

Report of Head of Finance Environments and Housing

Report to Housing Advisory Board

Date: 13th September 2016

Subject: HRA Capital Financial Position Period 4 2016/17

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 4 for the financial year 2016/17.
2. The attached information has been provided by for the Board's consideration in relation to:-
 - Housing Leeds & BITMO refurbishment programme (section 3)
 - Housing Leeds Council House Growth programme (section 4)

3.0 HRA CAPITAL PROGRAMME

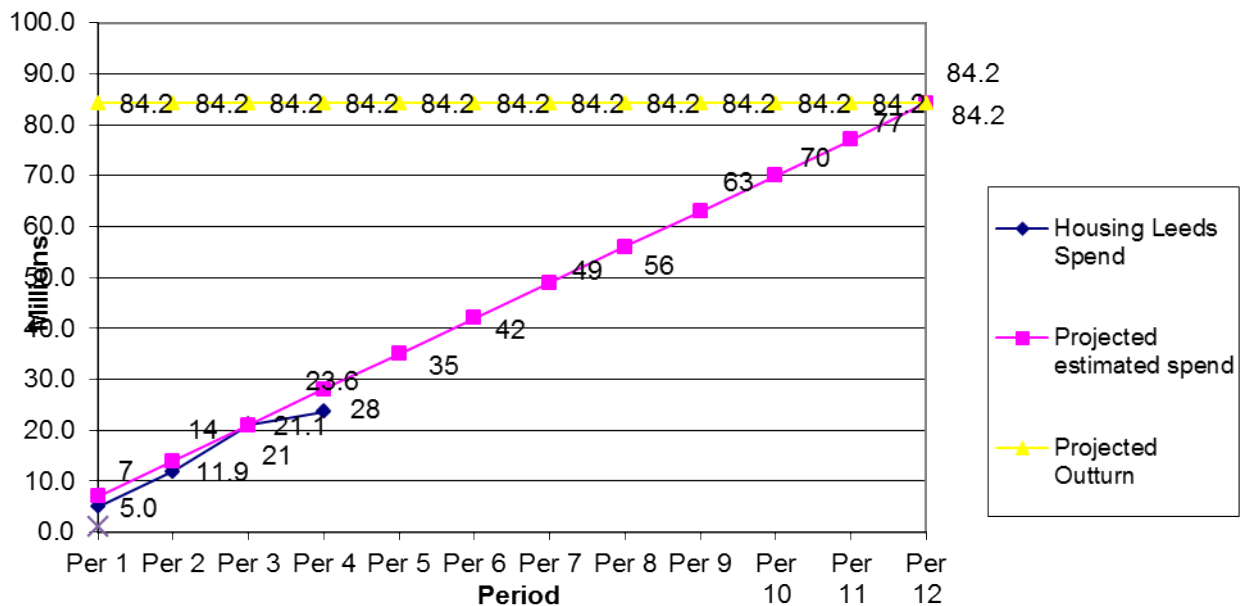
3.1 Housing Leeds Services & BITMO

3.2 Housing Leeds actual spend and commitments at period 4 is £23.6m equating to 28% of the revised available resources at period 4 and are on course to deliver the expected programme as detailed to Executive Board in February 2016. The 2016/17 Housing Leeds programme is currently £84.2m and this will be monitored throughout the coming months and revised to reflect the programme which Housing Leeds are expected to deliver.

3.3 Housing Leeds 3 year latest estimated responsive and planned works programme at period 4 are detailed in the table below with a graphical rep of the actual spend at period 4 and estimated outturn position for 2016/17 :-

