

Agenda



West Dunbartonshire Council

Date: Wednesday, 4 March 2026

Time: 16:00

Format: Hybrid meeting

Contact: Carol-Ann Burns, Senior Democratic Services Officer
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Dear Member

Please attend a meeting of **West Dunbartonshire Council** as detailed above.

Members will have the option to attend the meeting remotely or in person at the Civic Space, 16 Church Street, Dumbarton.

The business is shown on the attached agenda.

Yours faithfully

PETER HESSETT

Chief Executive

Distribution:-

Provost Karen Murray Conaghan
Councillor James Bollan
Councillor Kevin Crawford
Councillor Ian Dickson
Councillor Diane Docherty
Councillor Fiona Hennebry
Councillor Gurpreet Singh Johal
Councillor Daniel Lennie
Councillor David McBride
Councillor Jonathan McColl
Councillor Michelle McGinty

Councillor June McKay
Councillor John Millar
Councillor Lawrence O'Neill
Councillor Lauren Oxley
Councillor Chris Pollock
Councillor Martin Rooney
Councillor William Rooney
Councillor Gordon Scanlan
Councillor Hazel Sorrell
Councillor Clare Steel
Councillor Sophie Traynor

Chief Executive
Chief Officers

Date of issue: 19 February 2026

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WEST DUNBARTONSHIRE COUNCIL

WEDNESDAY, 4 MARCH 2026

AGENDA

1 STATEMENT BY CHAIR – AUDIO STREAMING

The Chair will be heard in connection with the above.

2 APOLOGIES

3 DECLARATIONS OF INTEREST

Members are invited to declare if they have an interest in any of the items of business on the agenda and the reasons for such declarations.

4 RECORDING OF VOTES

The Council is asked to agree that all votes taken during the meeting will be carried out by roll call vote to ensure an accurate record.

5 OPEN FORUM

The following Open Forum question has been submitted:-

Question from Dr John Mooney

‘What is West Dunbartonshire Council doing to reduce racism and sectarianism in our communities?’

6 GENERAL SERVICES BUDGET SETTING 2026/27, AND 2027/28 TO 2030/31 BUDGET ESTIMATES **To Follow**

Submit report by the Chief Officer – Resources:-

- (a) summarising the key issues relating to the revenue budget estimates and setting of Council Tax for 2026/27 and the Council’s capital plan, and providing budget estimates for 2027/28 to 2030/31; and
- (b) seeking approval to set the General Services revenue and capital budgets for 2026/27 through approval of options to close the 2026/27 revenue budget gap.

- 7 CAPITAL STRATEGY 2026/27 TO 2035/36 5 – 39**
- Submit report by the Chief Officer – Resources providing the updated capital strategy for the period 2026/27 to 2035/36.
- 8 CHARGING POLICY FOR NON-RESIDENTIAL CARE SERVICES 2026/2027 To Follow**
- Submit report by the Chief Officer – Health & Social Care Partnership providing an overview of the proposed changes to West Dunbartonshire Council's Charging Policy for Non-Residential Care Services 2026/2027 for consideration and approval.
- 9 HOUSING REVENUE ACCOUNT (HRA), HOUSING CAPITAL INVESTMENT PROGRAMME, REVENUE BUDGET, AND RENT LEVELS FOR 2026/27 41 – 65**
- Submit report by the Chief Officer – Housing seeking approval of the proposed HRA capital investment programme 2026 to 2031 and the HRA revenue budget for 2026/27, and agreement of the level of weekly rent increase for 2026/27.
- 10 DATE OF NEXT MEETING**
- Members are requested to note that the next ordinary meeting of West Dunbartonshire Council is scheduled to be held on Wednesday, 25 March 2026 at 4.00 p.m.

West Dunbartonshire Council
Report by the Chief Officer - Resources
Council: 4 March 2026

Subject: Capital Strategy 2026/27 to 2035/36

1. Purpose

- 1.1 The purpose of this report is to provide Members with West Dunbartonshire Council's (the Council) updated capital strategy for the period 2026/27 to 2035/36.

2. Recommendations

- 2.1 To approve West Dunbartonshire Council's updated capital strategy for the period 2026/27 to 2035/36.

3. Background

- 3.1 In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued revised Prudential and Treasury Management Codes. As from 2019/20, all local authorities are required to prepare a Capital Strategy which provides:

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability.

- 3.2 The Council's first Capital Strategy was approved by Council in March 2019 and is subject to an annual update.

4. Main Issues

Capital Strategy

- 4.1 The revised Capital Strategy covers the period 2026/27 to 2035/36 which is the same period covered by the revised Council capital plan reported to Council as part of a separate budget report to this Council meeting.
- 4.2 There are some minor changes in relation to updated information on dates for the various individual strategies which feed into the overall capital strategy. These strategies are approved at the appropriate Committees during the year.

5. Option Appraisal

5.1 No option appraisal was required for this report.

6. People Implications

6.1 There are no personnel issues.

7. Financial and Procurement Implications

7.1 There are no direct financial or procurement implications arising from this report.

8. Risk Analysis

8.1 While the appended report provides the capital strategy of the Council there are three main risks associated with long term capital planning. These risks are noted below along with assurances over existing procedures to mitigate these risks.

Risk	Mitigation
Capital plans are not fully aligned to Council strategic objectives	Council has controls included within the prioritisation and approval process to mitigate this risk.
Non-deliverability of capital investment plans	Council has management and monitoring controls, including regular capital budget reporting, that will assist in mitigating this risk.
Inflation may increase capital expenditure levels, which may affect the capital financing and borrowing requirement leading to an increase in borrowing, assuming no additional capital receipts are available	Council has management and monitoring controls, including regular capital budget reporting, that will assist in mitigating this risk. This includes reconsidering the inclusion of capital projects in the capital programme due to concerns around affordability.

9. Equalities Impact Assessment

9.1 No equalities impact assessment was required in relation to this report.

10. Environmental Sustainability

10.1 No assessment of environmental sustainability was required in relation to this report.

11. Consultation

11.1 The views of Legal Services have been requested on this report and have advised there are neither any issues nor concerns.

12. Strategic Assessment

12.1 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan.

12.2 The capital strategy contributes to the Financial Strategy via the interdependency that exists between pro-active long term capital planning and the formulation of long term financial plans.

Laurence Slavin
Chief Officer – Resources
27 January 2026

Person to Contact:	Chief Officer - Resources Council Offices, Church Street, Dumbarton Email: laurence.slavin@west-dunbarton.gov.uk
Appendix:	Capital Strategy 2026/27 to 2035/36
Background Papers:	Capital Prudential Indicators 2025/26 to 2033/34 and Treasury Management Strategy 2025/26 to 2033/34 (Council 26 March 2025)
Wards Affected:	No wards directly affected.



West Dunbartonshire Council

Capital Strategy

2026/27 to 2035/36

March 2026

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Chapter One - Overview

Introduction

The Capital Strategy for West Dunbartonshire Council (the Council) provides an overview of how capital expenditure plans reflect the Council's capital investment ambition while ensuring the links between capital investment, capital financing, treasury management, asset management plans/strategies and the Council's revenue budgeting cycle and long-term financial planning are maintained.

The Capital Investment Strategy is a reporting requirement introduced by the 2017 edition of the CIPFA Prudential Code. Local authorities produce many plans and strategies in the course of their operations; however, it is recognised that within the context of capital planning, there is a need to produce an overarching view that addresses the following key considerations:

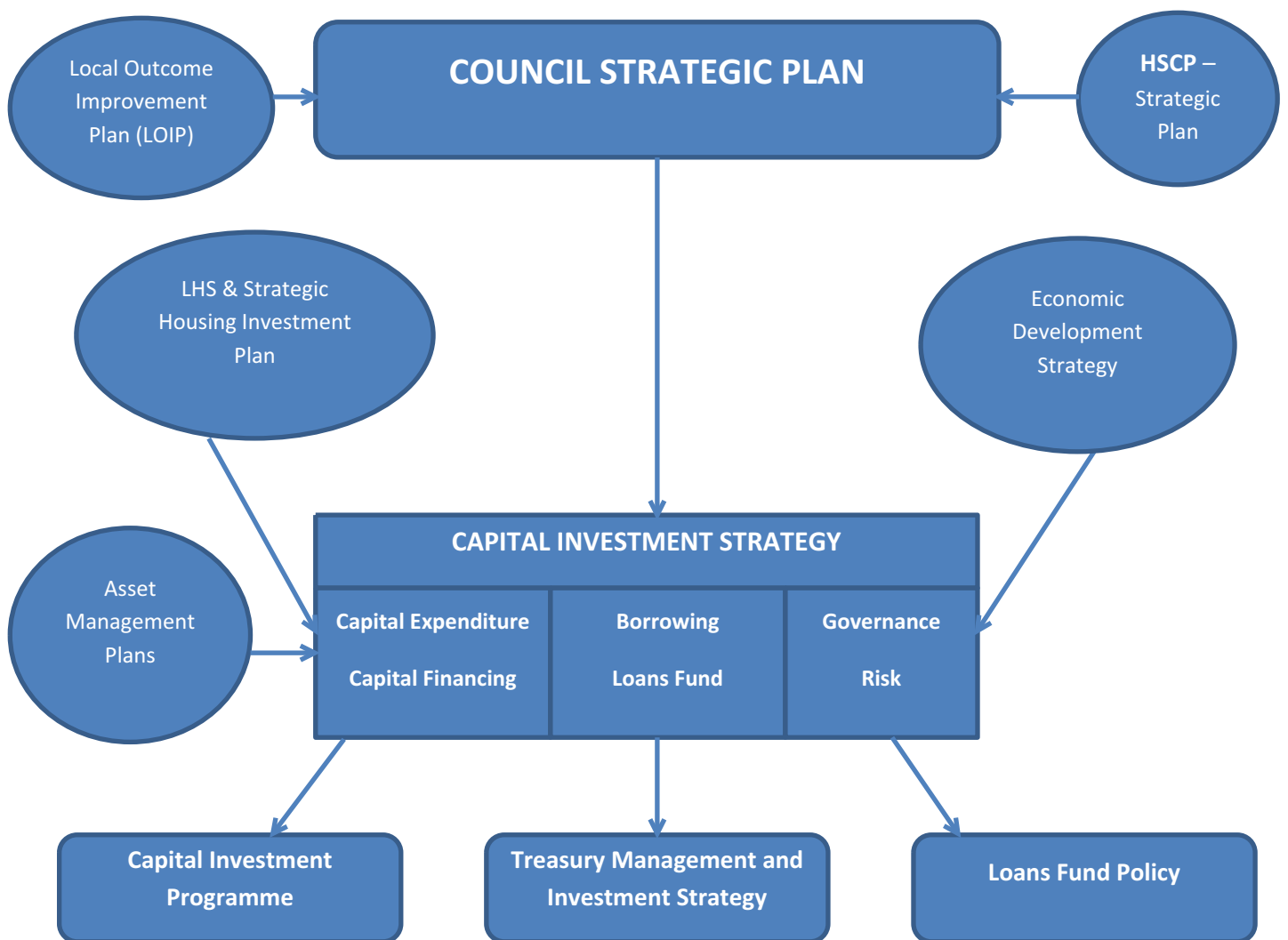
- ensuring capital plans are aligned to the Council's strategic priorities
- ensuring capital plans are affordable, prudent and sustainable
- demonstrating the linkage to local strategic and local asset management planning
- ensuring financing decisions are taken in accordance with good professional practice and a full understanding of the risks involved
- ensuring lifecycle revenue costs are understood
- demonstrating the Council has robust governance arrangements to support its capital planning activities.

