

Report of Head of Finance Resources and Housing

Report to Housing Advisory Board

Date: 3rd October 2017

Subject: HRA Capital Financial Position Period 4 2017/18

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 2017/18.
2. The attached information has been provided for the Board's consideration in relation to:-
 - Housing Leeds & BITMO refurbishment programme (section 3) and Appendix A.
 - Housing Leeds Council House Growth programme (section 4)

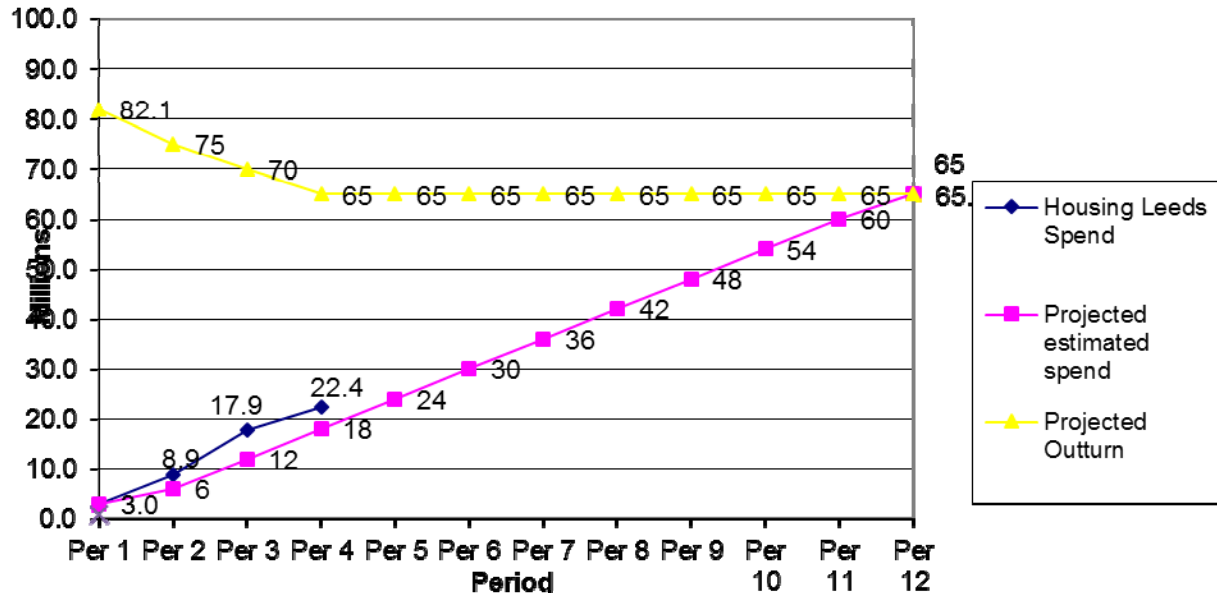
3.0 HRA CAPITAL PROGRAMME

3.1 Housing Leeds Services & BITMO

3.2 Housing Leeds actual spend and commitments at period 4 is £22.4m equating to 34% of the revised available resources at period 4. The 2016/17 Housing Leeds programme is currently £65.0m. The in year projection has been revised downward from the original capital programme £85.0m set in February 2017 to reflect the programme which Housing Leeds are expected to deliver in 2017/18 with the slippage explained at para. 3.8.

