

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environmental and Economic Development Committee:
7 September 2011

Subject: HRA Capital Programme 2011/2012 Budgetary Control Report to 31 July 2011 (Period 4)

1. Purpose

1.1 The purpose of this report is to advise Members on the progress of the HRA Capital Programme 2011/2012 and to allow the Committee to monitor performance.

2. Background

2.1 Council agreed the 2011/2012 HRA Capital Programme at its meeting on 30 March 2011 with a planned spend of £20.561m. This has now been updated to take account of 2010/11 capital grant income identified to be carried into 2011/12.

2.2 This report details expenditure against the various budget headings up to 31 July 2011.

3. Main Issues

3.1 The projected expenditure on the Capital Programme, with matched projected resources, is £20.766m (see Appendix A).

3.2 Since Council on 30 March 2011, additional resources have been identified which funds the following projects and have a nil effect on the net capital budget:

Funding agreed by Council 30 March 2011	£20.561m
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Grant Funded Projects carried forward from 2010/11

Social Sector Stage 3	£0.125m
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Universal Home Insulation Scheme	£0.080m
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Revised capital plan	£20.766m
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3.2 A summary of the expenditure to 31 July 2011 on each main budget heading is attached at Appendix B. Expenditure to 31 July 2011 totals £3.335m.

- 3.3** Members will note that the actual spend to 31 July 2011 is compared to the phased capital budget at 31 July 2011 amounting to £3.554m, resulting in an under spend to date of £0.219m.
- 3.4** Details of the actual expenditure and phased budget to 31 July 2011 on each detailed budget heading are attached at Appendix C.
- 3.5** The underspend is mainly due to the fact that structural works to the value of £0.950m are unlikely to go ahead. It is anticipated that officers will recommend virement of this budget to other projects, and a request will be submitted to Council in due course.

4. People Implications

- 4.1** There are no people implications.

5. Financial implications

- 5.1** There are no financial implications at present.

6 Risk Analysis

- 6.1** The main risks are as follows:

- (a) As a consequence of current market conditions, capital receipts from house sales may either not be received or they may be less than anticipated.
- (b) 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 2012 which could affect the year end spend.

7. Equalities, Health & Human Rights Impact Assessment (EIA)

- 7.1** No equalities impact assessment was required in relation to this report.

8. Strategic Assessment

- 8.1** The Council has identified four main strategic priorities for 2011/2012, namely Social & Economic Regeneration, Financial Strategy, Asset Management Strategy; and Fit for Purpose Services.
- 8.2** The HRA capital plan contributes to both Social & Economic Regeneration and the Asset Management Strategy via the provision of high quality housing.

9. Conclusions and Recommendations

- 9.1** The 2011/2012 capital plan reported to Council in March has been updated for known changes. Spend to date is lower than the profiled budget, however, this will be monitored and appropriate action taken as necessary.
- 9.2** Members are asked to note the position to date as outlined in appendices A, B and C.

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Date: 25 August 2011

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- Appendices:** Appendix A - Capital Programme Resources
Appendix B - Summary of Expenditure to 31/07/11
Appendix C - Details of Expenditure to 31/07/11
- Background Papers:** HRA Capital Programme 2011/12 - Council 30 March 2011
- Wards Affected:** All Wards