

**Report of Head of Finance Environments and Housing**

**Report to Housing Advisory Board**

**Date: 9<sup>th</sup> July 2015**

**Subject: Housing Leeds Capital Financial Position Period 2 2015/16**

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 HRA Housing Leeds Capital programme at period 2 for the financial year 2015/16.
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 actual spend and commitments at period 2 is £6.7m equating to 9% of the revised available resources at period 2. The 2015/16 programme has been adjusted down from £90.7m at period 1 to a more deliverable level on what can realistically be achieved within the year, circa £75m.

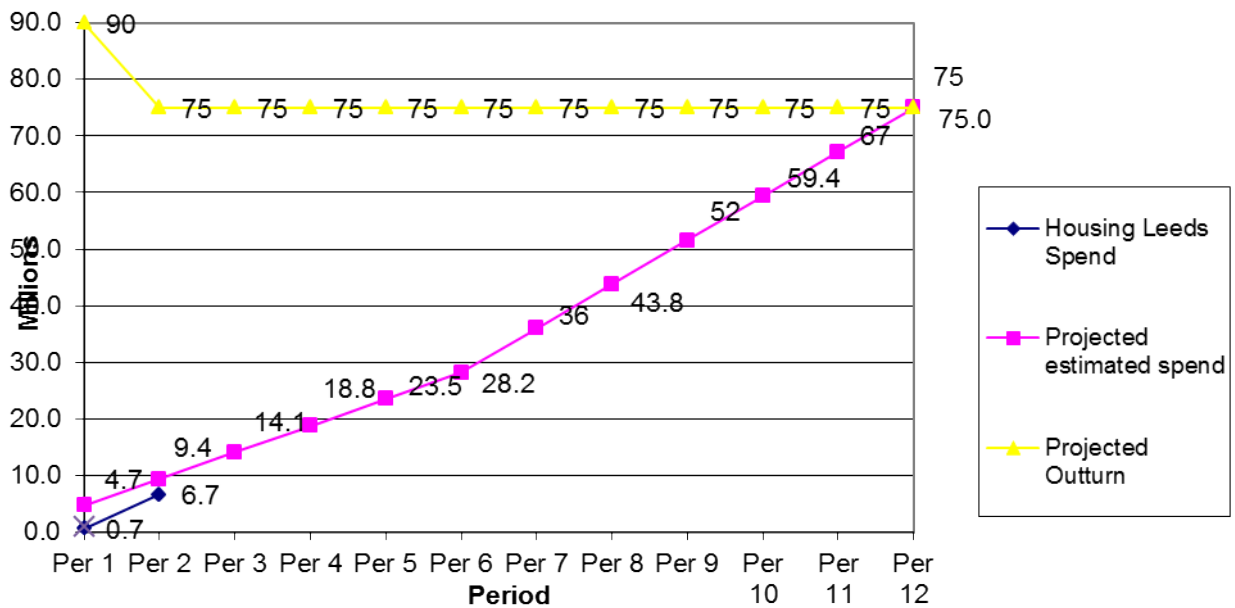
3.3 Housing Leeds planned works in 2015/16 at period 2 are now estimated to be £59.6m with spend and commitments to date of £5.67m at period 2 equating to 10% of the revised estimated outturn.

3.4 The main priorities being delivered in Housing Leeds planned programme in 2015/16 are the service delivery associated costs of £12.5m including contractor overheads and salary capitalisations, Heating and Energy Efficiency

£10m, Kitchens & Bathrooms £10m, Structural and remedials £6m, Reroofing £5m, Fire Safety £4m, Conversion/Regeneration £3m, Electrical £3m, Windows and Doors £2m and Environmental/Community Safety & other £4m.