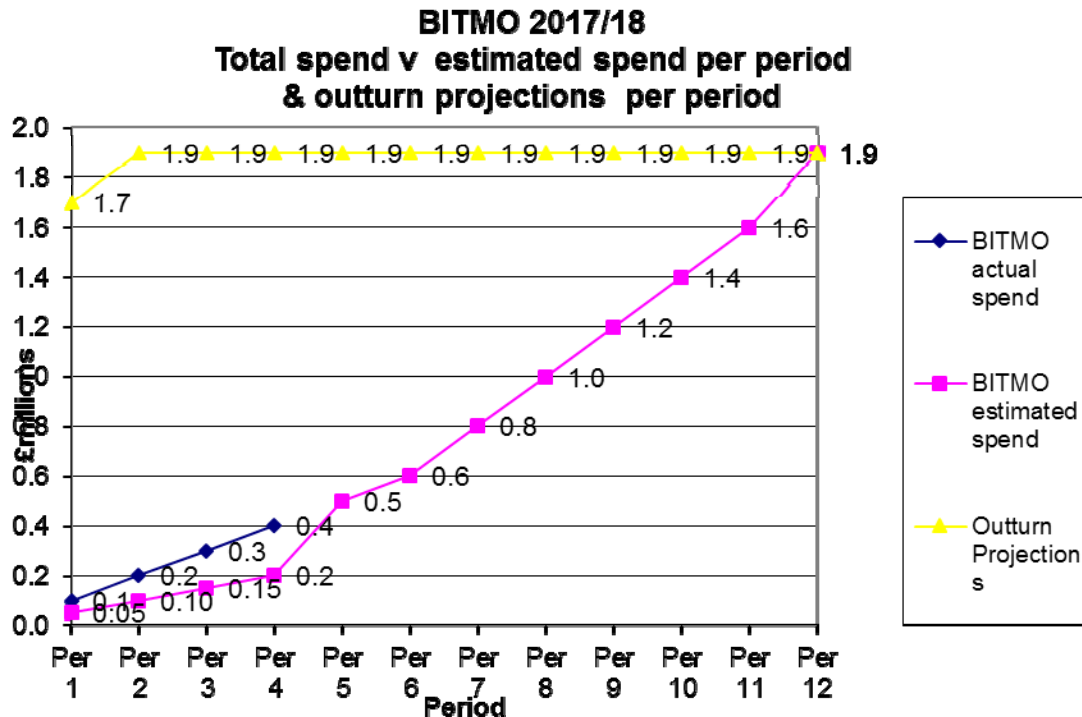
3.3 Housing Leeds & BITMO, 3 year latest estimated responsive, planned works and Environmental Improvement programme at period 4 is detailed in **Appendix A** attached with a graphical representation of the actual spend at period 4 and estimated outturn position for 2016/17 below:-

Housing Leeds 2017/18 Total Spend v Estimated spend per period & Outturn projections per period



- 3.4 The planned works are now estimated at £47.3m with spend and commitments to period 4 of £13.8m representing 29% of the revised available resources. As at period 4 the HL planned programme is reporting delivery within these resources in 2017/18.
- 3.5 The responsive works are now estimated at £15.5m with spend and commitments to date of £7.7m representing 50% of revised resources at period 4. Spend is well ahead of projections at period 4.
- 3.6 The Environmental programme is now estimated at £2.2m with spend and commitments to date of £0.9m representing 43%. HL are on course to deliver this programme which involves delivering improvements in community safety, parking, play areas, landscaping works and Waste.
- 3.7 The overall spend and commitments to date of £22.4m are in line with the projected spend position expected by HL at period 4, HL will adjust and review the outturn position to reflect any material issues in the coming months..
- 3.8 Since the capital programme was set in February 2017 slippage of £20m has been actioned to period 4. The main reasons for this are the highly complex multi storey refurbishment schemes and District Heating Network scheme, the difficulty being in designing and delivering these and in places contractor capacity.
- 3.9 The resources available for future years HRA capital were included within the HRA business plan update presented to March 2017 Executive Board and any revision to these will be included in the overall Quarter 2 capital programme update to Executive Board in November 2017.

- 3.10 **BITMOs** actual spend and commitments at period 4 are £0.4m representing 21% of available resources of £1.9m. The BITMO capital programme will deliver 20+ schemes across Belle Isle in 2017/18. Allocations of £1.72m are provided for in both 2018/19 and 2019/20.

