

**Meeting of the Executive Members for
Housing and Adult Social Services and
Advisory Panel**

2nd June 2008

Report of the Director of Housing and Adult Social Services

**Housing and Adults Social Services Capital Programme – Outturn
Report 2007/08**

Summary

1. This report presents the out turn position of the 2007/08 Housing and Adult Social Services Capital Programmes and the resources available to support them.

Background

2. During the year the Executive Member has received reviews of the Capital Programme at first and second monitor, highlighting any major changes in the agreed programme or the resources available to fund it.
3. Officers have reviewed the progress of investment projects during the final 4 months of 2007/08 and the resources needed to fund them. Minor variations have been agreed under officers delegated authority and slippage into 2008/09 identified. Detailed schedules are attached as Annex 1 and 2.
4. The value of the approved Housing Capital Programme is £9,453k with £4,712k funded through the MRA. There is a total of £165k slippage on the capital funded element of the programme into 2008/09 and an overspend of £468k, there is an underspend of £222k on the MRA funded element. These are set out in Tables 1 to 6 in paragraphs 8 to 24 for the Executive Member's approval and information.
5. The value of the approved Social Services Capital Programme is £646k of which £311k is grant funded. There is a total of £77k slippage of which £51k will be grant funded and a net overspend of £2k. This is set out in table 7 paragraphs 25 to 28.

Consultation

6. There is no consultation required to complete this report.

Options

7. There are no options included in this report.

Analysis - Housing

8. **Table 1 – Modernisation of Local Authority Homes (Capital Scheme)**

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Over spend 2007/08 £'000	Slippage into 2008/09 £'000
Scooter Stores at sheltered schemes	108	40	(48)	20

9. The above project is drawing to a close and has resulted in an underspend of £48k over the number of years it has run. The final scooter store is programmed to be fitted at Lincoln Court during 2008/9 following the re-designation of difficult to let ground floor bed-sit. The freeing up of this space has resulted in reduced construction costs therefore slippage of £20k is requested to complete this work.
10. There have been minor variations within officers delegation on various schemes resulting in a combined underspend of £27k. This is made up of overspends of £1k on both Communal Entrance Security Doors and the Sheds & Garages projects and underspends of £7k on Burglar Alarms, £16k on Window Replacement and £6k on Asbestos.

11. **Table 2 – Repairs to Local Authority Properties**

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Over spend 2007/08 £'000	Slippage into 2008/09 £'000
Structural Works	50	0	(50)	
Installation and Replacement of Heating Systems	2079	2662	583	
Non-Trads Feasibility	15	0	0	15

12. There have been no major structural works schemes undertaken in 2007/08 and hence no call upon this budget was required leaving a £50k underspend. Pressures on the Heating Programme were also reported at first and second monitor, there has been a dramatic increase in numbers of boilers requiring immediate replacement due to recommendations arising from the annual services over and above officers initial projections. This has resulted in the number of boilers being replaced increasing from a projected 444 to 752. This is work the Authority was planning to undertake over the coming years and was budgeted for within the HRA Business Plan. It is therefore an acceleration of the approved programme and not additional to the programme, this acceleration of the programme will result in a pro-rata reduction over the next 3 years as indicated in table 3 below. The Non-Trads Feasibility works was due to be carried out towards the end of the financial year. This work was not carried out due to staff shortages and shall be carried out in the summer of 2008 resulting in the slippage into 2008/9.

13. **Table 3 – Reduction in future years of Installation and Replacement of Heating Systems Budget.**

	2008/09 £'000	2009/10 £'000	2010/11 £'000
Approved Budget	1,526	1,575	1,622
Revised Budget	1,406	1,344	1,390

14. There have been minor variations within officers delegation on various schemes resulting in an overspend of £3k. This is made up of overspends of £10k on Communal Access Flooring, and £2k on Internal Communal Security Lighting with underspends of £6k on Re-roofing Works and £3k on Stairlifts.

15. **Assistance to Older & Disabled People**, There have been minor variations within officers delegation on various schemes resulting in an overspend of £13k. This is made up of overspends of £7K on Council Adaptations and £7k on Discus Bungalows and a £1k underspend on Capitalised Salaries.

16. **Table 4 – Housing Grants & Associated Investment**

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Overspend 2007/08 £'000
York Repair Grant	487	578	91
Landlords Housing Grant	80	20	(60)

17. The over spend on the York Repair Grant is due to increase demand by vulnerable customers . The underspend on the Landlords Housing Grant is due to lack of uptake. Both these budgets were wholly funded by the Regional Housing allocation, which was fully spent in 2007/2008.

18. There have also been minor variations within officers delegation on various schemes resulting in an underspend of £27k. This is made up of a £4k overspend on Mandatory DFG's and underspends of £2k on Decent Homes Grants, £6k on Energy Efficiency Grants and £23k on Security Grants.