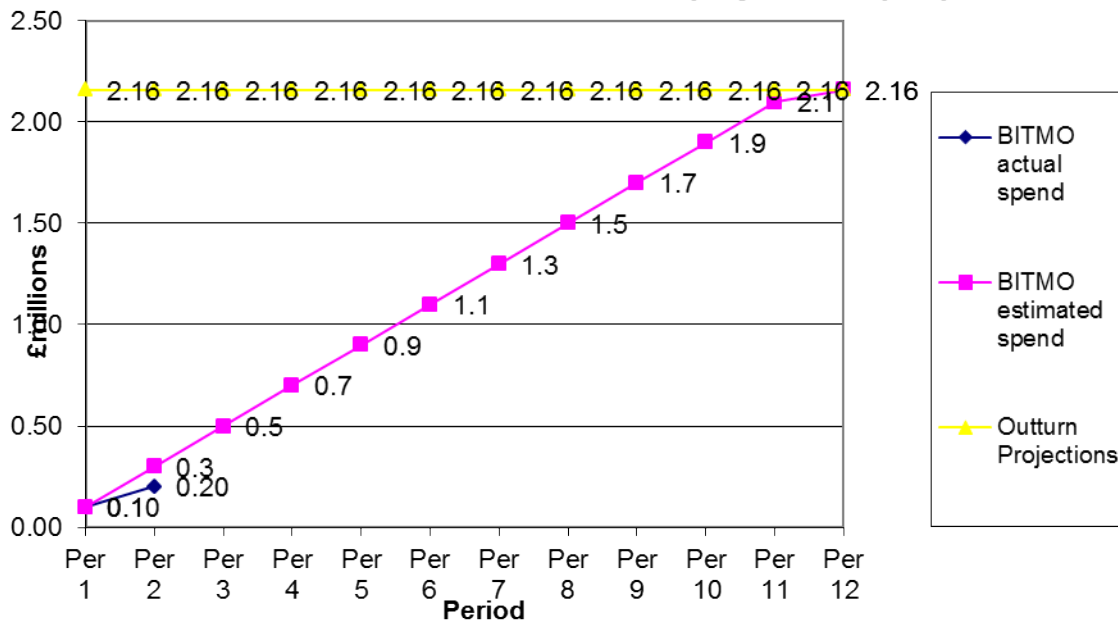
- 3.5 Housing Leeds responsive works in 2015/16 at period 2 are estimated at £15.4m with spend and commitments to date of £1m equating to 6.5% of the revised estimated outturn at period 2.
- 3.6 The main responsive programmes being delivered in 2015/16 are the Voids programme £6.5m, Adaptations to council properties £5.3m and capital repairs and maintenance of £3.6m.
- 3.7 The overall Housing Leeds variance (£15.7m) from the restated capital programme at period 1 represents a decrease from £90.7m to £75m at period 2 mainly attributable to slippage into future years which gives a more realistic 15/16 programme to deliver in year and evenly spreads future years programmes at circa £82m.
- 3.8 The (£15.7m) slippage identified at period 2 relates to reductions in 2015/16 in Heating and Energy Efficiency (£5.5m), Kitchens & Bathrooms (£3.8m), Structural and remedials (£2.5m), Communal repairs (£1.8m), Conversion/Regeneration (£1.1m) and Electrical (£1m), however any delays on remaining programmes in 2015/16 will see these programmes being brought back where possible.
- 3.9 Property & Contracts will further develop its project management and project reporting methodologies to ensure the progress of the capital programme can be more accurately and visibly tracked and reported throughout 2015/16 to ensure delivery is on target with mitigation measures being put in place to react swiftly to any delays with programmes being brought forward where possible.
- 3.10 With investment levels increasing and a refresh of the HRA business plan due in 2015/16, Housing Leeds will be increasing capacity in 2015/16 to facilitate delivery of the increased future investment programmes

**Housing Leeds 2015/16**  
**Total Spend v Estimated spend per period &**  
**Outturn projections per period**



3.11 BITMOs actual spend and commitments at period 2 is £0.2m equating to 5% of available resources of £2.16m. The 2015/16 programme will deliver 30+ schemes across Belle Isle in 2015/16.

