members are requested to:-

- (a) Endorse the overall BRREP six year plan to 2015/16 at Annex 1.
- (b) Endorse the changes to commitments and additional expenditure in the 2010/11 BRREP shown at Annex 2.
- (c) Note the funding statement at Annex 3.
- (d) Endorse items listed under 1.4 as deferred items.

Background papers:

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BRREP file for 2010/11

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