

ANGUS COUNCIL

HOUSING COMMITTEE
RESOURCES AND CENTRAL SERVICES COMMITTEE

20 JANUARY 2005
3 FEBRUARY 2005

SUBJECT: HOUSING CAPITAL PROGRAMME - HRA BLOCK – 2004/2005

REPORT BY DIRECTOR OF FINANCE

<p>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 November 2004.</p>

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 9 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 It should be noted that the resources no longer include Section 94 Consent which has from the 1 of April 2004 been replaced by a system of Prudential Borrowing.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 1 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 – CFR £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 has resulted 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, doors £425k. As reported to the last committee the transfer of Aids and Adaptations from unplanned maintenance to capital has now taken place and results in another transfer of £350k from revenue to capital.

- 3.4 Despite attempts to accelerate the kitchen programme in light of the slippage reported to the last committee cycle, there has been further slippage in heating and other miscellaneous projects and the latest assessment of spending for the year now stands at £9.853m. This is some £453k below available resources and this leeway will be kept under review with appropriate reports being made to committee.
- 3.5 Table 1 below summaries the above –

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)	
CFCR Aids and Adaptations	350	0
Total	10,306	9,821
Projected Spend for the Year	9,853	9,821
	453	0

- 3.6 Last month's report drew attention to the revenue balance at 31 March 2004 being some £1.6m over and above the agreed £500k working balance, and that the position was under review. That review is now completed and a report by the Director of Housing included in this committee cycle proposes that the Change of Tenancy budget be increased in 2004/05 by £150k in view of projected underspend on the repair and maintenance and also in view of the revenue balance. Furthermore it is proposed that the 2005/06 Change of Tenancy budget be increased by £300k. It is then proposed thereafter to await the outcome of the 30 year business plan before committing further funds from the revenue balance.
- 3.7 As can be seen from [Appendix A, A1, A2](#), the spend achieved to 30 November 2004 on the Housing Capital Programme was £4.690m. This includes internal fees to 30 September 2004.
- 3.8 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](#), [B1](#), [B2](#) shows the level of spend on the relevant elements of the HRA Planned Maintenance Programme as at 30th November 2004 amounted to £335k. It should also be noted that the latest assessment of spending for the year after adjusting for items in Paragraph 3.4 is £1.001m. This position is being 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 CONSULTATION

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

7 CONCLUSION

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

NOTE

No background papers, as defined by Section 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 the above Report.

JC/DW
Nov 2004

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