The Strategy is the policy framework document that sets out the principles to be used to guide the allocation of capital investment across the Council's services and informs decisions on capital spending priorities within the General Fund 10 year capital plan (2026/27 to 2035/36) and the Housing Revenue Account (HRA) 5 year capital plan (2026/27 to 2030/31). Included within this strategy document is a statement by the Section 95 Officer on the delivery, affordability and risks associated with this strategy.

Background

The Council is ambitious and has plans to deliver significant capital investment over the next 10 year capital planning period across housing, schools, economic regeneration and infrastructure. The Council works in partnership with other agencies in the delivery of this investment, including the Scottish Government and Glasgow City Region City Deal.

The Capital Investment Strategy takes account of the Council's strategic priorities and considers any new investment within the context of outcomes, affordability, sustainability or spend to save. There is also recognition of the need to balance investment between maintaining current assets and infrastructure against the ambitions for acquiring new assets. The Council's current capital programme is shaped and influenced by various associated strategies and plans, as illustrated as follows:

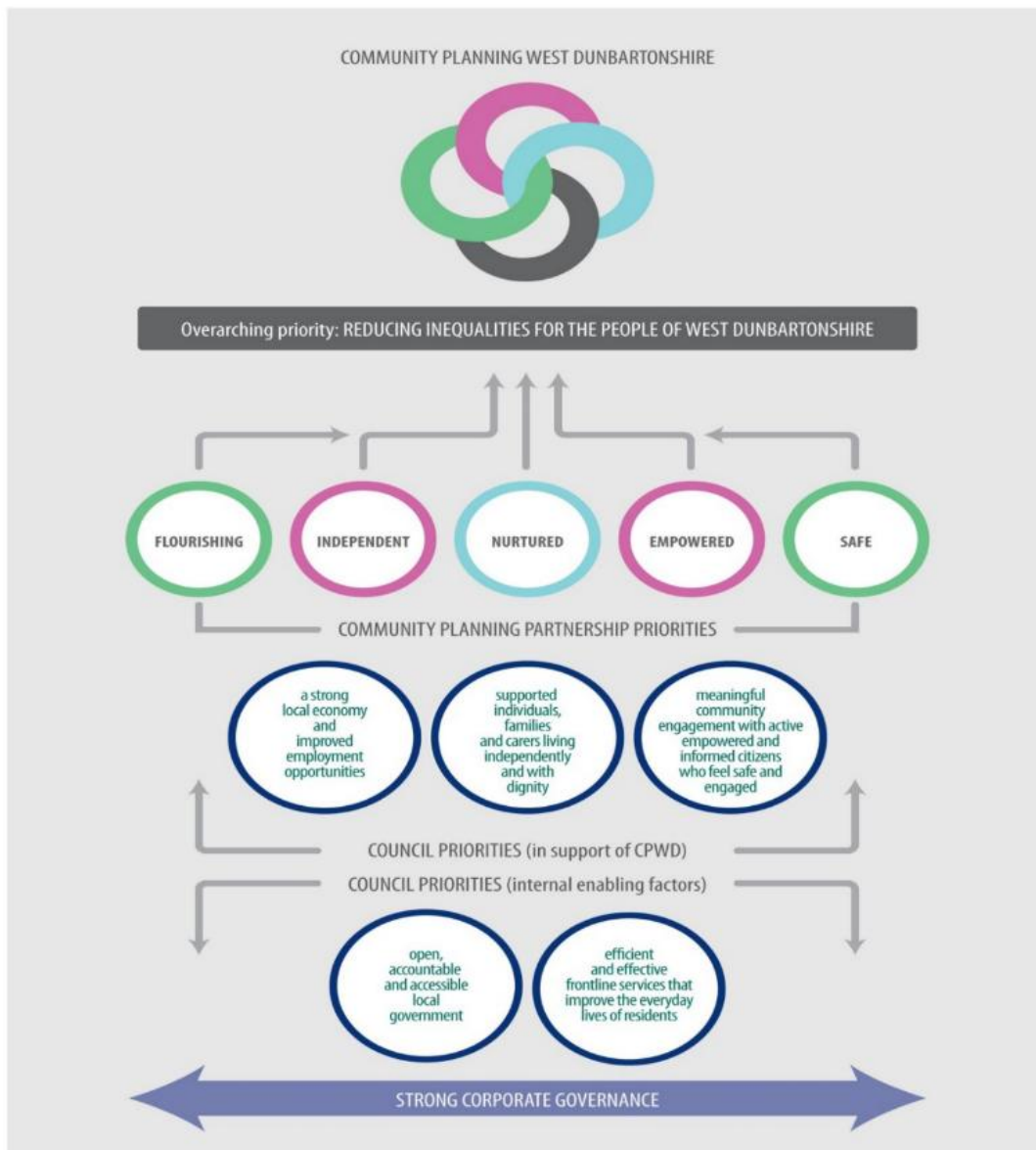


The primary purpose of the Capital Investment Strategy is to provide an overarching view of how various plans and strategies inform capital investment and to demonstrate this is affordable and sustainable. The associated plans and strategies each focus on specific priority areas and, through appropriate governance structures, ultimately shape and influence the investment plans delivered through the Capital Investment Programme. Underpinning the Capital Investment Programme is the Treasury Management and Investment Strategy and Loans Fund Policy. Both ultimately consider the delivery of the capital programme within the context of affordability and risk and apply a measurement of what this means against key prudential and treasury indicators. The aim being to demonstrate affordability and sustainability over the long term.

Plans and Strategies

West Dunbartonshire Council Strategic Plan 2022-2027

The vision for the Council is to: “Deliver services which build on the strength and resilience of our neighbourhoods and supporting all residents to fulfil their individual potential, and that of their communities”. The Council has 5 Strategic Priorities that link to the Community Planning West Dunbartonshire’s Local Outcome Improvement Plan, with an overarching priority of reducing inequalities for the people of West Dunbartonshire, as illustrated below:



Health and Social Care Partnership Strategic Plan

The strategic plan has been created in partnership with the third and independent sector, public health, community planning partners, local communities and people who use the service. The vision and our desire is to ensure that our citizens have access to the right care, at the right time and in the right place. It involves a range of activities, centred around a continuous cycle of “analyse, plan, do and review” and is iterative and dynamic to support collaborative system change across health and social care and all partners working in our communities. The HSCP Strategic Plan has identified the following Strategic Priorities:

- Early Intervention
- Access
- Resilience
- Assets
- Inequalities.

Asset Management Plans

The Council has a number of asset management plans, each of which covers a 5 year period. The following diagram illustrates the linkage between the overarching Corporate Asset Management Strategy and the underlying asset plans that are in place for each asset category.



The overarching document is the Corporate Asset Framework which was approved on 1 February 2023 at Infrastructure Regeneration and Economic Development Committee. The aim of the Asset Management Strategy is to ensure that our assets are managed in a corporate, coherent and prioritised fashion, as a mechanism to support the delivery of key services; ensuring their efficiency and effectiveness in meeting the current and future needs of communities within West Dunbartonshire.

Strategic well-executed asset management is an essential component for the Council and is fundamental to being able to demonstrate that the Council is delivering in the context of the Best Value agenda. The Council therefore has a responsibility to ensure that:

- assets are managed on a strategic basis so that they enhance and improve service delivery
- the asset base is aligned to the organisation's strategic priorities and objectives and that they are managed in an active, effective and efficient manner.

Sound and efficient management of our assets has a significant part to play in continuing to improve and develop our services to the Community. Therefore, core services such as Education, Health & Social Care Partnership, Housing, etc. must continue to articulate their strategic direction in the short, medium and long term and support the translation of these priorities and their implications in terms of asset requirements to enable the effective development and delivery of Services. Effective Asset Management as well as improving efficiency and effectiveness, can:

- generate resources through income by selling surplus assets
- generate long term revenue efficiencies as those assets would no longer be a burden on resources.

The Corporate Asset Management Strategy is supplemented by individual asset management plans and Delivery Plans. These plans follow the guidance from the Chartered Institute of Public Finance and Accounting (CIPFA) advising that local authorities should classify assets under 6 categories:

- Property (including investment and disposals)
- Open Spaces
- Roads Structures & Lighting
- Housing
- Vehicle Fleet & Plant
- Information and Communication Technology (ICT).

The Council's approach to the management of these categories requires detailed asset management plans which have been developed within the context of this strategic framework and approved by the appropriate Committee for each category.

Each of the asset management plans takes account of six key drivers which are promoted by CIPFA as being critical to effective asset management. These drivers in turn will

influence the capital projects that are both in the current capital investment plan and are proposed for future inclusion. The key drivers are:

- Condition
- Suitability
- Sufficiency
- Revenue Costs
- Accessibility
- Value.

Local Housing Strategy 2022-27 and Strategic Housing Investment Plan 2023/24-27/28

The key strategic outcomes for the Local Housing Strategy for West Dunbartonshire include ensuring the supply of housing meets the needs and aspirations of local people that they live in good quality homes which are located in strong, safe communities. The Strategic Housing Investment Plan (SHIP) sets out the priorities for affordable housing investment in West Dunbartonshire over the next five years:

- Health and Educational benefits
- Contribute to Regeneration of West Dunbartonshire
- Sustainable Investment
- Meet Local Demand and Aspirations
- Maximise Return on Investment and achieve Value for Money.

The SHIP will secure investment across the Council and provide sustainable, affordable, accessible high quality homes which will contribute to the wider regeneration aims for the area.

In addressing projected demographic trends in West Dunbartonshire new build homes will be designed for future needs of an ageing population with cognisance taken in the design stage for changing mobility needs. The SHIP supports the Health and Social Care Partnership to meet specialist housing need through dedicated supported accommodation projects.

The Council also recognises that bringing former social housing stock back into social ownership can increase the level of housing stock available as well as supporting regeneration in the area. As such, a buy-back programme has been incorporated into the SHIP.

Making sustainable investment in housing is a key priority within the SHIP and this is achieved by incorporating energy efficiency measures and renewable technologies within the new build programme. The developments benefit from a range of sustainable measures including solar photovoltaic panels, district heating schemes and design measures to minimise space heating demand. This investment aligns to the Council's Environmental,

Sustainability and Climate Change Strategy in supporting affordable warmth to households across the Council.

The regeneration of Council communities is a strategic priority within the Council Plan and the SHIP. Through housing led regeneration and the provision of high-quality homes, desirable communities are created where people want to live and which in turn can also attract private sector investment.

Finally, it is recognised that new build housing also provides benefits to health, wellbeing and can contribute positively to educational attainment. New energy efficient, high-quality homes can alleviate symptoms in a number of respiratory illnesses and young people can benefit from improved cognitive development and less risk of behavioural issues when living in warm, high-quality housing.

Other plans and strategies

In addition to the asset management plans outlined above there are a number of other plans, strategies and approaches that influence the level and type of capital investment undertaken by the Council.

- West Dunbartonshire Strategic Plan
- Strategic service delivery plans
- Schools Estate Strategy
- Early Years Strategy
- Asset Disposal Strategy
- Regeneration charrettes.

Capital Investment

Capital Investment is a highly regulated area of finance and is clearly defined both externally and internally by CIPFA's Code of Practice (underpinned by financial reporting standards) and the Council's Capital Guidance document which can be located in the Treasury and Capital section of the Council's intranet.

In summary capital investment is defined as expenditure that can be directly attributed to the acquisition, creation or enhancement of items of property, plant and equipment or the acquisition of rights over certain longer term intangible benefits. In contrast revenue expenditure is incurred in providing a service on a day-to-day basis and the benefit is immediately consumed by the Council.