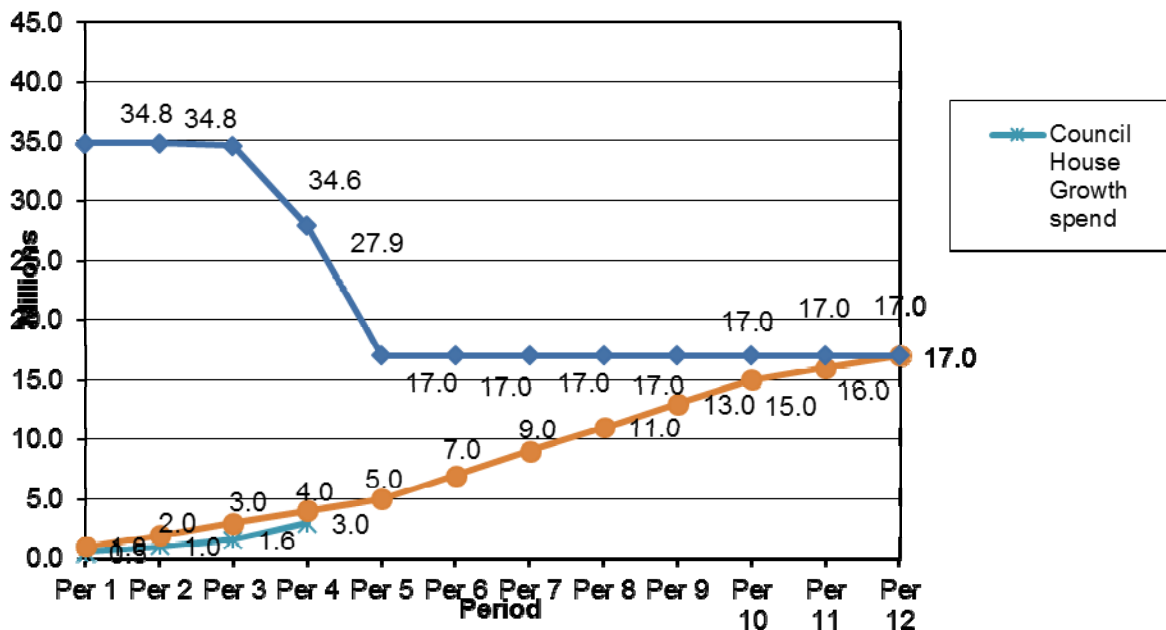


4.0 Council House Growth Programme

- 4.1 At period 4 the spend on the Council Housing Growth and new build programme is £3.0m against an outturn projection of £27.9m in 2017/18. Total spend on the whole programme including previous years is £35.1m against a total current budget of £108.3m.
- 4.2 Progress to period 4 2017/18 on the Newbuild workstream is that 5 schemes are now complete at a cost of £17.9m. 3 schemes are on site with a combined construction value of £11m, Broadlee Street, Garnet Grove and the former Whinmoor Public House. 3 schemes are in procurement/feasibility at the Beeches, Nevilles and Meynall Approach.
- 4.3 110 long term empty homes have been acquired since 2014. This includes the conversion and / or repair of some community centres and former caretaker properties. The average cost per unit is £90K. Currently 16 properties are in the conveyancing process and the scheme is on track to complete, within budget, in this financial year.
- 4.3 An extra care programme of £30m is now included within the current programme. An outline programme has been developed, to be finalised once agreement has been made on first sites to be delivered and timescales for site investigations have been established.

- 4.4 In order to maximise our funding mix within the overall programme we are currently in discussion with DCLG asking for a relaxation of the borrowing cap and on the restrictions on blending the funding streams (RTB receipts with HCA grant) in order to be able to maximise utilisation of these resources.
- 4.5 A more detailed Council House Growth update on the progress of the individual schemes will be provided in a separate report to the HAB meeting of 28th November.

**Council House Growth Programme 2017/18
Total spend v Estimated spend per period
& outturn projections per period**



5.0 Recommendation

5.1 Housing Advisory Board is requested to:

5.2 note the Housing Leeds and BITMO refurbishment programmes position at period 4 2017/18 as set out in the narrative at 3 - 3.14 and set out in App A.

5.3 Note the Council House Growth programme financial position at period 4, 2017/18 and that a more detailed Council House Growth update on the progress of the individual schemes will be provided in a separate report to the HAB meeting 28th November.

6.0 Background documents¹ No documents referred to.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.