

21. HOUSING CAPITAL 2015-16 OUTTURN AND UPDATED 2016-17 TO 2017-18 BUDGET

The Council Executive considered a report (copies of which had been circulated) by the Depute Chief Executive providing a copy of the financial outturn in relation to the Housing Capital Programme for 2015-16 and an updated 2016-17 to 2017-18 Housing Capital Budget.

The Depute Chief Executive explained that the revised Housing Capital Programme for 2015-16 of £36.491 million was approved by Council Executive on 30 June 2015. Actual expenditure to 31 March 2016 amounted to £34.893 million.

Expenditure was broadly in line with the month 9 position reported to Council Executive on 16 February 2016 and was inclusive of expenditure incurred on emergency repair costs at Rashiehill, Breich. The out-turn position also included an £185,000 provision for settlement of abnormal costs associated with the sale of HRA land to Almond Housing Association in March 2007.

Table 1 in the report summarised the final outturn position of £34.893 million with a commentary on the major variances and budget headings detailed in Appendix 1 attached to the report. The report also provided a narrative on a number of headings including new build, major refurbishments, roof and roughcast work and the overall planned programme.

The Depute Chief Executive continued to advise that on 23 February 2016, the council had approved a Housing Capital Programme of £79.542 million for 2016-17 and £29.576 million for 2017-18. These budgets incorporated an assessment of 2015-16 out-turn expenditure, recognising potential acceleration and slippage on multi-year programmes during 2015-16. The approved budgets had now been refined to take account of the final out-turn position and to include latest project phasing assumptions as well as updated cost estimates.

Therefore taking all relevant factors together a revised Housing Capital programme of £62.450 million in 2016-17 and £55.653 million in 2017-18 was proposed. The report continued to provide a narrative on the new house build project.

The report concluded that there had been significant capital investment in the housing stock for 2015-16. Total expenditure during the financial year amounted to £34.893 million, which represented material investment in both new build houses of £16.609 million and other investment of £18.284 million. This investment in new homes and existing housing stock would continue into 2016-17 and 2017-18 with a planned Housing Capital Programme of £118.103 million over the two year period.

It was recommended that the Council Executive :-

1. Note the final outturn position for financial year 2014-15; and

2. Approve the updated Housing Capital budget for 2016-17 to 2017-18 to take account of the 2015-16 out-turn position and latest funding assumptions.

Decision

To approve the terms of the report