The value of the Council's assets as at 31 March 2025, per the unaudited accounts are detailed in the table below and illustrates the diversity and scale of the asset base:

Asset Classification	£000
Operational land and buildings	460,405
Commercial land and buildings	39,345
Surplus assets	6,005
Assets under construction	110,296
Council dwellings	527,250
Infrastructure assets	109,234
Vehicles, plant and equipment	19,020
Community Assets	7,853
Total Asset Value	1,279,408

While this strategy focuses on the Council's management of its own investment in assets, a wider view of capital investment throughout the Council area (by other public organisations and the private sector) will influence both the Council's capital spend and the ability of the Council to meet its strategic priorities:

- Reducing inequalities for the people of West Dunbartonshire
- A strong local economy and improved job opportunities
- Supported individuals, families and carers living independently and with dignity
- Meaningful engagement with active, empowered and informed citizens who feel safe and engaged
- Open, accountable and accessible local government
- Efficient and effective frontline services that improve the everyday lives of residents.

The Capital Strategy sets out a number of guiding principles, however a balance is required between guidance and prescription to allow a flexible approach to be taken and to enable the Council to adapt and reflect in times of uncertainty.

The management of both the General Fund and HRA capital plans are supported by the Council's financial regulations and financial code of practice.

Guiding principles

Long term capital investment plans cannot be developed in isolation but instead are informed by a number of key principles which are explored further in this document:

- Approach to borrowing - ensuring that the Council complies with the CIPFA Prudential Code and that borrowing is prudent, affordable and sustainable in the long term.
- Approach to development and monitoring of long-term capital investment plans - ensuring all plans make a positive contribution to the overall Council strategic priorities and all plans are clearly linked to asset management planning and any other relevant plans/strategies.

- Approach to treasury management - ensuring there is a close relationship between long term capital investment plans and overall treasury management.
- Approach to financial planning - ensuring the impact of long-term capital investment plans are detailed within the Council's Long Term Financial Plan and annual budget reports.

Linkage of capital plan to internal plans and strategies

Any capital investment plans undertaken by the Council must link to one of the Council's key priorities and contribute to the documented aims and objectives. The capital bids are determined by a number of internal plans and strategies (as described above).

External influences on capital planning

The internal plans and strategies outlined in the previous section will determine the capital strategy for both the management of the existing asset base and future capital investment requirements; however external influences will impact on the Council's ability to deliver the aims and objectives. The level to which the Council is able to mitigate against these externalities will depend on both the risk and materiality of them.

External influences can be considered under a PESTLE analysis and some of the main externalities are explored in more detail below:

Political

Much of the activity undertaken by the Council is governed by statute and in turn this has implications for capital investment required by the Council. Examples of such statutory implications are:

- National housing policy
- School regeneration
- Scottish housing standards
- Energy efficiency standards.

Economic

Both the UK and the wider global economy have an impact on both the Council's ability to undertake capital borrowing and effectively manage its asset disposal strategy.

- Capital borrowing considerations:
 - While the Council is able to borrow money from the money market or from the Public Works Loans Board to fund capital investment it is essential this is done in as efficient a way as possible to ensure best value for both Council tenants and Council taxpayers
 - The Council takes a prudent approach to borrowing, paying particular regard to the robustness of the management and monitoring of the capital investment plan, loan charge forecasting models and the impact any deviations will have on the level of prudential borrowing required.

- Asset disposal considerations:
 - Those properties which have been declared surplus are grouped into three separate categories based on importance. In prioritised order, they are:
 - Strategic sites – sites that could bring significant economic impact
 - Rationalisation programme – land and buildings that are to be disposed of as part of any Council rationalisation programme
 - Commercial and private – land and buildings with commercial and/or private benefit to interested parties.
 - The economic climate impacts on the Council’s ability to dispose of surplus sites as developers may or may not be able to move forward with development plans. The Council will fully consider the best way to market surplus assets/sites taking all relevant factors into account.

Social

Changes in the social and demographic profile of West Dunbartonshire (e.g. changes in the age profile of the population, household size, poverty levels, gender mix and life expectancy) all have implications for service delivery on a day to day basis and ultimately for the long-term management of the Council’s assets.

Technological

Changes in technology such as new ways of working, advances in delivering heating and lighting, etc. has the potential to impact on capital investment plans both in relation to the cost of implementation and the frequency of updates required.

Legal

Increasing complex capital investment plans invariably result in complex legal negotiations. In addition, legal and regulatory responsibilities of the Council have the potential to result in capital investment requirements such as protecting vulnerable residents.

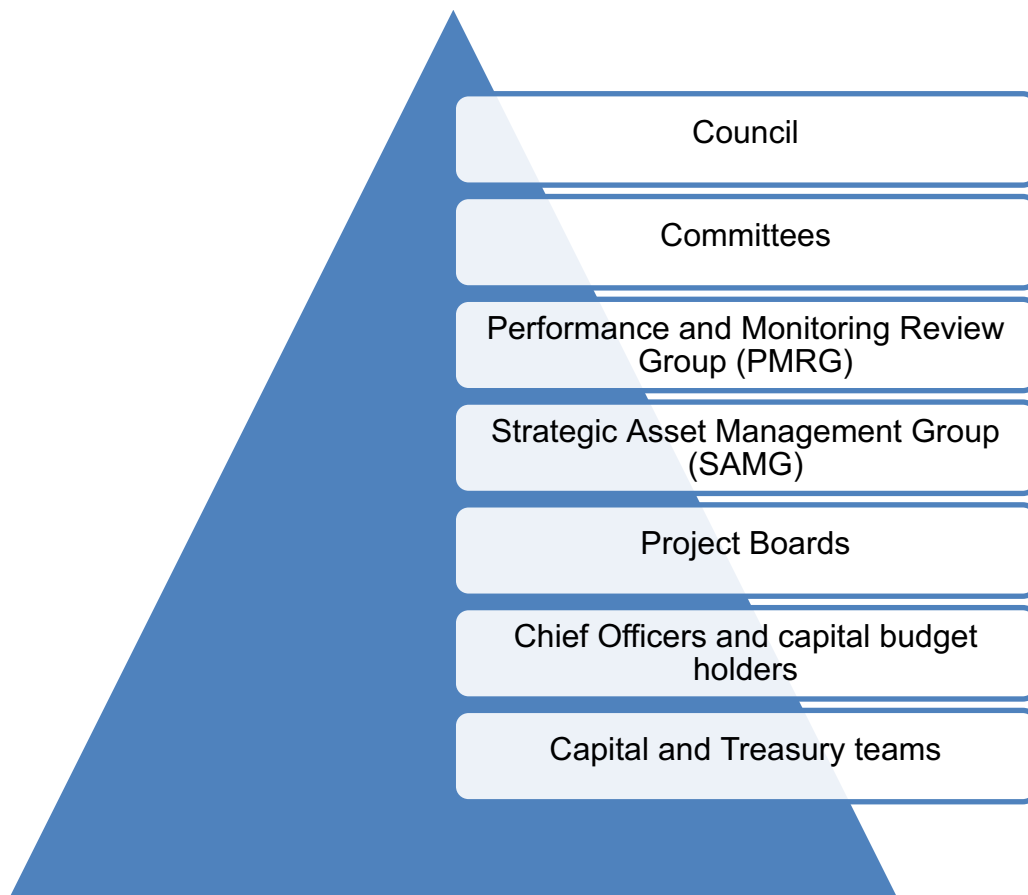
Environmental

Climate change has far reaching impacts on the Council for capital investment. An example of this is the requirement to tackle the resulting environmental impacts such as flood management.

Chapter Two – Long term capital planning

Governance process

Capital investment within the Council is governed by a hierarchy of approval, scrutiny and monitoring processes, as follows:



Council

In accordance with the CIPFA Prudential Code all capital investment must be approved by full Council prior to project commencement and any expenditure being incurred. The General Fund 10-year capital plan (2026/27 to 2035/36) and the HRA 5-year capital plan (2026/27 to 2030/31) will be submitted to Council on 4 March 2026 for approval and include both recurring and one-off projects with one off project budgets being approved in principle subject to business case approval. The responsibilities of Council in relation to capital are noted below:

- approval of capital plans
- approval and scrutiny of capital plan budget monitoring reports
- approval of budget virements
- oversight of specific capital projects if deemed appropriate.

Committees

Service Committees are responsible for scrutiny of capital budgets, approval of business cases (if delegated authority from Council) and oversight of specific capital projects where required. The main Committees this applies to are:

- Corporate Services Committee
- Educational Services Committee
- Housing and Communities Committee
- Infrastructure, Regeneration and Economic Development Committee.

In addition, the Health and Social Care Partnership is responsible for capital projects that would previously have been classed as social work projects.

Performance and Monitoring Review Group (PMRG)

The PMRG is led by the Chief Executive and membership includes all Chief Officers of the Council. This group is responsible for scrutiny of capital plans, budget monitoring reports and any other issues that require discussion prior to reporting to Committee/Council.

Strategic Asset Management Group (SAMG)

The SAMG was established in 2010 initially as a short life small working group to take a more strategic focus in relation to asset management and the contribution that an effective asset management strategy could make to the wider issues across the Council.

Since that time the group has increased in both members and remit. Standing members include the following:

- Chief Officer – Resources (Chair)
- Chief Officer – Regulatory and Regeneration
- Chief Officer – Roads & Neighbourhood
- Chief Officer – People & Technology
- Chief Officer – Health and Social Care Partnership
- Asset Manager
- Finance Manager
- Finance Business Partner (Capital)
- Finance Business Partner (HRA)

The remit of the group is to:

- ensure the most efficient use of the Council's capital assets in pursuit of the Council's strategic priorities
- review Asset Management plans prior to PMRG/Committee consideration
- ensure that capital spending is aligned to the Council's strategic priorities
- make recommendations on the prioritisation of spending to maximise the impact on those strategic priorities including recommendations on annual refresh of the capital programme
- drive the rationalisation of the Council's operational properties, and decide on the allocation of space to services as required by that process

- receive updates on the financial and physical progress of capital spending and individual capital projects
- scrutinise the performance of the capital spending programme and of individual capital projects and make recommendations to PMRG where necessary
- scrutinise delivery of the Asset Disposal Strategy and linked capital funding expectations
- drive improvements in capital programme and capital project management.

Project Boards

Where appropriate major capital projects within similar themes are reported to individual Project Boards. Each project board will have a project sponsor who is ultimately responsible for the project objectives and outcomes.

Chief Officers and capital budget holders

Once a capital project has been approved capital budget holders (and ultimately Chief Officers) are responsible for the implementation of the project. Depending on the scale and nature of the project the budget holder may need to engage the services of other Council departments such as planning, consultancy services, procurement, etc.

