

WEST DUNBARTONSHIRE COUNCIL

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

Council: 27 April 2011

Subject: HRA Capital Programme 2010/2011 Budgetary Control Report to 28 February 2011 (Period 11)

1. Purpose

- 1.1** The purpose of this report is to advise the Council on the progress of the HRA Capital Programme 2010/2011. Budgetary control statements for the HRA Capital Programme are also presented to the Housing, Environment and Economic Development Committee to allow the Committee to monitor performance.

2. Background

- 2.1** Council agreed the 2010/2011 HRA Capital Programme at its meeting on 24 February 2010. This report details expenditure against the various revised budget headings up to 28 February 2011.

3. Main Issues

- 3.1** The projected expenditure on the Capital Programme, with matched estimated resources, is £16.767m (see Appendix A).
- 3.2** Additional expenditure and resource of £0.019m has been identified within the HRA Capital Plan related to Universal Home Insulation Scheme funding which has a nil effect on the net capital budget.
- 3.3** A summary of the expenditure to 28 February 2011 on each main budget heading is attached at Appendix B. Expenditure to 28 February 2011 totals £12.002m.
- 3.4** Members will note that the actual spend to 28 February 2011 is compared to the phased capital revised budget at 28 February 2011 amounting to £13.627m, resulting in a favourable variance of £1.625m.
- 3.5** Details of the actual expenditure and phased revised budget to 28 February 2011 on each detailed budget heading are attached at Appendix C.

3.6 An explanation of variances over £100,000 is given below;

i) Re-roofing/Gutter Improvements - Favourable £0.713m

The overall favourable variance as noted above is partly due to the combined impact of competitive tendering and the under realisation of provisional allowances for chimney removals within the contracts. This is in addition to the severe inclement weather which has impacted on each contractor's ability to carry out roof works

ii) Void House Strategy - Adverse £0.108m

Capitalised void work has been greater than expected following the concerted efforts to maintain the reduction in the number of empty houses.

iii) Central Heating - Favourable £0.549m

The severe weather has adversely impacted on both delivery of materials and the general ability of contractors to travel to engage in work on site and external preparatory work (e.g. external flues, gas mains)

iv) Lift Upgrades - Favourable £0.329m

The first payment for the new contract is not due until March when materials are delivered to site, projected spend has been revised on the basis of contractor's advice that only 75% of materials will initially be delivered to site. The remaining 25% of materials will be funded from the 2011/12 budget.

4. People Implications

4.1 There are no implications.

5. Financial Implications

5.1 The Council has spent £12.002m to 28 February 2011 against a phased revised budget of £13.627m resulting in a favourable variance of £1.625m. Action has been taken, where possible, to minimise slippage being carried forward into 2011/12.

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 2011 which could affect the year end spend.

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

7.1 No significant issues were identified in a screening for potential equality impact of this report.

8. Conclusions and Recommendations

8.1 The report identifies a favourable variance against the phased probable outturn as at 28 February 2011 of £1.625m.

8.2 Members are asked to note the contents of this report.

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Date: 28 March 2011

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Appendices: Appendix A - Capital Programme Resources
Appendix B - Summary of Expenditure to 28/02/11
Appendix C - Details of Expenditure to 28/02/11

Background Papers: Ledger output
HRA Capital Budgetary Control Report - Council 30 March 2011

Wards Affected: All