

## **WEST DUNBARTONSHIRE COUNCIL**

### **Report by Executive Director of Housing, Environmental and Economic Development**

**Housing, Environment and Economic Development: 8 October 2008**

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**Subject: HRA Capital Programme 2008/2009 Budgetary Control Report to 15 August 2008 (Period 4)**

#### **1. Purpose**

- 1.1** The purpose of this report is to advise the Committee on the progress of the HRA Capital Programme 2008/2009. Budgetary control statements for the HRA Capital Programme are also presented to the full Council to allow the Members to monitor performance.

#### **2. Background**

- 2.1** Council agreed the 2008/2009 HRA Capital Programme at its Budget meeting on 14 February 2008. This report details expenditure against the various budget headings up to 15 August 2008.

#### **3. Main Issues**

- 3.1** The projected expenditure on the Capital Programme, with matched projected resources, is £16.902m (see Appendix A).
- 3.2** A summary of the expenditure to 15 August 2008 on each main budget heading is attached at Appendix B. Expenditure to 15 August 2008 totals £4.595m.
- 3.3** The Committee will note that the actual spend to 15 August 2008 is compared to the phased capital budget at 15 August 2008 amounting to £4.428m, resulting in a spend of £0.167m greater than anticipated in the phased estimates.
- 3.4** Details of the actual expenditure and phased budget to 15 August 2008 on each budget heading are attached at Appendix C.
- 3.5** Brief explanations of the main variances are as follows;
- i) Kitchen Upgrades - Underspending £233,000  
  
This underspending is the result of the timing of the expenditure being behind the budget phasing at this point in the financial year, and no year end underspend is being predicted on this budget.
  - ii) uPVC Windows/Doors - Overspending £141,000

No budget had been allowed for this item of expenditure as the capital uPVC component replacement programme had wound down. However uPVC components are still being ordered on responsively and budget provision will be required in the future.

iii) Void House Strategy - Overspending £230,000

The spend to date on the Void House Strategy is higher than anticipated and the position is currently being investigated.

iv) Central Heating - Overspending £231,000

This overspend is as a result of more obsolete boilers and systems being discovered during annual gas maintenance visits and it is anticipated that the budget will now overspend by around £500,000 to a total of £1.5m.

- 3.6** Although we are anticipating some overspends on certain individual budgets, the year end position overall is still being predicted as a total spend of around £16.902m, as some projects will underspend against their budgets which will compensate for those projects which are overspending.

**4. Personnel Issues**

- 4.1** There are no personnel issues.

**5. Financial Implications**

- 5.1** The financial implication of this report is that the Council has spent £4.595m to the 15 August 2008 against a phased budget of £4.428m resulting in a phased overspend as at 15 August 2008 of £0.167m.

**6. Risk Analysis**

- 6.1** The present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2009 which could affect the year end spend.

**7. Conclusion**

**7.1** The report identifies a phased overspend against phased budget of £0.167m, but the year end position is still being predicted as a total spend of around £16.902m, as some projects will underspend against their budgets which will compensate for those projects which are overspending.

**8. Recommendation**

**8.1 The Committee is asked to note the contents of this report.**

**Elaine Melrose**

**Executive Director of Housing, Environmental and Economic Development**

**Date: 19 September 2008**

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**Appendices:** Appendix A - Capital Programme Resources  
Appendix B - Summary of Expenditure to 15 Aug. 2008  
Appendix C - Details of Expenditure to 15 Aug. 2008

**Background Papers:** None

**Wards Affected:** All