

To : HOUSING AND TECHNICAL SERVICES COMMITTEE		Subject : COMPOSITE CAPITAL PROGRAMME 2002/2003 NON HRA HOUSING
From : DIRECTOR OF HOUSING & PROPERTY SERVICES		
Date : 25 September 2002	Ref : TMcK/IMcM/AMcS	

1. Introduction

- 1.1 The purpose of this report is to provide a summary of the financial performance of the Non-HRA Housing Capital Programme for 2002/2003 and to review spending plans as necessary. The report includes information on current expenditure up to and including 13 September 2002 and provides a projected final expenditure position at the year-end. Supporting explanations are given for significant movements.

2. Current financial position of the programme

2.1 Summary of Financial Position

The current capital expenditure position for the Non-HRA Housing programme can be summarised as follows:-

Table 1. (£)

<u>Capital Schemes</u>	<u>Annual Approved Programme 2002-03</u>	<u>Current Expenditure to 13-9-2002</u>	<u>Committed Expenditure to 13-9-2002</u>	<u>Projected Expenditure to 31-3-2003</u>	<u>Projected Year-end Variance</u>
Grants	1,675,000	567,000	1,218,000	1,683,000	-7
HAAs	134,000	24,000	134,000	134,000	0
Other	332,000	25,000	346,000	325,000	+7
Investment Programme Total	2,142,000	616,000	1,698,000	2,142,000	0

A comprehensive analysis containing information on individual projects is contained at Appendix 1.

2.2 Annual Approved Programme 2002/2003

The resources available for this programme were reviewed by Policy and Resources Committee on 17 September 2002 in the Mid-Year Review of the Composite Services Capital Programme 2002/03. In consideration of the imbalance between supply and demand for key priority categories of grant expenditure, it was agreed that an additional £250,000 would be made available to the programme both this year and in 2003/04. For each year, further investment of £100,000 will be made for Care and Repairs grants, £100,000 for Disabled Adaptation grants, and £50,000 for grants for Owners in Council Projects. These amounts have been added to the previously approved resources for each category of expenditure in the Approved Budget column of Appendix 1 to this report.

The approved budget for the year now totals £2,142,000, calculated as follows:

£2,000M	base budget, approved in February 2001
-£0.150M	accelerated from 2002/03 to 2001/02
-£0.010M	adjustment to Corporate Theme Budget
£0.044M	planned slippage carried forward from 2001/02
£0.008M	additional carry-forward from 2001/02
<u>£0.250M</u>	addition resources approved in Mid-Year Review
£2.142M	

2.3 Current Expenditure to 13 September 2002

A total of £616,000 in expenditure payments was incurred up to 13 September 2002. This represents approximately 29% of the annual budget.

2.4 Committed Expenditure to 13 September 2002

Committed expenditure to 13 September 2002 was £1,698,000, 79% of the programme. A large number of grants are committed, and are expected to incur expenditure during the remainder of 2002/2003. In addition, £200,000 is committed for Fees and Administration.

2.5 Projected Expenditure to 31 March 2003 and Major Variance Explanations

- The rate of grant uptake to improve houses which are Below the Tolerable Standard (BTS) is currently slightly lower than projected.
- The requirement for expenditure on grants for Disabled Adaptations continues to be very high and the extra £100,000 approved in the Mid-Year Review will help us to resource this. The outturn expenditure at 31 March 2003 will depend on the availability of additional “top-up” grants, provided under Social Work legislation, and the provision for these is currently under review.
- A review of projected expenditure from existing commitments in the Other Discretionary Grants category indicates that outturn expenditure is likely to be higher, at £127,000.

3. **Discussion**

- 3.1 In summary, the situation is one where there are ongoing movements in the requirement for funds in the various categories, but the overall position is that restrictions have had to be placed on grant approvals in certain categories to ensure that the expenditure on the non-HRA programme in total at 31 March 2003 is within budget. Approvals remain suspended in the Other Discretionary Grants, and Owners Adjoining Council Projects categories.
- 3.2 The additional £100,000 approved in the Mid-Year Review for Repair Grant approvals in the Care and Repair category allows the suspension on grant approvals to be lifted, and this will directly benefit the living conditions of a considerable number of elderly and disabled owner-occupiers.
- 3.3 Applications in the Other Discretionary Grants category are held on the general waiting list, and I am having to advise applicants that they can expect to wait at least three years before their application can be considered for approval.

4. **Financial Concurrence**

The Director of Finance concurs with the financial information contained in this report and has been fully involved in its preparation.

5. Recommendation

The Committee is asked to

- a) note the financial position of the Non-HRA housing capital programme as at 13 September 2002.
- b) approve virement of monies to meet the additional requirements for grants in the Other Discretionary Grant category, noting that due to slippage in other parts of the programme, total non-HRA expenditure will be contained within the overall resources of £2.142M.
- c) note that the programme is closely monitored each month and that progress is reported to the Capital Programme and Repairs Sub-Committee.

6. Background Information

Background information is available within the Housing and Property Services Department



Thomas McKenzie
Director of Housing and Property Services

APPENDIX 1

Non-HRA Housing Capital Expenditure 2002/2003

Monitoring Report

Period 6 2002/03

	£'000				
	Approved Budget	Spent to 15/09/2002	Commitment to 15/09/2002	Projected Expenditure to 31/03/2003	Projected Variance
<u>Improvement/Repair Grants</u>					
BTS Houses	191	63	163	169	22
Disabled Adaptations	529	189	277	529	0
Owners in Council projects	434	29	328	434	0
Other Discretionary Grants	110	73	146	127	-17
Lead Pipe	23	7	16	24	-1
Care and Repair	334	182	264	345	-11
Owners adjoining Council projects	0	0	0	0	0
HMO's	5	0	0	5	0
Cumbernauld Home Owners' Assoc.	50	24	24	50	0
<i>Sub-Total</i>	<i>1676</i>	<i>567</i>	<i>1218</i>	<i>1683</i>	<i>-7</i>
<u>Housing Action Areas</u>					
Kilsyth ph3	-16	0	-16	-16	0
Kilsyth ph3 - private	150	24	150	150	0
<i>Sub-Total</i>	<i>134</i>	<i>24</i>	<i>134</i>	<i>134</i>	<i>0</i>
<u>Other expenditure</u>					
Care & Repair Project	27	0	27	27	0
Environmental Improvements	43	0	90	43	0
Lending	16	6	6	10	6
Fees and Administration	200	2	200	200	0
Computer Development	10	2	2	10	0
Homelessness	10	9	9	10	0
Energy Conservation	26	6	12	25	1
adjustment	0	0	0	0	0
<i>Sub-Total</i>	<i>332</i>	<i>25</i>	<i>346</i>	<i>325</i>	<i>7</i>
Total (General Consent)	2142	616	1698	2142	0
Special Consent:	0	0	0	0	0
GRAND TOTAL	2142	616	1698	2142	0