

**HOUSING COMMITTEE – 26th AUGUST, 2004
RESOURCES AND CENTRAL SERVICES COMMITTEE – 9 SEPTEMBER, 2004**

HOUSING CAPITAL PROGRAMME - HRA BLOCK – 2004/2005

REPORT BY THE DIRECTOR OF FINANCE

ABSTRACT

This report relates to the HRA Housing Capital Programme and the HRA Planned Maintenance Programme for 2004/5. It sets out the latest capital estimate for the year and also the capital spend figures to the end of June 2004.

1. RECOMMENDATION

1.1 It is recommended that the Committee notes the figures presented for the Housing Capital programme.

2. INTRODUCTION

2.1 Regular reports on the monitoring of the Housing Revenue Account Capital and Planned Maintenance programmes will be made to the Housing and Resources and Central Services Committees throughout the year.

3. THE 2004/2005 CAPITAL PROGRAMME

3.1 Monitoring of performance is against the agreed capital programme. The level of spend agreed at the Housing Committee on 9th February, 2004 was £9.821m taking account of the estimated resources available. It should be noted that the resources no longer include Section 94 Consent which has from the 1st of April 2004 been replaced by a system of Prudential Borrowing.

3.2 At the time of setting the budget, estimated resources comprised a Capital Financed from Current Revenue (CFCR) provision of £4.541m, estimated capital receipts of £1m and Prudential Borrowing of £4.280m. However from 1st April 2004 the rules on the treatment of capital receipts have changed and the Council is no longer required to set aside a percentage of the receipts in respect of Land and Buildings to repay outstanding debt. This restates the foregoing figures as follows – CFCR £4.541m, capital receipts £3.7m and borrowing £1.58m.

3.3 Subsequent to the spend level being agreed and reported, a review of various projects was carried out to ensure the proper allocation of expenditure to capital and revenue. This results in an additional £650k being transferred to capital from revenue in respect of kitchens and £515k being transferred from capital to revenue in respect of gutters £40k, rewiring £50k and doors £425k. Ongoing reviews of the allocation of various projects within the capital and revenue programmes are being undertaken, the results of which will be reported to committee in due course.

3.4 As can be seen from Table 1 below after the various adjustments reported in Para 3.3 the latest assessment of spending for the year now stands at £9.765m. This is some £191k below resources taking account of the extra CFCR arising from the Para.3.3 transfers.

Table 1

Funding Sources	Revised Available	Capital Budget
	Resources	(As revised for gross capital receipts)
	£000's	£000's
Prudential Borrowing	1,580	1,580
Anticipated Useable Capital Receipts	3,700	3,700
CFCR	4,541	4,541
CFCR Kitchens from Revenue	650	0
CFCR Gutters, Rewiring and Doors to Revenue	(515)	0
Total	9,956	9,821
Projected Spend for the Year	9,765	9,821
Projected Underspend	191	0

- 3.5 It can be seen from Table 1 there is some leeway and this will be kept under review and appropriate reports will be presented to future meetings of the Committee. It should also be noted that there was an extra revenue balance at 31st March 2004 of some £1.6m (over and above the £500k working balance required) also gives scope for additional spending. This is currently being reviewed and further reports will be submitted as the year progresses.
- 3.6 As can be seen from [Appendix A](#), the spend achieved to 30 June, 2004 on the Housing Capital Programme was £1.328m. This does not include internal fees to 30 June, 2004.
- 3.7 This level of spend is consistent with the work programmes devised and being worked to by Property Services to achieve the latest estimated spend on the Capital Programme for the year.

4. 2004/2005 PLANNED MAINTENANCE

- 4.1 [Appendix B](#) shows the level of spend on the relevant elements of the HRA Planned Maintenance Programme as at 30 June, 2004 amounted to £102k. It should also be noted that the latest assessment of spend for the year after adjusting for items in Paragraph 3.4 is £1.001m. This position will be closely monitored and referred to in future reports.

5. HUMAN RIGHTS IMPLICATIONS

- 5.1 There are no Human Rights implications arising from this Report.

6. CONCLUSION

- 6.1 This report puts forward proposals for adjusting both the Capital and Planned Maintenance budgets.

7. CONSULTATION

- 7.1 The Chief Executive and the Directors of Law and Administration, Housing and Property Services have been consulted on the contents of this report.

D. S. SAWERS
Director of Finance

NOTE: No background papers, as defined by Sections 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

JC/DW
August, 2004