

## **EAST AYRSHIRE COUNCIL**

### **HOUSING CAPITAL SUB-COMMITTEE 9<sup>TH</sup> MAY, 2001**

#### **CAPITAL RECEIPTS 2000/2001; 2001/2002**

##### **Report by Solicitor to the Council**

#### **1. PURPOSE OF REPORT**

- 1.1 To advise the Committee on the position with regard to the finalised gross Housing Capital receipts for the financial year 2000/2001 and to update the Committee on the position with regard to the estimated gross Housing Capital receipts for the financial year 2001/2002.

#### **2. BACKGROUND 2000/2001**

- 2.1 It was estimated at the beginning of the Financial Year 2000/2001 that the total gross Housing Capital receipts for the year would be £5,312,000 comprising Right to Buy receipts of £5,292,000 and other receipts of £20,000.
- 2.2 Further revised gross Capital Receipt estimates of £6,300,000 and £6,800,000 were projected at the Housing Capital Sub-Committees of 16<sup>th</sup> May, 2000 and 25<sup>th</sup> October, 2000 based on the application rate and take-up rates at those dates. The sum estimated for other receipts was also considered achievable both at 16<sup>th</sup> May, 2000 and at 25<sup>th</sup> October, 2000.
- 2.3 At the Housing Capital Sub-Committee of 6<sup>th</sup> March, 2001 a further revised gross Capital Receipt of £7,600,000 was projected in respect of Right to Buy Receipts. This was based on the number of transactions settled at that time and the number of missives concluded. A revised figure of £68,169 was projected in respect of other net usable receipts based on receipts at that time.

#### **3. FINAL OUT-TURN 2000/2001**

- 3.1 The total gross Right to Buy Capital Receipt for the financial year 2000/2001 was £7,465,200.37 representing a total net useable receipt of £1,752,000 after deduction of appropriate fees and outlays. In addition, other gross Capital Receipts amounted to £163,934 representing a total net useable receipt of £153,302 again after deduction of appropriate fees and outlays.

#### 4. **ESTIMATE 2001/2002**

- 4.1 Initial estimates for the financial year 2000/2001 anticipated that the total gross Housing Capital receipts for the year would be £6,500,000 comprising Right to Buy receipts of £6,440,000 and other receipts of £60,000 giving a total useable receipt of £1,670,000.
- 4.2 As at 20<sup>th</sup> April, 2001 Right to Buy gross receipts amounted to £358,744 in respect of transactions settled to date. The application rate in the period from 1<sup>st</sup> January, 2001 to 31<sup>st</sup> March, 2001 has decreased by 36% from the application rate in the same period in 2000. Initial estimates for 2001/2002 anticipated a decrease in the application rate. It is anticipated, therefore, that notwithstanding the decrease in the application rate that the estimated gross figures for Right to Buy Receipts of £6,440,000 is still achievable. The estimated figure of £60,000 for other receipts is also still considered achievable.

#### 5. **FINANCIAL IMPLICATIONS**

- 5.1 As outlined in this report.

#### 6. **LEGAL IMPLICATIONS**

- 6.1 Nil.

#### 7. **RECOMMENDATIONS**

- 7.1 The Committee is asked to note the contents of this report.

BARBARA HAUGHAN  
SOLICITOR TO THE COUNCIL

AG/SM

25<sup>th</sup> April, 2001

#### **LIST OF BACKGROUND PAPERS**

**NIL**

**AGENDA**