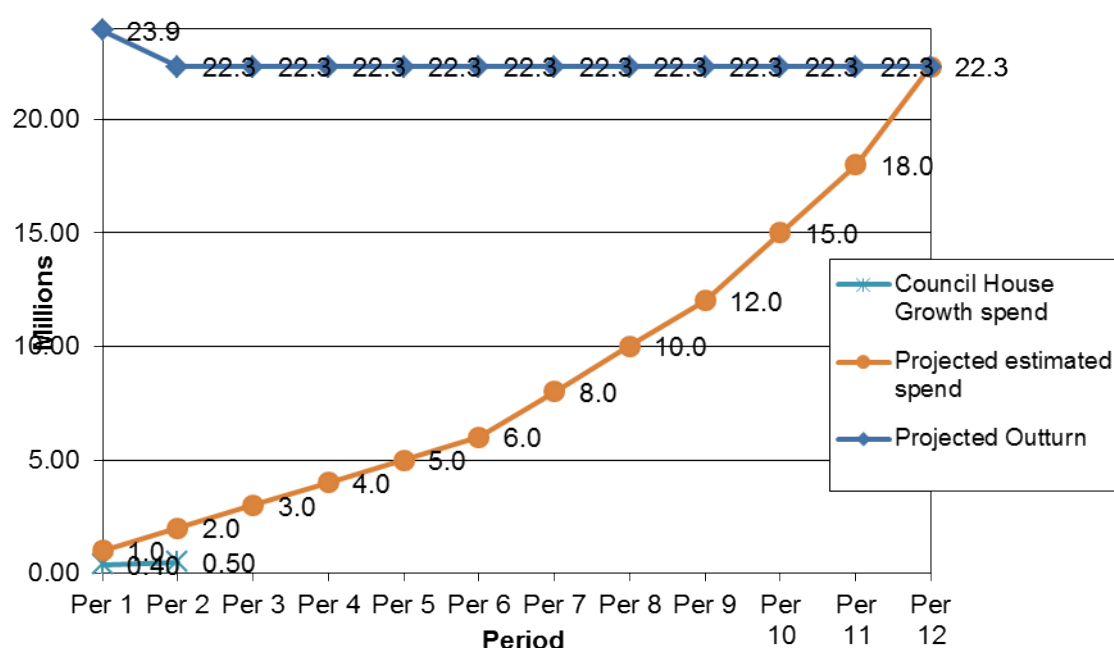
**BITMO 2015/16**  
**Total spend v estimated spend per period**  
**& outturn projections per period**



**4.0 Council House Growth Programme**

4.1 The Council Housing Growth and new build programme spend at period 2 2015/16 is £0.5m which equates to 2% of the £22m outturn target at period 2.

**Council House Growth Programme 2015/16  
Total spend v Estimated spend per period  
& outturn projections per period**



4.2 The total funding injected and available for the Council House Growth Programme up to period 2 is £95.37m. Overall authority to spend is £72.8m.

4.3 The council also received a determination from CLG on our HRA debt limit which will allow us to borrow a further £4m above our limit. This will be injected in the quarter 1 capital programme report in July 2015 which will increase the programme to £99.37m per the table below.

Council House Growth Programme	Total £000s	Committed £000s	Uncommitted £000s	Total Spend to date £000s	Budget remaining £000s	Total No of Properties to deliver	No of Properties delivered to date
<b>Newbuild &amp; Off shelf LCC funding</b>	54,167	10,949	43,218	3,744	50,423	479	18
<b>HCA Grant</b>	7,779	1,575	6,204		7,779		
<b>RTBs 1 for 1 newbuild</b>	7,582	2,271	5,311		7,582		
	69,528	14,795	54,733	3,744	65,784	479	18
<b>Empty Homes Ph1</b>	2,253	2,058	195	2,058.0	195	22	22
<b>Empty Homes Ph2</b>	9,000	9,000	0	0	9,000	100	0
	11,253	11,058	195	2,058	9,195	122	22
<b>Grants to RPs from RTBs 1for1</b>	2,043	1,635	408		2,043	77	
<b>Potential to RPs from RTBs 1for1</b>	2,360		2,360		2,360	68	
	4,403	1,635	2,768	0	4,403	145	0
<b>Funding available awaiting schemes</b>							
HCA grant for negotiation	572		572		572		
RTB 1 for 1 receipts residual 17/18	9,019	0	9,019	0	9,019		
HRA Borrowing balance	4,595	0	4,595	0	4,595		
	14,186	0	14,186	0	14,186	0	0
<b>TOTAL CHGP</b>	<b>99,370</b>	<b>27,488</b>	<b>71,882</b>	<b>5,802</b>	<b>93,568</b>	<b>746</b>	<b>40</b>

- 4.4 The above table shows the programme under the three main elements, newbuild, Empty Homes and Grants to registered providers. It also shows the funding still available and awaiting schemes to come forward.
- 4.5 The programme as at period 2 will deliver 479 new build properties (18 have been delivered to date on Thorn Walk), an empty homes programme which will return 122 properties back into use (22 of which have been delivered as phase 1) and grants to registered providers which will contribute to 145 new units.

## **5.0 Recommendation**

- 5.1 Housing Advisory Board are asked to note the Housing Leeds and BITMO refurbishment programme and Housing Leeds Council House Growth programme position at period 2, 2015/16.

- 6.0 **Background documents**<sup>1</sup> No documents referred to.
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