

EAST RENFREWSHIRE COUNCIL

CABINET

15 October 2015

Report by the Chief Financial Officer and Director of Environment

HOUSING CAPITAL PROGRAMME

PURPOSE OF REPORT

1. The purpose of this report is to monitor expenditure as at 14 September 2015 against the approved Capital Programme for 2015/16 and to recommend adjustments where necessary.

RECOMMENDATIONS

2. The Cabinet is asked to:-

- (a) approve the transfer of £50,000 from Communal Door Entry to the Renewal of Heating Systems;
- (b) approve the transfer of £110,000 from Rewiring to External Structural Works; and
- (c) note the shortfall of £157,000 and that this will be managed and reported on a regular basis.

CURRENT POSITION

3.	Total anticipated expenditure (Appendix A)	£ 6,764,000
	Total anticipated resources (Appendix B)	<u>6,607,000</u>
	Shortfall	<u>157,000</u>

INCOME MOVEMENTS

4. There has been no change in the estimated resources available from the previous report submitted to Council on 24 June 2015.

5. Based on actual receipts and applications received to date the estimated capital receipts from right-to-buy sales are on target for the year. In light of the current economic conditions the progress of applications will continue to be closely monitored.

EXPENDITURE MOVEMENTS

6. There has been no change in the total level of expenditure previously approved by Council on 24 June 2015. However the following expenditure transfers are proposed:-

Communal Door Entry to Renewal of Heating Systems - £50,000

- i. The installation of close doors and door entry systems to communal properties where no secure entry system currently exists is required under Scottish Housing Quality Standard. However installation requires the agreement of a majority of flat owners (with the Council having one vote for each flat it owns). Unfortunately the Council continues to have problems securing the agreement of private homeowners where they are in the majority and the scope of the works has been reduced resulting in an estimated saving of £50,000. It is proposed to use this saving to increase the number of heating systems being renewed during the current financial year. This increase is required due to a higher than estimated number of older central heating systems failing for which parts are no longer available.

Rewiring to External Structural Works - £110,000

- ii. Unfortunately the Council continues to have problems gaining access to all properties which require to be rewired. While the Council continues to pursue various options to overcome this issue expenditure in the current financial year is estimated to reduce by £110,000. It is proposed to transfer this expenditure and expand the scope of works within the external structural elements, which includes roof and render projects and structural dampness works (e.g. damp proof course related work).

COMMENT

7. The projected shortfall of £157,000 represents 2.4% of the resources available and is within manageable limits.

RECOMMENDATIONS

8. The Cabinet is asked to:-
 - (a) approve the transfer of £50,000 from Communal Door Entry to the Renewal of Heating Systems;
 - (b) approve the transfer of £110,000 from Rewiring to External Structural Works ; and
 - (c) note the shortfall of £157,000 and that this will be managed and reported on a regular basis.

KEY WORDS

A report monitoring capital income and expenditure for Housing during 2015/16.

Key words: Housing, capital, monitoring, borrowing, expenditure.

Further information is available from Paul Parsons, Principal Accountant – Capital, telephone 0141 577 3123.

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MMcC/PP
30 September, 2015

EAST RENFREWSHIRE COUNCIL

Appendix A
14 September 2015

HOUSING CAPITAL PROGRAMME

PROGRESS REPORT

2015/2016

COST CODE	PROJECT NAME	LEG COMM	ANNUAL COSTS £'000			COMMENT	TOTAL COST £'000		
			CURRENT YEAR APPROVED 24.06.15	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE IN YEAR		SPENT PRIOR TO 31.03.15	PREVIOUS TOTAL COST	REVISED TOTAL COST
9487	Rewiring 2013/15 (including smoke/carbon monoxide detectors)	Y	144	144	78	Work in progress	660	804	804
	Rewiring 2015/16 (including smoke/carbon monoxide detectors)		310	200	0	Work to be programmed - £110k transferred to External Structural Works	0	310	200
9763	Window Replacement 2014/15	Y	29	29	0	Work in progress	269	298	298
9530	Combined Roofing & Render Works 2013/15	Y	1,550	1,550	1,056	Work in progress	2,811	4,361	4,361
	External Structural Works		1,171	1,281	0	Work to be programmed- £110k transferred from Rewiring 2015/16	0	1,171	1,281
9486	Estate Works		180	180	0	Work to be programmed	0	180	180
9483	Energy Efficiency (Including Cavity Wall Insulation)		80	80	0	Work to be programmed	0	80	80
9447	Aids and Adaptations	Y	313	313	115	Work in progress	0	313	313
9225	Renewal of Heating Systems	Y	528	578	148	Work in progress - £50k transferred from Communal Door Entry	991	1,519	1,569
9447	Internal Element Renewals (including kitchens, bathrooms and doors)	Y	539	539	31	Work in progress	212	751	751
9480	Communal Door Entry	Y	105	55	26	Work in progress - £50k transferred to Renewal of Heating Systems	0	105	55
9489	Sheltered Housing 2014/15	Y	14	14	4	Work in progress	86	100	100
	Sheltered Housing 2015/16		50	50	0	Work to be programmed	0	50	50
9625	Kerr Street Renovations	Y	268	268	176	Complete - payments outstanding	271	539	539
9491	Mobile/Agile Working	Y	80	80	11	Work in progress	65	145	145

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			CURRENT YEAR APPROVED 24.06.15	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE IN YEAR		SPENT PRIOR TO 31.03.15	PREVIOUS TOTAL COST	REVISED TOTAL COST
	Divernia Way - CPO		65	65	0	Ongoing	0	65	65
9493	Off-the-Shelf Purchases	Y	618	618	187	Ongoing	202	820	820
	Eaglesham New Build Purchases		700	700	0	Work in progress	0	700	700
	Retentions		20	20	9		0	20	20
			6,764	6,764	1,841		5,567	12,331	12,331

EAST RENFREWSHIRE COUNCIL
HOUSING CAPITAL PROGRAMME 2015/16

Appendix B
14 September 2015

ANTICIPATED RESOURCES AVAILABLE

	£'000
Borrowing	4,078
Receipts From Sale of Council Houses	417
Receipts From Sale of Land	50
Capital Grant (7 houses at Eaglesham)	210
Commuted Sums - Eaglesham	320
Capital Off-the-Shelf Grant	251
Commuted Sums - Off-the-Shelf Purchases	367
Commuted Sums - Divernia Way CPO	65
HEEPS/ECO Funding	317
Recharges to Owner Occupiers	532
Total	<u>6,607</u>