Capital and Treasury Teams

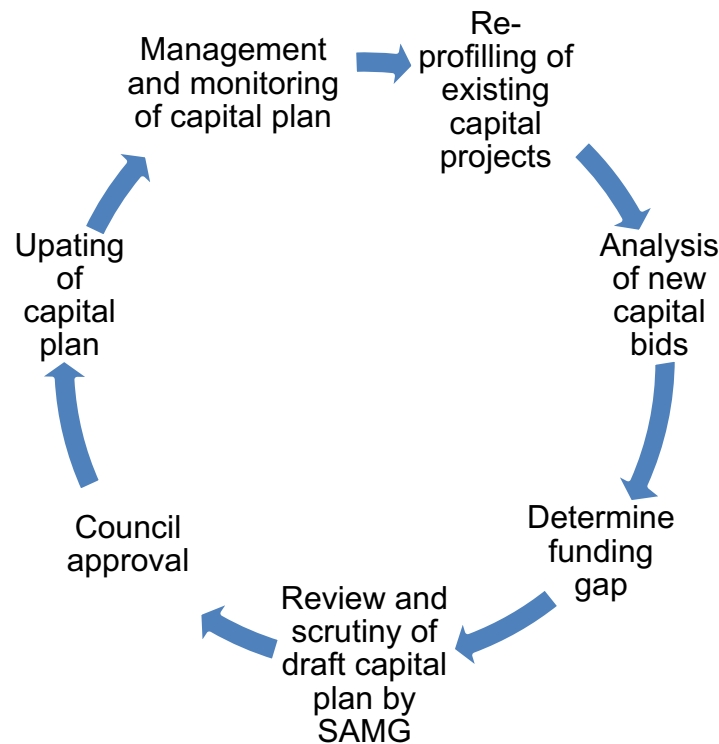
The Capital and Treasury Team is responsible for preparing annual capital plan refresh documentation, budget monitoring, determining capital finance requirements and assisting with financial/business case analysis as and when required. The Treasury team also undertakes all treasury management functions within the Council including the preparation of the annual treasury management strategy and prudential indicator information thus ensuring the linkage between capital investment and these core documents.

Prioritisation and approval

The Council has separate capital plans for both the General Fund and the HRA. The General Fund plan covers a 10-year period with the next update in March 2025 being for the period 2026/27 to 2035/36. The HRA capital plan covers a shorter period of 5 years for the period 2026/27 to 2030/31 (backed up by a 30-year HRA business plan).

Both the updated General Fund and the HRA capital plans will be submitted to Council on 4 March 2026 for approval and is just one part of the cyclical annual capital process. The prioritisation and approval process for each are slightly different due to the different nature of the projects involved and the strategies/plans that underpin them. It is important to maintain a list of “shovel ready” projects to ensure sufficient flexibility in the process to take advantage of any funding opportunities that may occur mid-year or fill any gaps where programme reprofiling is required.

The management of capital investment planning follows a cyclical process as follows:



Existing capital projects are subject to regular review to determine the likely profile of capital spent taking into account the nature, complexity and risk of the project. This exercise is carried out in conjunction with ongoing budget monitoring.

It is always difficult to make choices between competing priorities as funding requests will normally be in excess of finance available. As highlighted above the process involved is slightly different for both General Fund and the HRA with the key differences detailed below:

General Fund – due to the nature of the General Fund being multi-functional if a specific scheme is to be recommended for approval there will be a requirement for a capital bid template to be completed and submitted to the capital team. The following are some of the details to be provided by prospective budget holders:

- confirmation that the project meets the definition of capital investment
- the project must be scored by the budget holder according to how well the project meets a number of corporate priorities, financial and non-financial criteria
- anticipated budgetary requirements
- anticipated resources which may be either full or partial grant funding
- anticipated revenue impact of the project which may be either positive, neutral or negative
- risk analysis.

A full review of the Council's capital reporting was undertaken in 2023/24 and was implemented from April 2024. Projects are reported live and where changes are required for

reprofiling or budgets these are reported to the Strategic Asset Management Group (SAMG) in the first instance for agreement and then to Council for approval and Committee for noting, as they arise rather than previously where they were updated annually. Each reporting period a report is presented to SAMG where discussions are held about projects and whether they need to be reported as off-track. Where projects are agreed as off-track, they are then detail in the reports for Council requesting approval and Committee for noting these projects detailing whether they are off track due to requiring additional budget or due to delays in project completion. In addition, any projects requiring to be reprofiled are noted.

HRA – Unlike the General Fund capital investment plans are not subject to a bidding process but instead are primarily driven by stock condition survey results; ongoing housing regulations; and new build investment plans. The proposed capital investment must be affordable within the parameters of the HRA 30-year business plan.

Overall - Once all potential capital investment has been identified an analysis of likely capital resources (e.g. grants, receipts and contributions) is carried out to identify any funding gap which in turn will:

- determine the level of prudential borrowing and likely revenue impact re loan charges that would be required if all potential capital investment was approved by Council
- flow through to both the treasury management strategy and prudential indicator calculations
- inform the revenue budget process
- inform the long-term finance strategy.

The draft capital plan refresh for the General Fund (covering both investment plans and the anticipated resources in place to finance those plans) is reviewed and scrutinised by the SAMG prior to being submitted to Council for approval. This group challenges the phasing and deliverability of capital projects at each of its meetings.

Documents are produced for council outlining recommendations for updates to the existing capital plans. These documents form part of an overall finance budget report covering both capital and revenue impacts to ensure that the linkage between both types of expenditure are clear.

Any new projects required are added throughout the year after being agreed by SAMG and then reported to Council requesting approval.

Capital projects are defined as either recurring or one-off projects. Recurring projects relate to ongoing investment requirements on the core asset base such as building upgrades and roads infrastructure works. The funding for one off projects are approved in principle with a detailed business case requiring to be approved by the relevant service Committee prior to project commencement. Any projects which are subject to unconfirmed external funding are also approved in principle and should not commence until grant offer letters have been received.

Once the capital plan is updated for all approvals obtained at council, final confirmation of available budget is communicated to budget holders to allow the management and monitoring part of the capital cycle to commence.

Management and monitoring of the capital plan

The capital plan is monitored on a bi-monthly basis via a combination of verbal updates on small/low risk budgets and face to face meetings for material/high risk budgets. Monitoring is carried out for both investment expenditure and anticipated resources.

A review of capital monitoring was undertaken in 2023/24 with changes implemented in 2024/25. The revised approach provides a greater focus on projects which are anticipating overspends or delays, including explanations of the root cause, and possible options for rectification.

Monitoring reports follow the governance cycle and are reported in a hierarchy from the SAMG and PMRG to Council and Service Committees with the Project Boards receiving more detailed project updates. An example of the monitoring reports prepared can be found on the West Dunbartonshire Council's Committee Management Information System (CMIS) under the relevant Council/Committee meeting.

Funding of the capital investment plan

Capital grants and capital contributions

Grants may be awarded to the council for the purpose of carrying out either a specific project or a general aim. In either case certain conditions will be imposed by the establishment awarding the grant which need to be adhered to. Failure to adhere to the conditions may require the grant to be repaid. Grant finance can come from a number of sources such as the Scottish Government, UK Government, Strathclyde Partnership for Transport (SPT), etc.

Capital contributions arise when funds are provided to the Council by way of a non-refundable and unconditional gift. The capital involved can vary in nature. Cash is an obvious example, but a capital contribution may also be by way of property or services provided.

Capital receipts strategy

Capital receipts that are received are held in either the Capital Receipts Reserve or Capital Fund and can only be used for “defraying any expenditure of the authority to which capital is properly applicable, or in providing money for repayment of the principal of loans (but not any payment of interest on loans)”.

As such it is generally considered that use of the Capital Fund is restricted to (a) funding capital expenditure by the Council or (b) repayment of loans principal and premiums.

The Council takes a balanced view in the application of capital receipts and the current strategy is to apply capital receipts to funding the repayment of loans principal, in line with

legislation and Scottish Government guidance. The use of receipts is considered on an annual basis when Council considers and sets its revenue and capital budgets.

Revenue funding

The situation may arise where the Council requires to either create or enhance an asset; however, the project is not part of the approved capital plan. In this case where no capital resources have been previously allocated to the project a funding option that can be utilised is known as Capital Funded From Current Revenue (CFCR).

As the name suggests under CFCR revenue budgets are used to finance the capital project. This allocation must be taken account of when estimating future revenue budget.

Other forms of funding

In addition to the traditional sources of funding outlined above the Council will explore the following where appropriate:

- Leasing and Hire Purchase Agreements
A lease is a form of contract whereby the Council (lessee) pays an annual charge which is comprised of capital and interest to the finance company (lessor) for the use of an asset. This is normally used for vehicles, plant, furniture and equipment. Up until financial year 2024/25 these are not all required to be accounted for on the Council's balance sheet, however this changes from financial year 2024/25, where most leases are now accounted for on the balance sheet.
- Public Finance Initiatives - Public Private Partnerships (PPP), Non-Profit Distributing (NPD) and hub financing models
Public Finance Initiatives, as a generic term and approach are normally used as a method of financing new buildings and some of the types of buildings as reported by HM Treasury range from new schools and leisure centres to hospitals. The Council didn't access any such funding from the original PFI scheme but used a PPP scheme to fund new schools with Scottish Government funding support). Since PPP was terminated as an approach for new investment the Council has used the NPD approach via the West hub to fund Our Lady and St. Patrick's High School. It is likely that the Scottish Government will replace the NPD approach with a new approach for further schools regeneration funding. Under these financing approaches the Council does not own the asset, but the asset is constructed and financed by a private contractor and the Council pays an annual charge for the use of the asset for a specified period of time. At the end of the contract the asset ownership passes to the Council.
- Unconventional Finance
If the Council has any fixed assets bought or constructed with financing that does not take the form of simple borrowing, the future liability should be capitalised.

Borrowing

The current guidance for a Council's level of borrowing is the CIPFA Prudential Code (revised December 2021). The following extracts from the Code and the Local Government

Scotland Act 2003 summarise the Code's approach to level of borrowing (self-regulating) and the governance that should apply:

- Prudential Code (Executive summary – E3): *“The objectives of the Prudential Code are to ensure, within a clear framework, that the capital expenditure plans of local authorities are affordable, prudent and sustainable”*; and
- Local Government Act 2003 (Part 7 [Finance] – 35(1)): *“It is the duty of a local authority to determine and keep under review the maximum amount which it can afford to allocate to capital expenditure”*.

A change to the Accounting Code of Practice was implemented as at 1 April 2024. Overall, these new or amended standards are not expected to have a significant impact on the Annual Accounts in future years.

IFRS 16 Leases was implemented by the Authority on 1 April 2024 in line with the CIPFA/LASAAC Code of Practice. From 2024/25 onwards, leases where the Authority acts as lessee are recognised on the Balance Sheet as right-of-use assets with corresponding lease liabilities, except for those that meet the exemption criteria for low-value or short-term leases. Lessor accounting remains largely unchanged under the standard.

The transition to IFRS 16 was applied retrospectively, with the cumulative impact recognised on 1 April 2024. As a result, right-of-use assets and lease liabilities were established as at that date, without restating prior year comparatives.

Under IFRS 16, the Authority now recognises most leases on-balance sheet rather than classifying them as operating or finance leases. The Authority continues to apply recognition exemptions for short-term leases (12 months or less) and assets of low value. Payments for exempt leases are charged to revenue on a straight-line basis over the lease term.

The right-of-use assets and lease liabilities recognised at transition in 2024/25 have now been incorporated into the Authority's ongoing financial reporting, and updates will continue to be reflected in the annual Statement of Accounts and within future iterations of the Capital Strategy as appropriate.

Under the prudential system, individual authorities are responsible for deciding the level of their affordable borrowing, having regard to CIPFA's Code, which has been given legislative backing. The system is designed to encourage authorities that need, and can afford to undertake capital investment, to do so.

The Council's Section 95 officer is responsible for determining and presenting possible capital investment options to Elected Members and offering them professional advice. However, it is the duty of Elected Members to balance the constraints of affordability with the demands of services for capital investment, and in all but most exceptional cases it will be for elected members to make the necessary judgement.

The ability to borrow additional money in this way comes with increased responsibility and a need for greater transparency in decision making such as what capital projects to borrow for, how much to borrow and when, where to borrow from, how long to borrow over, and so on.

