

EAST AYRSHIRE COUNCIL

HOUSING COMMITTEE – 3 SEPTEMBER 2003

HOUSING CAPITAL PROGRAMME 2003/2004 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 the projects within the Housing Capital Programme 2003/2004 and to set out the current position in relation to financial monitoring and physical progress.

2. BACKGROUND

- 2.1 At the meeting on 21st May 2003, Housing Committee approved a Capital Programme identified against a number of budgetary sub-headings, which took account of the projected income of £9.244m.

3. INCOME

- 3.1 The income which enables work to be carried out under the Housing Capital Programme comes from three main budgetary sources, namely Capital Borrowing Consents; C.F.C.R contributions, and Capital Receipts generated through Council House Sales.
- 3.2 Further income of a comparatively small amount is derived from several sources, including the direct charging and grant contribution from the H.R.A. account for works to adjoining owners.
- 3.3 From time to time, additional funding may become available from the Scottish Executive to target specific types of work.
- 3.4 Currently the projected income from the three main budgetary sources of Capital Borrowing consents, C.F.C.R contribution, and Capital Receipts through council house sales remain unchanged at £9.08m.
- 3.5 As the financial year progresses and addresses are identified which include work to adjoining owners properties, it is possible to make projection for income likely to be received during the current financial year. Current estimate is £0.176m.
- 3.6 The Scottish Executive have confirmed grant funding for the current financial year of £0.507m for the installation of gas heating systems to houses where the existing form of heating falls short in terms of the definition provided by the Scottish Executive. The grant funding is conditional upon heating works being carried out to not less than 203 houses which should meet the qualification criteria.

4. CURRENT STATUS

- 4.1 The attached monitoring statement allows for the anticipated changes in expenditure which are required through modification of the Capital Plan. This is enabled by the increased projected income.
- 4.2 There are a number of changes to the programme, and these currently represent an under commitment of £0.205m, which is arrived at after making allowance for the estimated underspend of £0.106m carried forward from the previous financial year. The estimated underspend is subject to the 2002/2003 audit being concluded. It should be noted at this stage that the facility exists to either augment output within existing categories using existing arrangements or to let additional contracts as necessary. There is also the facility to re-programme works which are currently estimated to span the current and next financial years. The identified underspend, 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 details included upon the attached monitoring statement for Installation of Gas Central Heating, Phase 2, and Lead Water Pipe Replacement, reflect tenders recently received by Technical Services. All Tenders are subject to arithmetical checks and scrutiny of the Contractor's Insurance and Health and Safety measures prior to a recommendation to accept the Tender being made. These checks are currently ongoing. In the unlikely event that the Contractor's appointments be different from those shown, this will be reported to Committee at a later date.
- 4.4 The anticipated expenditure and income figures included within the monitoring statement is consistent with those being submitted to the Budget Scrutiny Group.

5.0 DETAILS OF MODIFICATION TO THE CAPITAL PLAN

5.1 *Gas Central Heating*

In recognition of the grant award from the Scottish Executive, Tenders are being invited for a further phase of gas heating works.

5.2 *Re-Roofing*

Proposals were included within the Capital Plan to carry out a pilot scheme to redesign certain felted flat roofs to sloping roofs. A physical inspection of the condition of these roofs has been made, and the visual impact upon the surrounding environment has been taken into account. From inspection, there are no obvious concerns with the existing roof coverings, and there are not any reports of failure. It is considered, taking account of these factors, and in advance of receiving the results of the House Condition Survey, that conversion work of this nature should not be undertaken at the current time. Consequently the available budget has been re-designated towards general re-roofing works.

5.3 *Door Entry Systems*

In recognition of the additional funding available, tenders are being invited for a further phase of door entry systems.

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
11 August 2003

LIST OF BACKGROUND PAPERS

NIL

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

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