

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 18 MAY 2005

HOUSING INVESTMENT PROGRAMMES 2004/2005 AND 2005/2006

Joint report by the Executive Director of Neighbourhood Services and Executive Director of Development and Property Services

1. PURPOSE OF REPORT

- 1.1 To advise members of the anticipated out-turn position for the financial year 2004/2005.
- 1.2 To advise members of the initiatives taken to commit identified savings upon the Housing Investment Programme 2004/2005, together with the detail of extended Contractual arrangements.
- 1.3 To advise members of the current status of projects within the Housing Investment Programme 2005/2006 and to set out the current position in relation to financial monitoring.

2. BACKGROUND TO THE 2004/2005 PROGRAMME

- 2.1 At the meeting on 21 April 2004, Housing Committee approved the Housing Investment Programme identified against a number of budgetary categories, which took account of the projected income at £11.702m.
- 2.2 As the financial year has progressed, there were a number of changes to the Housing Investment Programme, and these were reported to Committee in the normal manner.

SERVICE	Budget 2004/05	Actual Expenditure to Date	Projected Expenditure 2004/05	Variance Projected/ Budget
	£	£	£	£
Asbestos	108,000	0	160,819	52,819
Energy Efficiency	1,260,000	0	1,171,840	-88,160
Efficient Heating	2,363,000	0	2,865,811	502,811
External Envelope Enhancement	1,572,000	0	1,386,729	-185,271
Information Technology	150,000	0	0	-150,000
Modern Facilities & Services	4,203,000	0	3,411,020	-791,980
Neighbourhood Improvements *	796,000	0	1,342,711	546,711
Office Accommodation	100,000	0	41,205	-58,795
Safe & Secure Neighbourhood	550,000	0	719,545	169,545
Sheltered Housing Safety & Improvement	600,000	0	649,646	49,646
Total Capital Expenditure	11,702,000	0	11,749,326	47,326
Source of Financing				
Capital Financed From Current Revenue	3,561,000		3,923,950	-362,950
Capital Receipts Applied	2,000,000		2,000,000	0
Other Grants & Income	0	0	0	0
	<u>5,561,000</u>	<u>0</u>	<u>5,923,950</u>	<u>-362,950</u>
Required Borrowing	6,141,000	0	5,825,376	-315,624

3. CURRENT STATUS OF THE 2004/2005 PROGRAMME

- 3.1 The above table sets out the estimated finalisation of the programme for 2004/2005. This report is prepared in advance of the dates set for closure of the 2004/2005 accounts of the Council, consequently there is the possibility of some minor adjustment to these figures. In common with previous financial years, the expenditure shown against each of the budgetary sub headings in the table above has been reconciled with the actual amounts set against each of the financial cost centres, and takes account of any coding error which may have occurred. The finalisation of the accounts of the Council will be reported to Council in June. The anticipated expenditure and income figures will be the basis of further report to the Budget Scrutiny Group, subject to any minor modification which takes place up to closure of accounts.
- 3.2 The above table indicates an expenditure of £11.749m, which represents an over-commitment of £0.047m. This over-commitment is small when compared to the scale of the programme, and represents a gross over-commitment of 0.4%, and is within the limits which are permitted.
- 3.3 In general terms, the Housing Investment Programme for 2004/2005 has been managed to fully commit the available income during the course of the financial year, and has been carried out in accordance with the Council's requirements and has been satisfactorily completed. As is normal practice, provision is made within the 2005/2006 Housing Investment Programme for appropriate retentions and schemes in progress at the end of the 2004/2005 financial year.

4. CURRENT STATUS OF THE 2005/2006 PROGRAMME

- 4.1 At the special meeting on 20 April 2005, Housing Committee approved a Housing Investment Programme identified against a number of budgetary subheadings, which took account of the projected income of £12.427m.
- 4.2 Work is ongoing in committing those projects within the 2005/2006 Programme which will be executed by Building and Works Section.
- 4.3 Contracts have been awarded for the first phases of efficient heating and modern facilities and services works, and tenders have been invited which will fully commit these headings. Tenders will be invited at the appropriate times for the balance of projects.

5. LEGAL AUTHORITY/IMPLICATIONS

- 5.1 The Council has a statutory and contractual duty towards its tenants in respect of the maintenance of its housing stock.
- 5.2 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 its Standard Delivery Plan as submitted to Communities Scotland in accordance with Committee Authority.

7. FINANCIAL IMPLICATIONS

- 7.1 The programme fully commits 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 estimated out-turn of the Housing Investment Programme 2004/2005.
 - ii. Note the current position in relation to the Housing Investment Programme 2005/2006.

William Stafford
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21 April 2005

LIST OF BACKGROUND PAPERS

Nil

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