The risks associated with a significant capital plan and a significant level of borrowing can be mitigated and indeed should be mitigated as “business as usual”. All capital projects are supported by the Council’s governance process and should have:

- adequate project management and/or project boards
- suitable skills for the delivery of the project, tax planning, cash flow
- clear operational plan for the use of the asset
- clear assumptions on phasing of spend taking into account optimism bias
- clear business case analysis where appropriate
- use of specific Committees
- security and due diligence on loans and purchases
- use of external advice where appropriate
- project contingencies
- full tender process
- Regular and transparent reporting to members.

Alternative funding and delivery opportunities

The Council will consider alternative methods of supporting capital investment within West Dunbartonshire using alternative funding and delivery opportunities where opportunities arise which are financially viable and positively contribute to the Council’s strategic priorities.

Capacity to deliver

The capacity of the Council to deliver its long-term capital investment plans depends upon the following:

- affordability of capital investment plans
- project officer capacity
- interdependencies with other projects
- skills and knowledge.

The affordability of capital investment plans is covered both within the capital investment cycle as detailed above and the treasury management and prudential indicators section of the strategy covered in chapter 4.

The ability to have “shovel ready” capital projects primarily relates to recurring capital investment projects such as building upgrades. Such investment plans are mostly driven by the outcome of condition surveys which enable officers to plan capital investment needs in advance of funding being available. This combined with the long-term planning horizon of the capital investment plan mitigates the risk of lack of capacity in this area.

Project officer capacity relates to the reliance of the project on the ability of the Council to both access and co-ordinate technical and professional expertise which is primarily internal to the Council and varies depending on the complexity and nature of the capital investment required such as:

- Project managers
- Planning and building control
- Environmental health
- Roads
- Legal
- Financial
- Procurement
- Other stakeholders

The long-term planning approach to capital investment will ensure that project officer resources are aligned appropriately to the needs of each project as required.

While many capital investment projects are “stand alone” such that the delivery of them has no material impact on the delivery of others (other than potentially competing for technical and professional expertise), there are a number of capital investment projects where there is a high level of interdependency and thus increased levels of risk associated with delivery.

Where such interdependencies exist, the Council will ensure that project officers and all those involved in project development and implementation maintain regular communication with any issues/concerns/decisions required being highlighted and discussed as appropriate via the capital governance process as detailed above.

Skills and knowledge

The Council will seek to draw upon internal skills and knowledge wherever possible; however, this may not be possible for a variety of reasons.

- Project officer capacity issues may arise where the available resource in-house is insufficient to meet project demand either due to staffing vacancies or a number of projects requiring the same technical and professional expertise at the same time thus creating a bottleneck.
- The expertise required is highly specialised and the Council does not have any resource in-house with the knowledge base at the appropriate level.

Where the Council is unable to utilise internal skills and knowledge (and it is considered essential to the successful implementation of the capital investment project) external expertise will be brought in on a contract by contract basis in accordance with procurement rules. The cost of such expertise will be included in the overall budget set aside for the relevant project. External expertise is more likely to be contracted in where projects are highly complex and/or of a specialist nature.

Chapter Three – Investments and Guarantees

Approach, due diligence and risk appetite

The approach to investments and guarantees will be to fully consider the following prior to recommendation:

- level of financial and economic benefit to the Council
- whether held on a cash or non-cash basis
- impact on wider service objectives
- impact on wider community
- risk profile of investment.

Investment properties

Linked to its approach to asset management planning and the increasing trend for commercialism the Council will consider, where appropriate, the purchase or development of land and property as an investment to both generate an ongoing income stream or to realise an increase capital value in the future.

Any such purchase or development will only be recommended to members for approval following the development of a robust business case that clearly demonstrates financial and economic benefit to the Council.

Impact of capital planning on investment strategy

Long term capital planning has a material impact on the Council's investment strategy which forms part of the annual treasury management and prudential indicators strategy report covered in chapter 4 of this document.

The process for investment strategy covers a wide range of Council investments and will be broadly managed in the following way:

- Short term cash – Cash relating to day to day cash flow will be maintained on a shorter term basis in cash type products with consideration to the liquidity requirements outlined above.
- Longer term cash – Cash relating to reserves, provisions and balances on the balance sheet may be held for longer periods of time in cash type products or in longer term bonds or funds depending on
 - cash flow requirements
 - the underlying expectation for interest rates
 - the economic background of these investments may be held longer term.
- Service type investments – These types of investments will predominately be policy driven and approved by Members. Shareholdings, development opportunities, loans to third parties, equity instruments and investment properties held for rental returns) will be regularly reviewed to judge the investment performance.

- Non-service type investments – Investments such as Joint venture delivery companies such as Hub West Scotland and investments in regeneration partnerships and development opportunities.

In relation to cash investments it is important to determine the likely profile of capital spend as the timing of such investment plays a crucial part in the ability of the Council to maximise the investment return on surplus funds.

In relation to service and non-service type investments the investment strategy must be future proofed in that all potential investments must be listed as a permitted investment.

Summary of material investments and guarantees

Material investments

The Council currently holds long term investments which generate annual investment income as noted below:

- Clydebank Property Company
Previously known as Clydebank Rebuilt this was a pathfinder urban regeneration organisation, limited by guarantee and included a commercial letting company (industrial units) and a registered charity (the Titan Trust). On 11 August 2014, following the transfer of the Titan Crane to the Property Company, the Council bought the commercial letting company with a view to continuing its regeneration objective.
- District Heating Network West Dunbartonshire Energy District Heating Network on the Queens Quay is Scotland's first large-scale water source heat pump district heating scheme. WDC has established an Energy Supply Company (ESCo) to manage the operation of the network. The ESCo is a Limited Liability Partnership (LLP) structure and is 99% controlled by WDC. The company name is West Dunbartonshire Energy Limited Liability Partnership (WDE LLP). That said, WDE LLP (The ESCo) is a separate legal entity from West Dunbartonshire Council. The WDE LLP Board is made up of three Elected Members, two expert advisors, one community representative and officer advisors.

Guarantees

Loans for a capital purpose may be approved by Council subject to an appropriate business case and due diligence including, as appropriate, guarantees to secure the repayment of the loan.

Business Loans Scotland

In December 2018, Business Loans Scotland was appointed as the Fund Manager, under contract to the Scottish Growth Scheme to deliver a new £10 million debt fund, on behalf of the Scottish Government. Business Loans Scotland is a company limited by guarantee and has as its Members all 32 Scottish Local Authorities. The company is governed by Articles of Association and Members' Agreement where WDC is a member.

In all investments and/or guarantees entered into by the Council the risks associated with the activity will be clearly weighed up against the long-term benefits which may be both financial and non-financial in nature. The Council will seek to protect its position at all times via robust governance and legal processes.

Chapter Four – Treasury Management and Prudential Indicators

Governance process

The treasury management service is an important part of the overall financial management of the Council's affairs with the Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA code of practice on treasury management – revised December 2021).

Closely linked with treasury management is the prudential regime for capital investment. Whilst prudential indicators consider the affordability and impact of capital investment decisions, the treasury service covers the effective funding of these decisions.

Section 56 of the local government (Scotland) act 1973 Act permits local authorities in Scotland to discharge their functions by Committees. Exceptions include setting the Council tax (s56 (6) (b)) and borrowing money (s56 (6) (d)), which requires the authority, that is full Council, to discharge.

As a result of Section 56, both the prudential indicators and the treasury management strategy are required to be approved by full Council before the start of the financial year.

The CIPFA Treasury Management Code of Practice requires greater elected member scrutiny of the treasury policies with one of the key clauses being that a responsible body is required to ensure effective scrutiny of the treasury management strategy and policies. Within West Dunbartonshire Council the Audit Committee provides further scrutiny after Council has considered the policies.

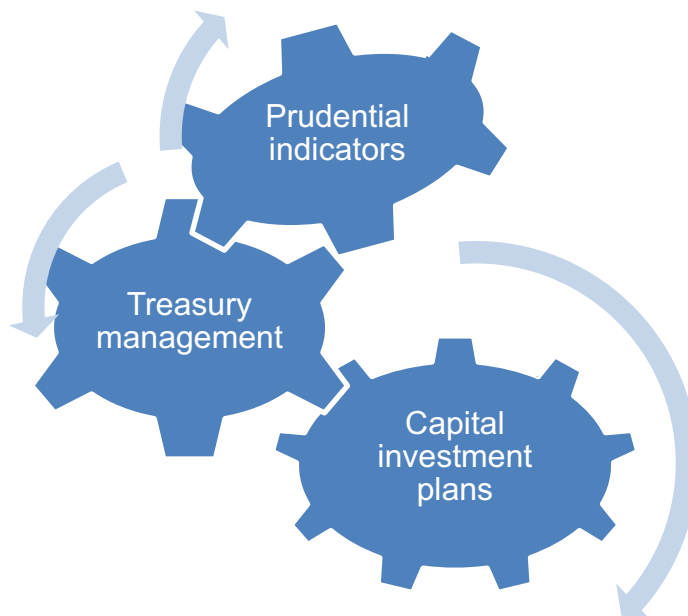
As a requirement of the Code the Council included the following documents within its "Capital Prudential Indicators 2025/26 to 2033/34 and Treasury Management Strategy 2025/26 to 2033/34" report which was approved by members in March 2025:

- Treasury Management Policy Statement (the policy)
- Treasury Management clauses
- Treasury Management role of the Section 95 Officer.

The Policy requires an annual strategy to be reported to Council outlining the expected treasury activity for the forthcoming three years, however in line with the longer term capital planning approaches, the current treasury management and prudential indicators are provided (where appropriate) covering the period to 2033/34. An updated strategy will be submitted for approval in March 2026 which will extend this period to 2034/35.

Impact of capital investment on treasury management and prudential indicators

There are clear links between the Capital Investment Plan to the Treasury Management Strategy and Prudential Indicators. These are also subject to review and oversight by members at Audit Committee and Council.



Treasury management

The treasury management strategy covers:

- the Council's debt and investment projections
- limits to the Council's borrowing activity
- Information on the economic climate and expected movement in interest rates
- the Council's borrowing, debt and investment strategies
- treasury performance indicators
- specific limits on treasury activities
- policy on ethical investments.

Any new borrowing increases the Council's overall liabilities that will need to be repaid in the future. This generates a greater financial risk to the Council's two main Funds as the value of borrowing increases as additional borrowing increases the level of interest and principal repayment costs that it will incur each year. This is currently increasing due to previous investment decisions of the Council linked to the Council's priorities as described earlier in this document. The updated 2025/26 Treasury Management Strategy indicated that the Council is likely to generate a borrowing liability of £984.501m and ongoing fixed costs of approximately £54m per annum by 2026/2027 and increasing over time in line with planned capital spend (split between General Fund and HRA).

Following a review of the PWLB regime by the UK Government a new set of governance arrangements were introduced to reduce the use of PWLB by Councils on what were seen as speculative commercial investments by some English Councils. Following this the PWLB interest rates were reduced by 0.1% and remain at lower levels than market rates. The current strategy is to borrow short term while converting a fixed percentage of short term into longer term debt over a 20-year period, depending on market conditions. The Treasury Management and investment Strategy of the Council will take full cognisance of the capital plan update and is reported to Members in accordance with the Treasury Management Code of Practice.

There are a number of risks associated with the funding of capital investment decisions which are explored (including mitigation strategies) in more detail within the individual strategy documents. In summary these can be defined as:

- Increasing borrowing liability
- Increasing revenue impact of capital investment (loan charges)
- Interest rate risk
- Counterparty risk.
- Security and liquidity in financial markets.

Prudential indicators

The Council is required to approve the following prudential indicators to ensure the financial risks of borrowing are recognised and considered appropriately:

- Capital Expenditure
- Capital Financing Requirements
- Forecast and estimates of the ratio of financing costs to Net Revenue Stream.

