

**EAST AYRSHIRE COUNCIL**

**HOUSING COMMITTEE – 30 JANUARY 2002**

**MODIFICATION OF THE CAPITAL PLAN**

**Report by the Director of Homes and Technical Services**

**1. PURPOSE OF REPORT**

- 1.1 To advise members of the initiatives taken to commit currently identified savings upon the Housing Capital Programme 2001/2002, and to seek authority to enter into extended Contractual arrangements.

**2. BACKGROUND**

- 2.1 Current budgetary approval for Demolition works amounts to £474,000.00, which enables all currently programmed projects to be carried out. As a consequence of contractual savings upon current projects, together with the receipt of favourable tenders for projects about to commence on site, it is estimated that total expenditure during the current financial year will amount to £405,041.82.
- 2.2 Current budgetary approval for Replacement Doors and Screens amounts to £446,487.98, after deduction of support funding to the door entry system programme. The budget enables completion of the currently programmed project.

**3. CURRENT STATUS OF THE 2001/2002 PROGRAMME**

- 3.1 We have separately identified, inclusive of the identified savings upon the Demolition category, an overall underspend of £171,257.70 upon the Housing Capital Programme.

**4. DETAILS OF MODIFICATION TO THE CAPITAL PLAN**

- 4.1 From identified savings upon the Housing Capital Programme, it is possible to commit further schemes, as follows:-
- 4.2 Extension of existing contracts.
- 4.2.1 In order to expedite further schemes with regard to the limited time available to carry out work during the current financial year, it is recommended that existing Contracts be extended based upon existing rates and conditions, and subject to satisfactory negotiation and agreement with the relevant Contractors, rather than enter into fresh competitive tendering.

4.2.2 Proposals to extend existing Contracts are listed hereunder:-

CONTRACT	CONTRACTOR	PROPOSED EXTENSION VALUE	ANTICIPATED OVERALL EXPENDITURE 2001/2002
Replacement of Doors and Screens, 2001/02 Programme	East Ayrshire Council, Building and Works	£67,212.22	£77,000.00
Demolition and Associated Work at 1-15 McBeth Walk, Kilmarnock	Ayrshire Construction Ltd	£17,457.70	£20,000.00
Demolition of Former Housing Stock at Montgomery Street/Place, Kilmarnock	W.H. McClounie	£13,093.28	£15,000.00
Demolition of 90-110 Castlevie Avenue, Galston	George Hunter (Demolition) Ltd	£26,186.56	£30,000.00
Demolition of Former Housing Stock at Aird Avenue, Hillside Crescent, and Stoner Crescent, Auchinleck	Central Demolition Ltd	£26,186.56	£30,000.00
		<b>TOTAL</b>	<b>£172,000.00</b>

4.2.3 Addresses for each of the proposed extensions to the Demolition Projects will be selected from those properties currently scheduled for demolition, to suit the available funding in each instance.

#### 4.3 Further Schemes

4.3.1 Tenders have been invited for a further phase of asbestos surveys to Lindsay Type Houses, funding from undercommitment of the asbestos category, which currently amounts to £457,201.16, together with contractual savings and anticipated slippage.

4.3.2 It is programmed for a start to be made on site during the current financial year, with completion early in the next financial year. This will enable early identification of affected houses thereby enabling the programming of the necessary removal works at the earliest possible date.

4.4 Taking account of the above proposals, total estimated additional expenditure for 2001/2002 amounts to £172,000.00 resulting in a net anticipated overspend of £742.30.

#### 5. FURTHER ADJUSTMENT OF THE CAPITAL PLAN

5.1 In the event that any further underspend is identified upon the Housing Capital Programme during the currency of the financial year, authority is sought to enter into extension to existing Contracts, where it is prudent to do so, based upon existing rates and conditions, and subject to satisfactory negotiation and agreement with the relevant Contractor. The extent of any such extension will be subject to the approval of the Chair of the Housing Committee, and the details of same to be reported to Committee at a future date.

## **6. LEGAL/POLICY IMPLICATIONS**

- 6.1 This report is presented in terms of paragraphs 10(2) and (3) of the Councils Standing Orders Relating to Contracts (negotiation and/or extension of contracts).

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The modification of the Capital Programme commits the funds which are available to the Council by way of income.

## **8. RECOMMENDATIONS**

- 8.1 It is recommended that members
- (a) Approve the extension of existing contracts as listed at paragraph 4.2.2.
  - (b) Approve the procedure for possible extension of contracts as listed at paragraph 5.1.
  - (c) Otherwise note the current position in relation to the modification to the Capital Programme.

James Lavery  
Director of Homes and Technical Services  
11 January 2002  
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## **LIST OF BACKGROUND PAPERS**

**Nil**

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

Implementation Officer:

**AGENDA**