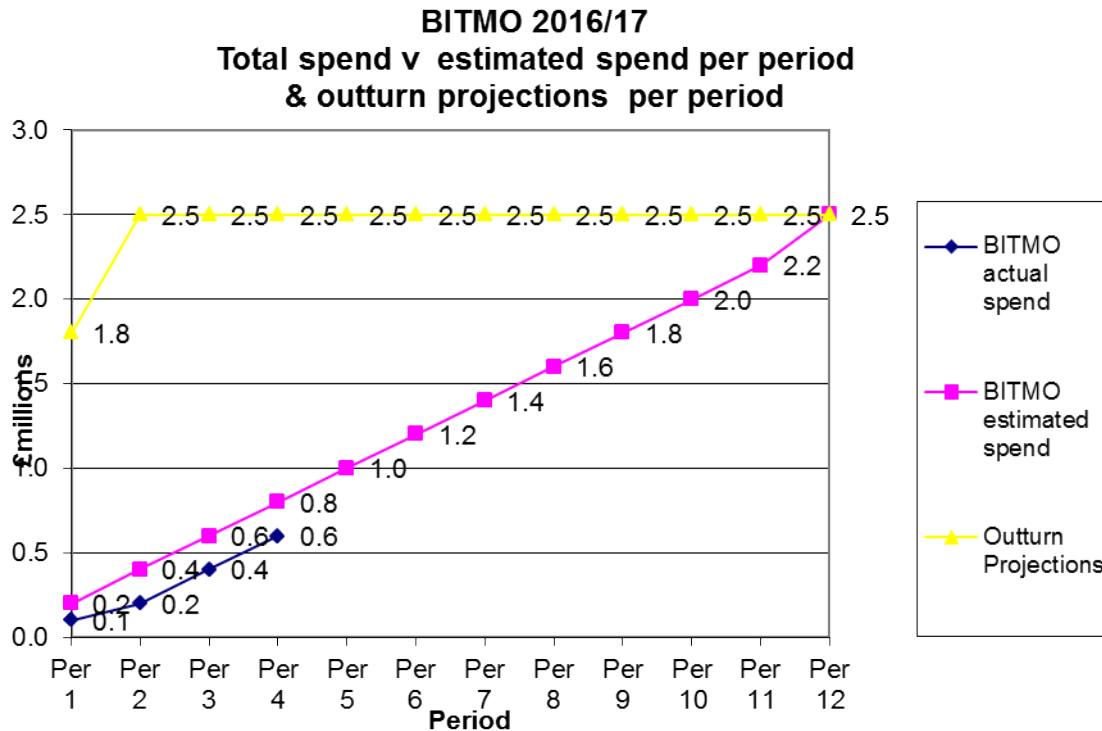
Housing Leeds Capital Programme	Original 2016/17 Budget	Revised Budget at Per 4	Total Actual and Committed 2016/17 Per 4	% spent to revised budget	Estimtaed 17/18 Budget	Estimated 18/19 Budget
Responsive Programme						
Voids	5,490.0	6,190.0	3,070.0	49.6%	5,900.0	0.0
Capital Repairs & Maintenance	1,901.0	1,901.0	956.5	50.3%	2,240.0	1,731.0
Disrepair	500.0	500.0	391.6	78.3%	0.0	0.0
Asbestos Responsive	1,432.8	1,432.8	108.7	7.6%	3,700.0	0.0
Equipments & Modifications for Disabled	3,553.2	3,459.1	2,159.0	62.4%	0.0	0.0
Total Responsive	12,877.0	13,482.9	6,685.9	49.6%	11,840.0	1,731.0
Planned						
Window & Door Replacement	3,033.3	2,944.1	360.0	12.2%	4,122.5	0.0
Heating & Energy Efficiency	8,264.0	8,151.5	2,022.5	24.8%	11,700.0	11,834.0
Community Safety	0.0	12.0	0.0	0.0%	0.0	0.0
Electrical	3,911.0	2,201.7	537.7	24.4%	1,300.0	0.0
Re-Roofing	2,378.0	2,424.4	530.2	21.9%	2,470.0	0.0
Kitchens & Bathrooms	9,528.7	9,550.6	2,286.5	23.9%	11,100.0	0.0
Environmentals	249.0	270.6	4.3	1.6%	250.0	0.0
Miscellaneous	50.0	50.0	19.6	39.1%	50.0	0.0
Structural Remedials & Insulation	8,685.9	7,094.8	362.7	5.1%	10,260.0	0.0
Communal Replacements	7,829.0	11,050.6	1,612.9	14.6%	10,940.0	0.0
Conversion/Regeneration Works	4,246.0	4,461.0	685.5	15.4%	2,031.0	0.0
Planned Capital Repairs	100.0	100.0	0.0	0.0%	0.0	0.0
Disabled Access Works	4,863.9	4,537.5	516.5		0.0	0.0
Fire Safety Works	3,631.5	4,092.9	928.9	22.7%	0.0	0.0
Estate Shops & Leased Residential Prop	154.0	154.0	0.0	0.0%	239.9	0.0
Service Delivery Associated Costs	12,727.7	10,638.8	6,293.1	59.2%	15,696.6	66,935.8
Total Planned	69,652.0	67,734.5	16,160.5	23.9%	70,160.0	78,769.8
Environmental Improvement Programme						
EIP - Parent Pot	2,200.0	439.1	0.0	0.0%	98.2	
EIP - Salaries	0.0	162.3	0.0	0.0%	41.3	
EIP - Parking	0.0	754.5	114.9	15.2%	76	
EIP - Play	0.0	66.0	8.0	12.1%	0	
EIP - Landscaping	0.0	334.2	174.7	52.3%	0	
EIP - Community Safety	321.0	778.2	221.9	28.5%	0	
EIP - Waste	0.0	511.1	220.2	43.1%	153.4	
Environmental Improvement Programme	2,521.0	3,045.4	739.6	24.3%	368.9	0.0
Total Housing Leeds 2015/16 Programme	85,050.0	84,262.8	23,586.0	28.0%	82,368.9	80,500.8
Total Belle Isle TMO programme	2,157.9	2,478.0	574.3	23.2%	1,720.0	1,720.0

