

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 29 JANUARY 2003

**HOUSING CAPITAL PROGRAMME 2002/2003
MONITORING STATEMENT**

Report by the Director of Homes and Technical Services

1. PURPOSE OF REPORT

- 1.1 To advise members of the current status of projects within the Housing Capital Programme 2002/2003 and to set out the current position in relation to financial monitoring and physical progress.

2. BACKGROUND

- 2.1 At the meeting on 21st March 2002, Housing Committee approved a Capital Programme identified against a number of budgetary sub-headings, which took account of the projected income of £9.526m
- 2.2. At the meeting of 11th September 2002, Committee was advised that Legal Services has reported an anticipated increase in income from Capital Receipt from House Sales to £1.925m. Consequently, overall anticipated income to fund the Capital Programme increased to £9.645m.
- 2.3 As the financial year progressed and the anticipated income increased, there were a number of charges and modification to the Capital Programme and these have been reported to Committee in the normal manner.

3. INCOME

- 3.1 The income which enables works carried out under the Housing Capital Programme to proceed is comprised mainly from three budgetary sources, namely Capital Borrowing Consents, C.F.C.R. contributions and Capital Receipts generated through Council House Sales. There are a number of additional income sources of comparatively small amounts, and, from time to time, additional funding may become available from the Scottish Executive to target specific types of work.
- 3.2 The amount of income from borrowing consents is unchanged at £3.489m.
- 3.3 The income obtained from Capital Receipts from Council House Sales is 25% of the selling price of the property, after deduction of selling costs. Legal Services report an anticipated increase in income from Capital Receipt from House Sales, to £2.151m, an increase of £0.226m from the figure previously reported to Committee on 11th September 2002.

- 3.4 The Scottish Executive have confirmed their offer of grant funding of £0.200m to support works carried out under the Gas Central Heating Programme which meet the grant qualification criteria. It is anticipated that £0.180m of the available grant will be received as income during the current financial year, with the balance incoming in 2003/2004.
- 3.5 As a consequence of the projected increase in income from Council House Sales and Scottish Executives gas grant, the C.F.C.R. contribution to the Capital Programme can be reduced by £0.250m to £4,067m.
- 3.6 Taking account of the above revisions, the revised anticipated income is £9.815m as detailed upon the attached Monitoring Statement.

4. CURRENT STATUS

- 4.1 The attached monitoring statement sets out the physical progress of schemes within the current financial year and also sets out any anticipated changes which are required to the programme.
- 4.2 There are a number of changes to the programme and these currently represent an over commitment of £0.061m. It should be noted however that at this stage, whilst no slippage is foreseen, there is a significant amount of work upon the programme which has the potential to be disrupted by exceptionally inclement weather. The identified anticipated over commitment, whilst significant, is not currently considered to be a cause for concern. The programme will continue to be monitored and modified as any change becomes necessary and the detail of that will be reported to Committee in the normal way.
- 4.3 The anticipated expenditure and income figures included within the monitoring statement is consistent with those submitted to the Budget Scrutiny Group.

5. DETAILS OF MODIFICATION TO THE CAPITAL PLAN

5.1 Demolition

In order to progress the demolition programme, and, in recognition of the available funding, contracts have been let for the demolition of the following redundant properties:-

10-40 Greenhill Avenue, New Cumnock
42-72 Greenhill Avenue and 78-84 Farden Avenue, New Cumnock
6-28 Carruthers Park and 17-23 Harwood Avenue, Muirkirk

- 5.2 For each of the above projects, it is anticipated that the demolition together with the bulk of the reinstatement will be completed during the current financial year. The balance of the reinstatement, together with the landscaping work will be completed early in the 2003/2004 financial year. This method of carrying out demolition works was approved by Committee on 11th September 2002.

6. LEGAL/POLICY IMPLICATIONS

6.1 Nil.

7. FINANCIAL IMPLICATIONS

7.1 The Capital Programme enables the Council to carry out its responsibilities towards its tenants in the maintenance and improvement of the Housing Stock.

8. RECOMMENDATIONS

8.1 It is recommended that Committee:

a). Note the contents of the report.

James Lavery
Director of Homes and Technical Services
AP/SP
7 January 2003

LIST OF BACKGROUND PAPERS

NIL

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