In addition to the above Council is also required to approve the policy for loans fund advances.

Prudential indicators are prepared taking both the audited financial accounts and the capital plan update into consideration and therefore the risk that the indicators vary from forecast is directly correlated to the extent to which the capital investment plans, and the associated resourcing of those plans is managed effectively

Chapter Five – Section 95 Officer Statement on delivery, affordability and risk

Delivery

The delivery of the individual projects in the capital plan are directly linked to the original approval of the capital plan supported by the governance process outlined with projects being support by budget holders and (where appropriate) project sponsors who are responsible for the delivery of each approved project and the subsequent achievement of the objectives of that project.

The governance process enables the SAMG, PAMG and Elected Members to review and challenge the delivery of projects and any changes to both the timing and value of the Capital Plan.

Affordability

Affordability is critical in applying the capital strategy and approving projects for inclusion in the capital plan. This is demonstrated by the interdependency of the annual capital plan refresh or update; the revenue budget report and the annual Treasury Management Strategy – which provide Elected Members with key information about the levels of debt and estimates of affordability in short, medium and longer term.

All projects need to have a clear funding source. If external funding such as an external grant is to be used there needs to be a clear funding commitment in place prior to the project commencing.

The affordability of each project needs to be clear, not only for the funding of the capital spend but also to cover any ongoing costs of the operation and funding of that capital spend.

Where borrowing is to be used the affordability is of greater importance and the affordability has to include the interest costs of that borrowing and the provision for the repayment of the borrowing. This repayment is matched to a prudent asset life and any income streams estimated to fund this asset must be sustainable. The “rules” around the governance of this borrowing is outlined in the Prudential Code.

At no stage should the asset value be lower than the value of outstanding debt unless there is a clear plan to mitigate that shortfall or to sell that asset.

Risks

A number of key risks (as listed below) have been identified throughout this strategy along with associated mitigating actions and members need to be aware of them:

- Economic risks - mitigated by capital borrowing and asset disposal considerations
- General capital investment plan risk - mitigated by the governance structure in place to recommend, monitor and review the capital investment plans of the Council.
- Capacity to deliver - mitigated by both an assessment of the affordability of the capital investment plans supported by the governance structure and clear communication between all relevant parties
- Treasury management and Prudential risks - mitigated by the preparation and monitoring of a clear treasury management (investment) strategy and calculation of prudential indicators.

Ultimately all risks impact on the level/timing of borrowing required to be undertaken to finance the capital investment plans of the Council. The current system of borrowing is a self-regulatory system which means that responsibility for borrowing decisions, and the

level of borrowing incurred, by a Council is determined on a local level. Therefore, Elected Members have a key role.

It is the duty of Elected Members to balance the constraints of affordability with the demands of services for capital investment, and in all but most exceptional cases it will be for Elected Members to make the necessary judgement.

The Section 95 Officer's professional view is that, as all borrowing decisions result in a long-term commitment to fund that borrowing, all decision-making should be as transparent as possible to all elected members and the residents of West Dunbartonshire.

The pace and level of change in the Council's borrowing is significant, with material revenue cost implications. Therefore, all Elected Members need to be fully informed as to all implications of its capital investment decisions, in particular those funded from borrowing.

To assist Elected Members, make an informed decision on investment plans the reporting for approval of capital plans to Council each year provides information of future risk around affordability with a projection of the percentage of revenue funding streams (General Fund and HRA) that is being used to fund the borrowing required within the capital plans.

Chapter Six – Action Plan

Long term capital planning is not an exercise that can be carried out in isolation and as such is supported by a number of plans, strategies and processes that are required to be refreshed on a regular basis. The following action plan outlines key actions.

Action	Timescale	Lead Officer	Output	Outcomes	Update on progress
Asset management planning	Feb 2023 -2028 March 2025 Delivery Plan 2025/26 Feb 2025-2030 Delivery Plan 2025/26	Property – Michelle Lynn Vehicles – Stephen Brooks ICT- James Gallacher Roads – Liam Greene Open Spaces – Ian Bain	Updated asset management plans	Ensures that asset management plans remain relevant	Plans will continue to be reviewed and updated
Asset disposal strategy	May 2022 – May 2027	Michelle Lynn	Updated asset disposal strategy	Ensures the disposal of surplus assets is managed effectively and linked to corporate and service objectives.	Plan will continue to be reviewed and updated.
Housing Investment Plan	Nov 2022- Nov 2028	John Kerr	Updated Housing Investment Plan	Ensures that housing asset management plans remain relevant	Agreed H&C Committee Nov 2022
Annual capital plan refresh report	February / March annually	Laurence Slavin/ Carol Alderson (General Services) Alan Young (HRA)	Updated capital investment plans.	Ensures long term capital plans are robust and clearly linked to corporate and service objectives	Updated and being reported to Council 4 March 2026
Annual treasury management and prudential indicator port	February / March annually	Laurence Slavin/ Carol Alderson	Updated strategy documents for treasury management, investment strategy and prudential indicators	Ensures the Council complies with CIPFA Codes and financial impact of long-term capital plans clear and understood	Updated and being reported to Council 25 March 2026

WEST DUNBARTONSHIRE COUNCIL**Report by Chief Officer, Housing****Council: 4 March 2026**

Subject: Housing Revenue Account (HRA), Housing Capital Investment Programme, Revenue Budget, and Rent Levels for 2026/27

1. Purpose

1.1 To seek Council approval of the proposed Housing Capital Investment Programme 2026-2031 and the HRA revenue budget for 2026/27 and to agree the level of weekly rent increase for 2026/27.

2. Recommendations

2.1 It is recommended that Council:

- i) Notes the progress made in delivering the HRA Capital Investment Programme for 2025/26 as detailed in appendix 1.
- ii) Approves the HRA Capital Investment Plan 2026/27 – 2030/31 as detailed in Appendix 2.
- iii) Approves the HRA revenue budget for 2026/27 as detailed in Appendix 3 and Appendix 4.
- iv) Approves a 6.7% weekly house rent increase for 2026/27: an average increase of £6.88 per week on a 52-week basis, inclusive of the Gypsy Traveller site at Dennystoun Forge.
- v) Approves an initial 6.7% lock up and garage site rent increase for 2026/27: an increase to lock-up rents of £0.44 per week to £6.96 per week on a 52-week basis.
- vi) Approves a 6.7% rent increase for properties that the HRA rents for homeless temporary accommodation and this increase will be reflected in temporary accommodation charges from 1st April 2026.
- vii) Notes the outcome of the tenant consultation process as detailed in Appendix 5 of this report.
- viii) Notes that the HRA prudential reserve target for 2026/27 is £1.222m (2% of gross expenditure)

3. Background

3.1 West Dunbartonshire Council (the Council) is the landlord for 10,547 homes as at the 31st March 2026 located in communities across West Dunbartonshire. Council housing costs must be self-financing from house rents and other income. This includes any investment in improving homes or increasing the number of homes. In delivering this landlord role, the Council strives to provide excellent quality, affordable, safe, secure, and warm housing that is fundamental to the health and well-being of individuals and families, the sustainability of local communities and the success of the local economy.

3.2 The Council has a legal requirement under the Housing (Scotland) Act 2001 to consult council tenants and give consideration to their views before considering any proposed rent increase. Approval of this report will demonstrate this obligation has been fulfilled. Full details of the consultative exercise are included in appendix 5 of this report.

3.3 The recommended rent increase for 2026/27 will contribute towards the funding of the HRA Capital Housing Investment Programme and fund increased HRA revenue costs which will allow for:

- Continued investment in tenant priorities through the Housing Capital Investment Programme.
- Investment in improving homes including energy efficiency measures that help alleviate fuel poverty.
- Investment in measures to meet compliance with the proposed Social Housing Net Zero Standard which will help reduce council home carbon emissions.

3.4 In considering the structure of the budget, consideration has been given to increasing revenue, reducing costs, and identifying ways to mitigate the impact of high interest rates and increased employment costs. The service has focused on:

- Improving void performance and increasing the desirability of council housing stock.
- Strategic asset management of our council homes.
- Improving housing management.
- Strengthening cost control over revenue expenditure, including recruitment, overtime, property, and responsive repair costs.
- Value for money, including an ongoing review of charges to the HRA account.
- Stringent application of the rechargeable repairs policy.
- Reducing costs associated with the housing repairs service and void houses.
- Reviewing the expenditure across revenue and capital budgets to ensure all

spend of a capital nature (spend that enhances and improves a capital asset) is charged to the HRA capital account.

3.5 The following factors have been considered when preparing the 2026/27 HRA estimates:

- Inflation has been applied to relevant revenue budget lines.
- Provision made for a 3.5% pay award.
- Provision made for higher employer pension costs.
- A 4% turnover allowance has been applied to the employee cost budget.
- Debt interest rates have been assumed in line with projected council borrowing costs.

4. Main Issues

4.1 HRA Capital Investment Programme

HRA Capital Investment Programme 2025/26

4.1.1 On 5 March 2025, Council approved a five-year HRA capital programme for capital works over the period 2025/26 - 2029/30. On 20 August 2025, the Housing and Communities committee was advised that the 2025/26 HRA capital programme had been reprofiled with a revised net borrowing estimate of £49.257m in 2026/26. Progress delivering the 2025/26 programme is shown in Appendix 1.

4.1.2 The Better Homes element of the Housing Capital Investment Programme invests in improving existing housing stock is projecting a £9.827m underspend in 2025/26. Council has been advised of progress delivering this programme during 2025/26.

4.1.3 The More Homes element of the Housing Capital Investment Programme invests in provision of new homes, regeneration activities, and buyback acquisitions is forecasting a £4.339m overspend against budget. A significant positive factor in this overspend is the accelerated spending to deliver much needed new homes at greater pace in Bonhill and Queen Mary Avenue.

4.1.4 It is forecast that HRA capital resources will be £4.989m more than budget, as set out in appendix 1 of this report.

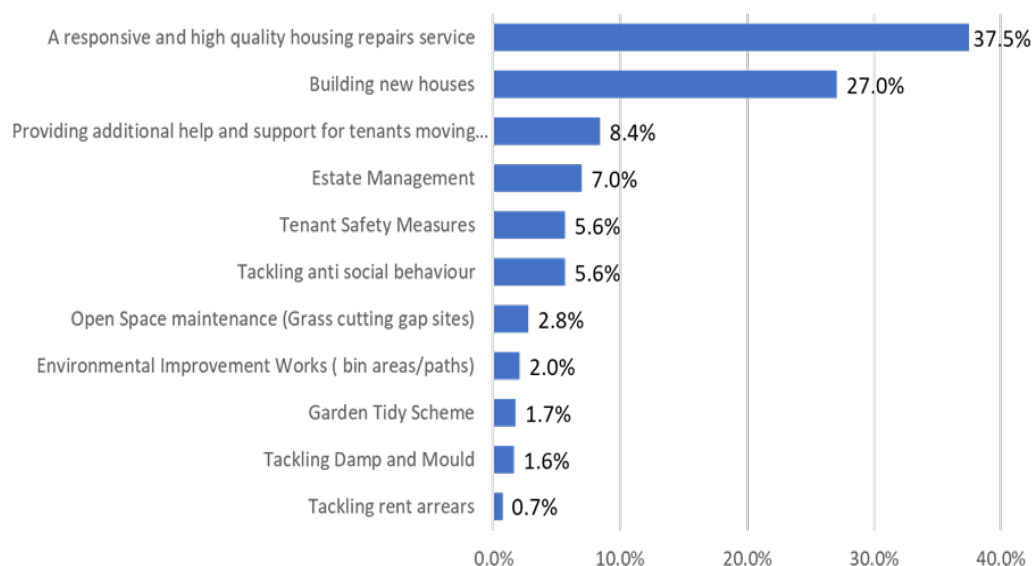
HRA Capital Investment Programme 2026/27 – 2030/31

4.1.5 The HRA Capital Investment Programme has been developed using data from current stock condition surveys and a bi-annual stock assessment exercise. The main drivers for the programme are for the Council to deliver on the key objectives of the Council's Better Homes Strategic Housing Asset Management Strategy and to ensure the Council complies with its health and safety responsibilities. In addition to investment in the core stock, the investment programme includes the Council's ambitious ongoing new house build

programme More Homes West Dunbartonshire.

