

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 6 SEPTEMBER 2006

HOUSING INVESTMENT PROGRAMME 2006/2007

Report by the Executive Director of Neighbourhood Services and the 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 17th 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.

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 2004/05	Actual Expenditure to Date	Projected Expenditure 2004/05	Variance Projected/ Budget
	£	£	£	£
Asbestos	120,000	17,091	120,000	0
Energy Efficiency	341,000	147,000	386,807	45,807
Efficient Heating	2,788,000	811,077	3,001,578	213,578
External Envelope Enhancement	2,928,000	348,331	2,928,000	0
Modern Facilities & Services	5,885,000	1,117,899	5,580,340	-304,660
Neighbourhood Improvements	110,000	10,295	215,635	105,635
Safe & Secure Neighbourhood	383,000	79,496	374,144	-8,856
Sheltered Housing Safety & Improvement	1,105,000	339,482	1,054,192	-50,808
Total Capital Expenditure	13,660,000	2,870,670	13,660,697	697
Source of Financing				
Capital Financed From Current Revenue	3,561,000	0	3,561,000	
Capital Receipts Applied	8,000,000	2,151,789	8,000,000	0
Other Grants & Income	2,099,000	0	2,099,000	0
	13,660,000	2,151,789	13,660,000	0
Required Borrowing	0	718,881	697	697

- 3.2 All projects within the 2006/2007 programme which will be carried out by Building and Works have been committed. Contracts have been awarded for all projects within the efficient heating category, together with the majority of projects within the external envelope enhancement and modern facilities & services categories which will be carried out by other contractors. Tenders have been invited for the balance of projects, namely the final phase of re-roofing, and roughcasting repairs. The detail of the scheme for the upgrading of the Ellisland Court sheltered housing complex at Mauchline is being finalised, to enable tenders to be issued at the appropriate time. 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.
- 3.3 At the meeting in May, a member of this committee enquired if the External Painterwork programme could be extended at a future date to include properties with a dry-dash finish. Although it is clearly possible to paint any finish, it is advised that any decision on whether to extend painting to dry-dash should be delayed until completion of the stock condition survey to allow full information to be gained on whether we require to replace some or all of these finishes with a new finish that incorporates additional insulation to meet or increase the National House Energy Rating as required by the Scottish Housing Quality Standard.
- 3.4 Addresses are currently being monitored to take account of any expenditure shortfalls through applications to purchase or unit cost reductions. Where possible, further addresses are being committed. As with all programmes of this nature it is anticipated that there will be a degree of change and slippage, and that, for example, some programmes will reduce by modest amounts as individuals choose not to take up options which are offered to them. The normal process of managing such change will take place and will be reported regularly to this committee throughout the financial year, taking account of the increased flexibility which has resulted from the implementation of the Prudential Borrowing Framework.

4. DETAILS OF MODIFICATION TO THE HOUSING INVESTMENT PROGRAMME

4.1 Energy Efficiency

The cost of these works currently represents an increase of £0.045m against the original budget, as a result of 67 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 £0.213m against the original budget, as a result of 190 No. additional addresses being committed under the central heating programme.

4.3 Neighbourhood Improvements

The original budget of £0.110m for neighbourhood improvement was directly related to the timber house preservation works. It is currently projected that the works to the 50 No. addresses included will exceed the budget by some £0.047m. 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 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 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 current position in relation to the Housing Investment Programme 2006/2007; and
 - (ii) agree the proposal in respect of the external painterwork programme as outlined in Paragraph 3.3 above.

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Neighbourhood Services

James Lavery
Executive Director of Development
and Property Services

11 August 2006

LIST OF BACKGROUND PAPERS

Nil

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

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