

EAST RENFREWSHIRE COUNCIL

CABINET

27 March 2014

Report by Director of Finance

HOUSING CAPITAL PROGRAMME

PURPOSE OF REPORT

1. The purpose of this report is to monitor expenditure as at 28 February 2014 against the approved Capital Programme for 2013/14 and to recommend adjustments where necessary.

INFORMATION PROVIDED

2. A reassessment of expenditure on individual capital projects (Appendix A).
A reassessment of the resources available for 2013/14 (Appendix B).

CURRENT POSITION

3.	Total anticipated expenditure (Appendix A)	£ 3,149,000
	Total anticipated resources (Appendix B)	<u>3,084,000</u>
	Shortfall	<u>65,000</u>

INCOME MOVEMENTS

4. Estimated capital receipts from right-to-buy sales have increased by £360,000 above the level reported to Cabinet on 5 December 2013. This increase reflects both experience to date and the anticipated year-end position.

5. In response to both the increased income from right-to-buy sales and the reduced level of expenditure anticipated during the current financial year the borrowing required to support the programme has been reduced by £715,000.

EXPENDITURE MOVEMENTS

6. Expenditure has reduced by £367,000 below the level approved by Cabinet on 5 December 2013. The major expenditure movements are:-

Increases

- i. Aids and Adaptations – as a result of increasing demand for this service expenditure has been increased by £25,000.
- ii. Kitchens – expenditure on this project has increased by £40,000. The scope of the works has been increased to include properties where previously tenants had refused access.

Savings

- iii. Window Renewal 2013/14 – a saving of £50,000 has been achieved on this project following clarification of the work content.

Revised Project Timing

- iv. The following expenditure reductions are a result of revised project timing:-

	£
Rewiring (including smoke detectors)	30,000
Energy Efficiency (including cavity wall insulation)	40,000
Renewal of Heating Systems 2012/13	85,000
Renewal of Heating Systems 2013/14	63,000
Mobile/Agile Working	60,000
Home Energy Efficiency Programme	65,000

Expenditure reductions resulting from revised project timing are not cost savings but simply a transfer of expenditure to future financial years.

COMMENT

7. The projected shortfall of £65,000 represents 2.1% of the resources available and is within manageable limits.

RECOMMENDATION

8. The Cabinet is asked to:-
- (a) note and approve the movements within the programme; and
 - (b) note the shortfall of £65,000 and that this will be managed and reported within the final accounts for the year.

KEY WORDS

A report monitoring capital income and expenditure for Housing during 2013/14.

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
12 March, 2014

EAST RENFREWSHIRE COUNCIL

HOUSING CAPITAL PROGRAMME

PROGRESS REPORT

2013/2014

Appendix A
28 February 2014

COST CODE	PROJECT NAME	LEG COMM	ANNUAL COSTS £'000			COMMENT	TOTAL COST £'000		
			CURRENT YEAR APPROVED 05.12.13	PROJECTED OUTTURN FOR CURRENT YEAR	ACTUAL EXPENDITURE IN YEAR		SPENT PRIOR TO 31.03.13	PREVIOUS TOTAL COST	REVISED TOTAL COST
9487	Rewiring (including smoke/carbon monoxide detectors)	Y	320	290	200	Work in progress	0	320	320
9763	Window Replacement 2012/13	Y	13	13	0	Work complete - payments outstanding	237	250	250
9765	Window Replacement 2013/14	Y	275	225	24	Work in progress	0	275	225
9764	Communal Close Windows		17	0	0	Cancelled - lack of owner agreement to proceed	0	17	0
9528	Combined Roofing & Render Works 2011/12 & 2012/13	Y	127	127	125	Work complete - payments outstanding	2,886	3,013	3,013
9530	Combined Roofing & Render Works 2013/14	Y	1,215	1,230	949	Work in progress	0	1,215	1,230
9486	Estate Works	Y	75	60	51	Work in progress	0	75	75
9483	Energy Efficiency (Including cavity wall insulation)	Y	80	40	21	Work in progress	0	80	80
9488	Aids and Adaptations	Y	200	225	145	Work in progress	0	200	225
9225	Renewal of Heating Systems 2012/13	Y	90	5	0	Phase 1 work complete. Phase 2 work to be programmed	360	450	450
9227	Renewal of Heating Systems 2013/14	Y	363	300	252	Work in progress	0	363	363
9447	Kitchen Upgrades	Y	60	100	59	Work in progress	0	60	100
9478	Bathroom Upgrades	Y	26	20	5	Work in progress	0	26	20
9479	External Doors	Y	26	50	35	Work in progress	0	26	50
9480	Communal Door Entry		17	0	0	Project being progressed through mixed tenure scheme	0	17	0

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9226	Sheltered Housing - Upgrade of Heating System	Y	219	212	212	Complete - payments outstanding	160	379	379
9481	Sheltered Housing 2013/14	Y	100	80	80	Work in progress	0	100	100
9475	Software Development (Asset Management)	Y	88	92	92	Complete	73	161	165
	Mobile/Agile Working		60	0	0	Work to be programmed, rescheduled to 2014/15 in light of PSN priorities	0	60	60
	Home Energy Efficiency Programme	Y	100	35	0	Additional borrowing £100k approved by Council 23 October 2013.	0	100	100
	Kerr Street Renovations		25	25	0	Total cost £450k. Additional borrowing £200k approved by Council 23 October 2013. Balance funded by Insurance Fund £200k and CFCR £50k.	0	450	450
	Retentions		20	20	10		0	20	20
			3,516	3,149	2,260		3,716	7,657	7,675

EAST RENFREWSHIRE COUNCIL
HOUSING CAPITAL PROGRAMME 2013/14

Appendix B
28 February 2014

ANTICIPATED RESOURCES AVAILABLE

	£'000
Borrowing	1,920
Receipts From Sale of Council Houses	720
Contribution From HRA Reserve	219
CFCR	25
Recharges to Owner Occupiers	200
Total	<u>3,084</u>