4.1.6 The Investment Programme is consistent with evidenced tenant priorities which were reinforced through the findings of the 2024 tenant satisfaction survey that highlighted the top two spending priorities for tenants are:

- A responsive and high-quality repair and maintenance service; and
- Building new Council homes.



4.1.7 Due to the long-term nature of HRA capital investment, there is an ongoing need for assurance that investments are affordable in the longer-term taking account of estimated inflation, cost pressures, potential savings, and projected changes to future interest rates. Current financial modelling work identifies short term cost pressures across capital financing costs; however, capital financing costs are projected to stabilise as CPI inflation reduces to target levels and public sector borrowing rates reduce.

4.1.8 The HRA capital investment plan addresses the long term need to improve existing housing stock and provide new homes that meet the needs and aspirations of current and future tenants. This report outlines proposals for investment in housing-led regeneration and renewal to meet this need.

4.1.9 Through the HRA Capital Investment Programme, investment of £261m is planned over the next five years. This will enhance and improve the Council's housing stock, contribute to the wider transformation of West Dunbartonshire, and be central to improving West Dunbartonshire's economic and social wellbeing.

4.1.10 The housing supply and regeneration programme element of the HRA Capital Investment Programme, 'More Homes West Dunbartonshire,' will see investment of £100m over the next five years, partially funded by projected minimum £41m of Scottish Government grant funding from the

Affordable Housing Supply Programme. Therefore, for new builds and acquisitions, there is a net HRA capital cost of £59m over the next five years. The borrowing cost of financing new builds is spread over 60 years.

4.1.11 The More Homes West Dunbartonshire programme contributes towards the Council’s commitment for 2,500 new homes over the period 2022 – 2032. Quarterly updates on progress, including changes in programme, will continue to be reported to the Housing and Communities Committee.

4.1.12 The Better Homes programme that invests in improving the quality of existing houses has been reviewed and rolled forward a year to 2030/31. The proposed plan delivers £162m of investment over the next 5 years, with a forecast £3m of capital income recovered from owners participating in capital investment programmes. The Better Homes programme therefore has a net HRA capital cost of £159m over the next five years.

4.1.13 The updated HRA capital programme is shown in Appendix 2 and summarised as follows.

Financial Year	Expenditure £m	Income £m	Net £m
2026/2027	63.685	(16,901)	46.384
2027/2028	60.200	(6.801)	53.399
2028/2029	44.550	(5,701)	38.849
2029/2030	47.650	(8.561)	39.089
2030/2031	45.650	(5.981)	39.669
Five Year Total	261.335	(43.945)	217.390

4.1.14 The planned investment will deliver against the ongoing commitment to improve housing for tenants and future tenants of Council homes and will support the delivery of wider Strategic Plan and Local Housing Strategy priorities, including:

- Providing a pipeline of construction work with opportunities for job creation, community benefits, training, and benefits to the local supply chain and the potential to lever in significant external investment.
- Providing a catalyst for engagement with local communities in the development and delivery of these ambitious plans through strong tenant participation mechanisms.
- Ensuring design and specification maximises opportunities to future proof homes including use of modern technology to improve the health and wellbeing of tenants, the quality of housing, and helping improve the quality of people’s lives.
- Contributing to the Council’s place making agenda, providing a framework for improving the quality of the places where people live and supporting tenants to be actively involved in shaping change, impacting positively on the attractiveness of West Dunbartonshire as a place to

live and encouraging economic investment.

- Improving the quality and appearance of neighborhoods and deliver a consistent and cost-effective approach to the maintenance and management of areas.
- Contributing to the achievement of climate change ambitions and the Council's Climate Change Strategy and addressing fuel poverty using the highest standards of energy efficiency practices in new build construction and retrofit technologies.

4.2 HRA Financial Plan

- 4.2.1** The HRA requires a balanced budget which means budgeted rental income is sufficient to cover all anticipated revenue costs for operating and maintaining HRA properties including the borrowing costs associated with capital investment.
- 4.2.2** The HRA's financial environment continues to be challenging due to high inflation, public sector pay pressures, and high borrowing costs. There has been an increased call on HRA reserves over the past few years, with HRA reserves reducing from a balance of £2.635m on March 23 to a forecast HRA reserve balance of £1.691m on March 26.
- 4.2.3** HRA financial plans have been reviewed and updated for the period 2026/27 to 2030/31 to take account of planned capital investment, projected borrowing costs, and estimated changes to revenue costs and income.
- 4.2.4** The plan assumes an easing in inflationary pressures with CPI returning and remaining at the 2% Bank of England target during financial year 2026/27. It also assumes public sector pay pressures ease, however the recent increase to employer national insurance, the ongoing review of employer pension contribution rates, and the recent levels of public sector pay awards highlight the challenges in forecasting pay pressures.
- 4.2.5** One of the key financial challenges facing the HRA over the next five years is the increase in debt servicing costs because of the significant increase in HRA debt and associated borrowing costs. The assumption is the HRA will incur increasing debt servicing costs.
- 4.2.6** In considering debt affordability, our HRA financial plans look at debt servicing costs as a percentage of gross expenditure. This is an indicator of the stress that borrowing places on the remainder of the HRA revenue budget. When the decision was taken to retain all the housing stock in West Dunbartonshire the investment requirement needed to achieve the Scottish Housing Quality Standard, coupled with the historic HRA debt structure, recommended that the "debt affordability" percentage in West Dunbartonshire ideally does not exceed 50% in the medium to long term, and that the HRA should aim to have a surplus to generate CFCR (Capital Funded from Current Revenue) or a break-even revenue position.

4.2.7 The annual debt / expenditure percentages under the most recent HRA financial model update highlight that debt servicing costs continue to put a strain on the HRA revenue account and future rent increases. Debt affordability percentages are modelled to be around 50% of gross expenditure over the next few years. In addition, current financial plans require above inflation rent increases to fund HRA revenue and debt servicing costs. Officers will aim to minimise borrowing costs through proactive treasury management. Furthermore, officers will target efficiency and cost reductions across HRA revenue and capital expenditure lines to ensure that future rent rises are kept as low as possible whilst delivering a balanced HRA budget. However, there may be a requirement to further review the scope and scale of the HRA capital and revenue programmes if the level of financial pressure faced by the HRA cannot be reduced.

4.3 HRA Revenue Estimates and Rent Levels

4.3.1 The revenue estimates for 2025/26 are attached in summary form in Appendix 3 with a more detailed analysis explaining budget movements provided in Appendix 4. The estimates show an increase in expenditure of £4.099m in 2026/27.

4.3.2 The Council is required to consider the level of weekly rent increase for the budget year 2026/27 and agree an appropriate rent that meets estimated HRA revenue costs as identified in Appendix 3.

4.3.3 In determining the level of weekly rent increase, consideration needs to be given to changing service demands and cost pressures as well as the requirements for investment as highlighted in the Housing Asset Management Strategy. The Council also needs robust financial planning and management to ensure it delivers on its investment commitments.

4.3.4 The required weekly rent increase contained within the attached HRA estimate is 6.70% (based on housing stock and occupancy levels), an average increase of £6.88 per week on a 52-week basis (£7.61 per week on a 47-week basis)

4.3.5 It is also recommended the Council increase rents at the Gypsy Travellers site at Dennystoun Forge, lock ups, garage sites and homeless temporary accommodation by 6.7%. There is an ongoing review of lock ups and garage sites that may include future rent remodelling which, if approved, would be introduced during 2026/27.

4.4 Tenant Consultation

4.4.1 The Council has a statutory duty to consult tenants before increasing rents. The formal consultation was launched at a public meeting on 30 October 20205 where draft HRA spending plans for 2026/27 were presented. Information was also posted on the Council's website at the same time. The consultation consisted of four rent increase options as follows: -

Option 1: 6.7% rent increase (average weekly increase of £6.84)

This option will mean:

- Maintaining all current services that tenants receive

- Delivering our New Build housing programme
- Delivering our Capital Investment programme to improve existing Council homes
- A Tenant Priority Budget of £200k for tenant led improvements

Option 2: 6.95% rent increase (average weekly increase of £7.09)

This option will mean the same as Option 1 plus:

- Additional expenditure of £140k to re-instate open space maintenance to 2024/25 funding levels

Option 3: 7.2% rent increase (average weekly increase of £7.35)

This option will mean the same as Option 1 plus:

- An additional £3.6m of Capital Investment during 2026/27 expanding the Buy Back Scheme to deliver twenty-four additional Council homes for rent

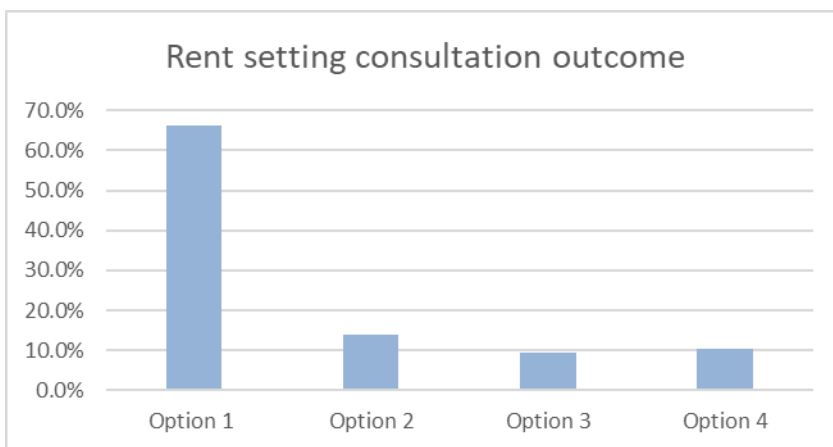
Option 4: 7.45% rent increase (average weekly increase of £7.60)

This option will mean the same as Option 1 plus:

- Additional expenditure of £140k to re-instate open space maintenance to 2024/25 funding levels
- An additional £3.6m Capital Investment during 2026/27 expanding the Buy Back Scheme to deliver twenty-four additional Council homes for rent.

4.4.2 The formal consultation was open to all tenants and those residing in homeless temporary accommodation. A wide range of accessible consultation methods were chosen to gather the views of as many tenants as possible. Information was provided in a clear and understandable way with staff across Housing Services promoting the survey and explaining the options to tenants.

4.4.3 A total of 1,246 completed responses were received – a response rate of 12%. Responses indicated a 66% preference for the 6.7% rent increase option, with 34% of respondents supporting the other options highlighted below: -.



Option 1 (6.7% increase) got 825 votes = 66.2%
 Option 2 (6.95% increase) got 174 votes = 14%
 Option 3 (7.2% increase) got 116 votes = 9.3%
 Option 4 (7.45% increase) got 131 votes = 10.5%

4.5 Reserves

4.5.1 HRA reserves were £0.611m on the 31 March 2025, The HRA is forecasting an in-year surplus of £1.080m that will see HRA reserves increase to £1.691m on 31 March 2026.

