

Report of Head of Finance Environments and Housing

Report to Housing Advisory Board

Date: 9th September 2014

Subject: Housing Leeds Capital Financial Position Period 3 2014/15

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. At the request of Housing Advisory Board, the purpose of this report is to provide a financial position statement on the Housing Leeds Capital programme at period 3 for the financial year 2014/15.
2. The attached information has been provided by the relevant Head of Finance for the Board's consideration in relation to:-
 - Housing Leeds & BITMO refurbishment programme (section 3)
 - Housing Leeds Newbuild Programme & Other (section 4)

3.0 HRA CAPITAL PROGRAMME

3.1 Housing Leeds Services & BITMO

3.2 Housing Leeds Services are delivering the council house refurbishment programme and are currently reviewing cash flows and deliverability of the 2014/15 programme. Actual spend to period 3 is £5.7m together with £5.2m of commitments equating to 17% of revised available resources at period 3. The projection to outturn at period 3 is £65m and this will be revised throughout the year.

3.3 At period 3 the revised resources available for Housing Leeds in 2014/15 have been reprofiled to £65m taking account of net slippage and reprofiling of £12.6m. For BITMO revised resources are £2.9m (which includes an additional £0.4m of RCCO in period 3).

- 3.4** At period 3 Housing Leeds have identified (£18.6m) as a result of reducing the scoping of works together with schemes which can be slipped to future years mainly due to the lead in times within the procurement process. To offset these reductions, Housing Leeds will accelerate £6m of schemes due to be delivered in 2015/16 giving a net slippage of £12.6m on the £77.7m resources made available for 2014/15.
- 3.5** Planned works in 2014/15 are estimated at £50.7m with spend and commitments to period 3 of £6.34m equating to 13% of the programme.
- 3.6** Responsive works in 2014/15 are estimated at £14.3m with spend and commitments to date of £4.4m equating to 31% of the programme.
- 3.7** Adaptations as part of the responsive programme have spend and commitments of £380k against an annual budget of £5.1m.
- 3.8** Other major areas of spend are currently being revised and a realistic projection will be provided at period 4.

4.0 Housing Leeds Newbuild and other

- 4.1** At period 3 the spend on the Council Housing Growth and newbuild programme is £441k in 2014/15. The current cash flow projection at period 3 is £13.8m which needs revised downwards to reflect a realistic spend profile of what's deliverable in 2014/15 and future years. The likely projection for the year at period 3 is estimated at £6-£7m.
- 4.2** Since the setting of the Feb 2014 capital programme the Housing Growth programme has had additional resources injected bringing the total available to £72.6m over the coming 4 years to deliver a comprehensive programme of new build housing and bringing empty homes back into use. A revised cash flow over the next 4 years will be provided at period 4.
- 4.3** In terms of new build housing, this includes the first new build site at East End Park, which will deliver 32 units ; an Extra Care scheme for older people at Howarth Court, Yeadon, which will produce 45 units with a start on site anticipated in January 2016; planning applications are due to be submitted at for sites at The Garnets in Beeston, The Broadleas in Bramley and the Squinting Cat in Swarcliffe. The acquisition of 23 houses "off plan" from a developer at Thorn Walk Gipton will complete summer 2015 with first handover of units in November 2014.

5.0 Recommendations

- 5.1** Housing Advisory Board are asked to note the Period 3 position for the financial year 2013/14.

6.0 Background documents¹ No documents referred to.

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.