

## **EAST AYRSHIRE COUNCIL**

### **HOUSING COMMITTEE – 24 JANUARY 2007**

#### **HOUSING INVESTMENT PROGRAMME 2006/2007**

#### **Report by the Executive Director of Neighbourhood Services and the Acting Executive Director of Development and Property Services**

#### **1. PURPOSE OF REPORT**

- 1.1 To advise members of the current status of projects within the Housing Investment Programme 2006/2007 and to set out the current position in relation to financial monitoring and physical progress.

#### **2. BACKGROUND**

- 2.1 At the meeting on 17 May 2006, Housing Committee approved the Housing Investment Programme identified against a number of budgetary categories, which took account of the projected income at £13.660m.
- 2.2 An additional £0.360m has been identified to carry out road works in Riccarton West as detailed in a report to this committee on 6 September 2006. These works are dependant upon agreement with developers, and likely to take place during the 2007/08 financial year. The road works form part of the Housing Areas Initiative, for which an update report is included within this Agenda.
- 2.3 In addition, extension of existing gas heating contracts was approved by this committee on 1 November 2006, to offset the possible effects of forecasted exceptionally inclement weather upon outdoor works.

#### **3. CURRENT STATUS OF THE 2006/2007 PROGRAMME**

- 3.1 The following table shows in detail the current status of the programme for 2006/2007.

SERVICE	Budget 2006/07	Actual Expenditure to Date	Projected Expenditure 2006/07	Variance Projected/ Budget
	£	£	£	£
Asbestos	120,000	81,299	120,000	0
Energy Efficiency	341,000	413,759	622,966	281,966
Efficient Heating	2,788,000	1,866,808	3,966,947	1,178,947
External Envelope Enhancement	2,928,000	728,682	2,268,128	-659,872
Modern Facilities & Services	5,885,000	3,417,676	5,651,218	-233,782
Neighbourhood Improvements	110,000	112,988	228,488	118,488
Safe & Secure Neighbourhood	383,000	124,372	366,467	-16,533
Sheltered Housing Safety & Improvement	1,105,000	346,191	608,108	-496,892
<b>Total Capital Expenditure</b>	<b>13,660,000</b>	<b>7,091,775</b>	<b>13,832,324</b>	<b>172,324</b>
<b>Source of Financing</b>				
Capital Financed From Current Revenue	3,561,000	0	3,561,000	0
Capital Receipts Applied				
Other Grants & Income	8,000,000	5,207,966	8,300,000	300,000
<b>Required Borrowing</b>	<b>2,099,000</b>	<b>1,883,779</b>	<b>1,971,324</b>	<b>-127,676</b>

- 3.2 The detail of the scheme for the upgrading of the Ellisland Court sheltered housing complex at Mauchline is being finalised, taking account of arrangements with colleagues in Social Work as to the scope of needs to be allowed for within the complex. Minor asbestos removal works have been carried out in advance of the zoning of the heating works into appropriate phases under a preparatory works contract, as has been undertaken in previous contracts for sheltered housing upgrades. This project is funded from the sheltered housing safety and improvement category, and is programmed to bridge the financial years 2006/07 and 2007/08. It is anticipated that the zoning of the heating will be carried out during the current financial year, with the majority of the main works being funded from the 2007/2008 budget.
- 3.3 The addresses for the re-roofing works include a high proportion of work to common or adjoining owners which limits progress, and current estimates for completion reflect that position. In particular, this is affecting the addresses at Loudoun Avenue, Galston where the existing flat roof structures are to become pitched roofs.
- 3.4 Projected out-turns have been adjusted for weather dependant projects. These adjustments are a preliminary assessment taking account of current circumstances. Any future exceptionally adverse conditions will have further effect.
- 3.5 The initiatives brought forward to seek to fully commit the Housing Investment Programme, and promote a modest level of over commitment, allowing for anticipated reduction as a result of individuals choosing not to take up options which are offered to them. The normal process of managing such change is ongoing, and the results will be reported to this Committee as the financial year progresses. The detail of modification to the Housing Investment Programme is set out at paragraph 4.

#### **4. DETAILS OF MODIFICATION TO THE HOUSING INVESTMENT PROGRAMME**

##### **4.1 Energy Efficiency**

The cost of these works currently represents an increase of £0.282m against the original budget, as a result of 383 No. additional addresses being committed under the door and screen replacement programme.

##### **4.2 Efficient Heating**

The cost of these works currently represents an increase of £1.178m against the original budget, as a result of 190 No. additional addresses being committed under the central heating programme, together with the extension of existing contracts by a further 200 no addresses.

##### **4.3 Neighbourhood Improvements**

The cost of these works within this category currently represents an increase of £0.118m against the original budget. 9 No. additional addresses have been committed under the timber house preservation project which is currently projected to exceed the budget by some £0.060m. In addition, provision of £0.058m has been made for the settlement of demolition projects which were primarily funded by direct grant outwith the Housing Improvement Programme during 2005/06.

#### **5. LEGAL AUTHORITY/IMPLICATIONS**

5.1 The Housing Investment Programme enables the Council to carry out its statutory and contractual responsibilities towards its tenants.

#### **6. POLICY**

6.1 The Council is committed to improve its housing stock to meet the Scottish Housing Quality Standard as provided for in the Housing Investment Programme approved by Committee.

#### **7. FINANCIAL IMPLICATIONS**

7.1 The programme fully commits the funds which are available to the Council by way of income.

#### **8. CONCLUSION**

8.1 The outcome of the approved position will enable the Council to meet its commitment in respect of the approved Housing Investment Programme.

#### **9. RECOMMENDATIONS**

9.1 The Committee are asked to:

- (i) note the modifications to the Housing Investment Programme as detailed in paragraph 4; and
- (ii) otherwise note the current position in relation to the Housing Investment Programme.

**William Stafford**  
**Executive Director of**  
**Neighbourhood Services**

**Jim Kane**  
**Acting Executive Director of Development**  
**and Property Services**

8 January 2007

#### **LIST OF BACKGROUND PAPERS**

Nil

For further information please contact Alan Paterson, Principal Quantity Surveyor on 01563 555249.

Implementation Officer: [alan.paterson@east-ayrshire.gov.uk](mailto:alan.paterson@east-ayrshire.gov.uk)