

EAST RENFREWSHIRE COUNCILCABINET1 December 2016Report by the Chief Financial Officer and Director of EnvironmentHOUSING CAPITAL PROGRAMME**PURPOSE OF REPORT**

1. The purpose of this report is to monitor expenditure as at 2 November 2016 against the approved Capital Programme for 2016/17 and to recommend adjustments where necessary.

RECOMMENDATIONS

2. The Cabinet is asked to:-
- (a) note and approve the movements within the programme; and
 - (b) note the shortfall of £20,000 and that this will be managed and reported on a regular basis.

CURRENT POSITION

3.	Total anticipated expenditure (Appendix A)	£ 4,904,000
	Total anticipated resources (Appendix B)	<u>4,884,000</u>
	Shortfall	<u>20,000</u>

INCOME MOVEMENTS

4. In response to the reduced level of estimated expenditure during the current financial year borrowing has been reduced by £550,000.

EXPENDITURE MOVEMENTS

5. Expenditure has been reduced by £556,000 below the level approved by Cabinet on 29 September 2016. The main expenditure movements are:-

External Structural Works - £275,000 Reduction

- i. The structural improvement works originally planned for a number of properties within Barnes Street, Barrhead are more complex and costly than originally anticipated. As a result management have deferred the works until a more detailed option appraisal exercise is undertaken. Consequently planned expenditure during the current financial year has been reduced by £275,000.

Internal Element Renewals - £100,000 Reduction

- ii. This project includes window renewals. The supply contract for windows has been accepted and the installation work is programmed to start during January. However it is now estimated the installation works will continue until the end of May 2017. Planned expenditure during the current financial year has therefore been reduced by £100,000.

Sheltered Housing - £180,000 Reduction

- iii. This budget will be used to fund various improvements at sheltered housing complexes. There are two main reasons for the reduction.

Firstly, the option appraisal required for assessing how to progress central heating renewal in a number of complexes over a 4-5 year period is taking longer than envisaged to procure.

Secondly, the window and external woodwork renewal improvements at the Linn Park complex have been deferred until summer 2017 following consultation with residents.

As a result of the above planned expenditure during the current financial year has been reduced by £180,000.

The above reductions are not savings but simply a transfer of expenditure to the next financial year.

COMMENT

- 6. The projected shortfall of £20,000 represents 0.4% of the resources available and is within manageable limits.

RECOMMENDATIONS

- 7. The Cabinet is asked to:-
 - (a) note and approve the movements within the programme; and
 - (b) note the shortfall of £20,000 and that this will be managed and reported on a regular basis.

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

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Margaret McCrossan
Head of Accountancy Services (Chief Financial Officer)
MMcC/PP
6 December, 2016

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EAST RENFREWSHIRE COUNCIL

HOUSING CAPITAL PROGRAMME

PROGRESS REPORT

2016/2017

Appendix A
2 November 2016

COST CODE	PROJECT NAME	LEG COMM	ANNUAL COSTS £'000			COMMENT	TOTAL COST £'000		
			CURRENT YEAR APPROVED 29.09.16	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE IN YEAR		SPENT PRIOR TO 31.03.16	PREVIOUS TOTAL COST	REVISED TOTAL COST
9487	Rewiring (including smoke/carbon monoxide detectors)	Y	322	322	120	Work in progress	900	1,222	1,222
9530	External Structural Works	Y	2,824	2,549	441	Work in progress	4,923	7,747	7,747
9486	Estate Works	Y	110	110	26	Work in progress	0	110	110
9483	Energy Efficiency (Including Cavity Wall Insulation)	Y	125	125		Work in progress	0	125	125
9447	Aids and Adaptations	Y	274	274	80	Work in progress	0	274	274
9227	Renewal of Heating Systems	Y	643	643	239	Work in progress	1,541	2,184	2,184
9447	Internal Element Renewals (including kitchens, bathrooms and doors)	Y	688	588	142	Work in progress	0	688	688
9480	Communal Door Entry Systems	Y	67	67	16	Work in progress	38	105	105
	Sheltered Housing		235	55		Work to be programmed	0	235	235
9491	Mobile/Agile Working	Y	22	21	21	Complete	142	164	163
9495	Divernia Way - CPO & Restoration Works		65	65	7	Ongoing	0	65	65
	Purchase of Property (Mortgage to Rent Acquisition)		65	65	60	Complete - payments outstanding	0	65	65
	Retentions		20	20	2		0	20	20
			5,460	4,904	1,154		7,544	13,004	13,003

EAST RENFREWSHIRE COUNCIL
HOUSING CAPITAL PROGRAMME 2016/17

Appendix B
2 November 2016

PROGRESS REPORT

RESOURCES

	£'000
Borrowing	3,492
Receipts From Sale of Council Houses	800
Commuted Sums - Divernia Way CPO	65
Commuted Sums - 2nd Homes Council Tax Discount (Mortgage to Rent Acquisition)	31
Grant (Mortgage to Rent Acquisition)	34
Recharges to Owner Occupiers	462
Total	4,884