Housing Leeds 2016/17 Total Spend v Estimated spend per period & Outturn projections per period



- 3.4 The planned works are now estimated at £67.7m with spend and commitments to period 4 of £16.2m representing 24% of the revised available resources. As at period 4 the HL planned programme is reporting delivery of the revised programme within the available resources in 2016/17. While the spend and commitments are slightly below the expected outturn projection at this stage of the year, programmes are expected to pick up in the later months once the full programme is committed.
- 3.5 The responsive works are now estimated at £13.5m with spend and commitments to date of £6.7m representing 50% of revised resources at period 4. Spend is well ahead of projections at period 4. Capital finance will meet with HL Mgt team with a view to adjusting the responsive budget for period 5 and overall projection for 2016/17. Of particular concern at this point of the year are the adaptations and external contractor overheads and HL Mgt team will address this with capital finance in period 5.
- 3.6 While the overall spend and commitments of £23.6m are currently under the projected 2016/17 outturn position of £84.2m at period 4, HL are currently reviewing some programmes that are causing concern per the above paragraph within the responsive programme and are planning on moving some of the budget over from the planned programme and adjusting for this in the future years programmes.
- 3.7 As previously agreed at Exec Board, and in line with the revised Business Plan, the Housing Leeds capital programme has been smoothed over several years to give an annual programme of +£82.4m and £80.5m across 2017/18 and 2018/19 respectively.
- 3.8 The revised HRA business plan once finalised will be reported to Executive board later in this financial year.

- 3.9 The Environmental programme being delivered by HL, actual spend and commitments at period 4 is £0.7m against an outturn projection of £3m. HL are on course to deliver this programme which involves delivering improvements in community safety, parking, play areas, landscaping works and Waste.
- 3.10 **BITMOs** actual spend and commitments at period 4 are £0.6m representing 24% of revised available resources of £2.5m. The 2016/17 programme will deliver 25+ schemes across Belle Isle in 2016/17. At period 2 we injected an additional £0.7m from BITMOs revenue into the 2016/17 programme.



4.0 Council House Growth Programme

- 4.1 The total funding injected and available for the Council House Growth Programme is now £102.5m. At period 4 the spend on the Council Housing Growth and new build programme is £5.2m against an outturn projection of £37m in 2016/17. Due to the nature of the programme any delay will result in slippage to this programme and adjustments to the projection will be actioned when known. Total spend on the whole programme including previous years is £21.3m against a total current budget of £102.5m.
- 4.2 We currently have **£11.6m** of unallocated funding for schemes yet to be identified. Of this unallocated funding £3.8m of this is Right To Buy (RTB) receipts, £5.4m is approved borrowing (£4m of this has to be utilised by end of March 2017 or we lose the ability to borrow) and £2.0m is HCA grant swapped to utilise our own RTB 1-4-1 funding at 30% on each scheme.
- 4.3 A more detailed Council House Growth update on the progress of the individual schemes will be provided in a separate report to the next HAB later in the year.

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 4, 2016/17.

6.0 Background documents¹ No documents referred to.