19. **Table 5 – Miscellaneous**

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Over spend 2007/08 £'000	Slippage into 2008/09 £'000
Homeless Hostel	287	147	(10)	130

20. There is slippage on the Homeless Hostel scheme predominantly regarding the planned replacement of significant parts of the heating system, which will be carried out in the summer months to ensure there is no disruption to service and customers.
21. There is also an overspend of £1k on the travellers project and an underspend of £1k on the Bungalow Buy Back

22. **Table 6 – Modernisation of Local Authority Homes (MRA)**

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Overspend 2007/08 £'000
Miscellaneous Backfills	1,122	1,375	253
Tang Hall Tenants Choice	2,211	2,026	(185)
Clifton/Delwood	209	(19)	(228)

23. The overspend in the Miscellaneous Backfills was due to an increase in properties modernised, 19 properties in Foxwood that could not be undertaken in the 2006/07 programme due to delays of United Utilities in connecting to the gas network resulted in their reprogramming into 2008/09. The Tang Hall Tenants Choice underspend is due to a slight reduction in the average unit cost per property.
24. At the end of the 2006/07 financial year the reserves made for the Clifton project were too large and as a result the budget available for the works within 2008/09 was more than was required. The project has now been completed and this has resulted in an amount of £228k underspend on the budget.
25. There have also been minor variations within officers delegation on various schemes resulting in an underspend of £62k. This is made up of an overspend of £8k on Nether Poppleton and underspends of £15k on Capitalised Salaries, £48k on Walmgate and £7k on Kitchens.

Analysis – Adult Social Services

26. 25. Officers have reviewed the progress of investment projects during the final 4 months of 2007/08 and the resources needed to fund them. Minor variations have been agreed under officers delegated authority and slippage into 2008/09 identified. A detailed schedule is attached as Annex 2.

27. Table 7 – Social Services

Scheme	Approved Budget 2007/08 £'000	Revised Costs 2007/08 £'000	(Under)/Over spend 2007/08 £'000	Slippage into 2008/09 £'000
Information Management Improvements Project	91	40	0	51
22 The Avenue Improvements Project	94	68	0	26

28. There are overspends of £5k on the Community Equipment Loan Service – Purchase of Equipment – project and £2k on the Disability Support Programme. There is a £5k underspend on the Modernisation to Windsor House project.
29. There are 2 elements of slippage into 2008/09, £51k from the Information Management Improvements project due to delays in implementation of IT projects and £26k on the 22 The Avenue Improvements Project.

Corporate Priorities

30. *The completion of the Capital Programme contributes to 2 of the Councils Corporate Priorities, namely 'Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are poorest' and 'Improve the quality and availability of decent, affordable homes in the city'*

Implications

Financial - Housing

31. The final outturn position of the Housing Capital Programme is £9,534k compared to the approved programme of £9,453. The variation of £81k is due to slippage of £165k and a net overspend of £246k.
32. The number of homes sold under Right to Buy was 28. The average valuation was £122k and the average sales price after discount was £98k. The useable capital receipt totalled £708k. Although the number of sales was fewer than budgeted, the increase in the average value ensured the level of capital

receipts received was maintained. However, the number of Right To Buy sales and applications are continuing to fall. Any reduction in the level of receipts received will result in the need to either reduce the overall capital programme or increase the contribution to the capital programme from revenue.

Financial – Adult Social Services

33. The final outturn position on the Social Services Capital Programme is £571k gross compared to the approved programme of £646k gross. The variation of £75k is due to slippage of £77k and an overall overspend of £2k.

Other implications

34. There are no HR, Equality, Legal, Crime and Disorder, IT or Property implications

Risk Management

35. This report follows due process and presents the current out turn position and does not request decisions from a number of options hence does not contain risk.

Recommendations

36. The Executive Member is requested to
- Note the outturn position of the Housing and Adult Social Services Capital Programme as set out in the report.
 - Refer the slippage of £165k on Housing and £77k on Social Services to the Executive for approval
 - Reason: to inform the Executive Member on progress on the capital programme.

Contact Details

Author:
Mark Grandfield
Asset Manager
HASS
Tel No.Ext 3733

Chief Officer Responsible for the report:
Steve Waddington
Head of Housing Services

Report Approved **Date** 19th May 2008

Specialist Implications Officer(s)

Debbie Mitchell
Head of HASS Finance
Ext: 4161

Wards Affected: *List wards or tick box to indicate all*

All *all*

For further information please contact the author of the report

Background Papers:
None

Annexes:

Annex 1. Housing Capital Scheme Details

Annex 2. Adult Social Services Capital Scheme Details.