4.5.2 Council policy is to target a HRA prudential reserve of 2% of gross HRA expenditure. Based upon the recommended budget for 2026/27, this equates to a prudential reserve target of £1.218m (previously £1.162m). The increase in the prudential reserve target is therefore £0.056m for 2026/27.

4.5.3 In terms of the forward HRA reserve strategy, the aim is to maintain HRA reserves at circa £1.7m over the short term (above the prudential target) whilst balancing the need to keep rent rises as low as possible. The aim is to provide additional financial headroom so that the HRA can more effectively deal with unforeseen financial pressures.

4.5.4 Future HRA financial planning will aim to maintain HRA reserves at or above prudential levels with a medium-term goal for the HRA to generate annual revenue surpluses that can be used to finance capital expenditure, CFCR contributions, and reduce HRA capital debt and associated debt servicing costs.

5 People Implications

5.1 There are no people implications.

6 Financial and Procurement Implications

6.1 The financial implications are detailed within the report and appendices. The cost to notify tenants of the rent increase is absorbed within existing budgets.

6.2 All procurement activity conducted by the Council, more than £50,000, is subject to a contract strategy. The Corporate Procurement Unit Contract develops strategies for the HRA Capital Investment Programme in consultation with housing officers. The contract strategies will include but is not limited to; contract scope, service forward plan, the market, procurement model and routes – including existing delivery vehicles, roles and responsibilities, risks, issues and opportunities and on-going contract management. Opportunities to maximise the positive social, economic, and environmental impact for the Council through the relevant procurement processes will be developed in line with procurement policy.

6.3 An affordability analysis undertaken prior to the commencement of the Council's 2026/27 rent consultation determined Council WDC rents are on average £77 (42%) less than Market Rents with all properties comfortably below the equivalent average market rent. In addition, all households on minimum income can afford Council rents assuming the standard 35% rent to income ratio. Using equivalized income measures, all tenant household types spend under 35% of their income on rent, in some cases as little as 14%. Single adults on Universal Credit are the only group exceeding 30%.

7 Risk Analysis

7.1 The key driver for determining rents for Council properties is the HRA investment plan. Failure to set rents consistent with the delivery of this plan will potentially result in insufficient funding being available to meet

the aspirations highlighted above.

- 7.2 Officers have made assumptions in relation to performance around the repairs budget, rent recovery and void levels when setting this budget. Performance against these key areas will continue to be closely monitored during 2026/27 and members advised of any significant variations that impact materially on HRA financial performance.
- 7.3 In terms of the capital programme, the main financial risk relates to whether inflation increases costs, resulting in cost increases and upward pressure on budgets.
- 7.4 Ongoing budgetary control processes will monitor the above issues, and any issues will be reported to future council meetings for consideration.

8 Environmental Sustainability

- 8.1 Our current and future approach to strategic housing asset management will continue to prioritise a 'zero carbon' approach to decision making and deliverability, The proposed investment plan aligns with the aims of the Housing Asset Management Strategy and the Council's Climate Change Strategy.

9 Equalities Impact Assessment (EIA)

- 9.1 An initial assessment has been completed for the Housing Capital Investment Programme 2026-31. This showed that a full assessment was not required as the programme was a refresh of the previous programme with spend reprofiled to ensure delivery and as such, there are no significant changes.

10 Consultation

- 10.1 The Council has a statutory requirement to conduct a rent consultation exercise. Appendix 5 details the results of the consultation exercise.
- 10.2 A HRA budget scrutiny group (Joint Rent Group) is now well-established, involving tenant representatives. This group meet with officers and the Convenor bi-monthly and examines the HRA to ensure increased transparency and to respond to tenant enquiries about the value for money offered to tenants.

11 Strategic Assessment

- 11.1 The proposals contained in this report directly address all the Council's strategic priorities. The investment in and provision of attractive affordable housing will also indirectly support the objective of economic growth and employability through supporting employment and improving place

attractiveness.

11.2 Proper budgetary control and sound financial practice are cornerstones of good governance and support Council and officers to pursue the five strategic priorities of the Council's Strategic Plan. This report forms part of the financial governance of the Council.

Peter Barry
Chief Officer - Housing
4 March 2026

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Appendices:

- Appendix 1: HRA Capital Projects Forecast
Outturn and Slippage 2025/26
- Appendix 2: HRA Capital Investment Plan
2026/27 – 2030/31
- Appendix 3: HRA Draft Revenue Estimate
2026/27 Summary
- Appendix 4: HRA Draft Revenue Estimate
2026/27 Explanation of Movements
- Appendix 5: Consultation Summary

Background Papers: EIA screening

Wards Affected All

Capital Expenditure	2025/26 Forecast Outturn £000	2025/26 Budget £000	2025/26 Variance £000
BETTER HOMES PROGRAMME			
Other Capital			
Special Needs Adaptations	668	668	0
Capitalised Minor Works	3,430	3,715	(285)
Better Homes Priority Budget	275	275	0
Environmental Sensors Programme	1,200	2,000	(800)
Housing CCTV Installation Programme	750	750	-
QL Development	15	10	5
Gypsy Travellers Site	-	15	15
Airport Noise	-	-	-
Other Capital Expenditure	6,338	7,433	(1,095)
Major Component Replacements			
Targeted SHQS /ESSH compliance works	4,000	6,628	(2,628)
External Component Renewal - Roofs	850	2,550	(1,700)
Doors/Windows Component Renewals	3,914	4,985	(1,071)
External Stores / Garages / Bin Stores	-	48	(48)
Secure entry component renewals	-	100	(100)
Statutory / Regulatory Compliance Works	100	594	(494)
Heating Improvement Works	2,136	2,268	(132)
Energy Improvements / Energy Efficiency Works	-	58	(58)
Kitchen Upgrade	1,700	2,850	(1,150)
Bathroom & Shower Replacement	750	800	(50)
Major Component Replacement Expenditure	13,450	20,881	(7,431)
Void House Refurbishment			
Void house refurbishment programme	5,777	5,258	519
Void House Refurbishment Expenditure	5,777	5,258	519
Structural & Environmental			
Defective structures/component renewals	169	800	(631)
Environmental Renewal - Paths & Environment	1,131	1,000	131
Asbestos Management Works	242	242	0
Multi Storey Flat Strategy	400	1,720	(1,320)
Structural & Environmental Expenditure	1,942	3,762	(1,820)
Support Cost			
Direct Project Support	3,100	3,100	-
Support Cost Expenditure	3,100	3,100	-
TOTAL BETTER HOMES PROGRAMME EXPENDITURE	30,607	40,434	(9,827)

Capital Expenditure	2025/26 Forecast Outturn £000	2025/26 Budget £000	2025/26 Variance £000
MORE HOMES PROGRAMME			
Existing Supply Programme			
Buy Backs	4,380	4,380	-
Demolition Programme	213	140	73
Contingency	-	102	(102)
Existing Supply Expenditure	4,593	4,622	(29)
New Build Programme			
Clydebank East	300	250	50
Pappert	875	730	145
Mount Pleasant	383	382	1
7-9 Gilmour Avenue	326	264	62
Willox Park Phase1	3,400	2,980	420
Willox Park Phase2	130	100	30
Bank Street	1,300	1,500	(200)
Bonhill Gap Sites	5,145	1,600	3,545
West Thomson Street	460	375	85
Silverton	50	100	(50)
Queen Mary Avenue	2,000	800	1,200
Queens Quay Site C	-	-	-
Dennystoun Forge – New Build	30	400	(370)
28 Bridge Street	60	60	-
Ottawa Crescent	400	250	150
Future New Build & Related Regeneration Projects	-	550	(550)
Fees, Staffing Costs, contingency	-	150	150
New Build Programme Expenditure	14,859	10,491	4,368
TOTAL MORE HOMES PROGRAMME EXPENDITURE	19,452	15,113	4,339
TOTAL CAPITAL EXPENDITURE	50,059	55,547	(5,488)
Capital Resources	2025/26 Forecast Outturn £000	2025/26 Budget £000	2025/26 Variance £000
Buy Back Grant	(2,700)	(550)	(2,150)
New Build Grant	(5,458)	(3,833)	(1,625)
Other Income (Including Owner Contributions)	(3,121)	(1,907)	(1,214)
TOTAL CAPITAL RESOURCES	(11,279)	(6,290)	(4,989)
PRUDENTIAL BORROWING	38,780	49,257	(10,477)

Capital Expenditure	2026/27 Annual Budget £000	2027/28 Annual Budget £000	2028/29 Annual Budget £000	2029/30 Annual Budget £000	2030/31 Annual Budget £000	5 Year Totals £000
BETTER HOMES PROGRAMME						
Other Capital						
Special Needs Adaptations	650	650	650	650	650	3,250
Capitalised Minor Works	3,100	3,100	3,100	3,100	3,100	15,500
Better Homes Priority Budget	200	200	200	200	200	1,000
Environmental Sensors Programme	1,500	1,500	1,500	1,500	-	6,000
Gypsy Travellers Site	-	30	30	30	30	120
Airport Noise	50	50	-	-	-	100
QL Development	10	20	20	20	20	90
Other Capital Expenditure	5,510	5,550	5,500	5,500	4,000	26,060
Major Component Replacements						
Targeted SHQS /ESSH compliance works	5,000	5,000	5,000	5,000	5,000	25,000
External Component Renewal - Roofs	1,500	1,500	1,500	1,500	1,500	7,500
Doors/Windows Component Renewals	3,100	3,100	3,100	3,100	3,100	15,500
Statutory / Regulatory Compliance Works	100	100	100	100	100	500
Heating Improvement Works	2,400	2,400	2,400	2,400	2,400	12,000
Kitchen Upgrade	2,000	2,000	2,000	2,000	2,000	10,000
Bathroom & Shower Replacement	500	500	500	500	500	2,500
Major Component Replacement Expenditure	14,600	14,600	14,600	14,600	14,600	73,000
Void House Refurbishment						
Void house refurbishment programme	5,400	5,400	5,400	5,400	5,400	27,000
Void House Refurbishment Expenditure	5,400	5,400	5,400	5,400	5,400	27,000
Structural & Environmental						
Defective structures/component renewals	-	800	-	800	-	1,600
Environmental Renewal - Paths & Environment	1,200	1,200	1,200	1,200	1,200	6,000
Asbestos Management Works	200	200	200	200	200	1,000
Multi Storey Flat Strategy	2,000	2,000	2,000	2,000	2,000	10,000
Structural & Environmental Expenditure	3,400	4,200	3,400	4,200	3,400	18,600
Support Cost						
Direct Project Support	3,400	3,400	3,400	3,400	3,400	17,000
Support Cost Expenditure	3,400	3,400	3,400	3,400	3,400	17,000
TOTAL BETTER HOMES PROGRAMME EXPENDITURE	32,310	33,150	32,300	33,100	30,800	161,660

Capital Expenditure	2026/27 Annual Budget £000	2027/28 Annual Budget £000	2028/29 Annual Budget £000	2029/30 Annual Budget £000	2030/31 Annual Budget £000	5 Year Totals £000
MORE HOMES PROGRAMME						
Existing Supply Programme						
Buy Backs	4,000	4,000	4,000	4,000	4,000	20,000
Demolition Programme	200	200	200	200	200	1,000
Existing Supply Expenditure	4,200	4,200	4,200	4,200	4,200	21,000
New Build Programme						
Clydebank East	300	-	-	-	-	300
Pappert	150	-	-	-	-	150
Mount Pleasant	75	-	-	-	-	75
7-9 Gilmour Avenue	-	-	-	-	-	-
Willox Park Phase1	150	100	-	-	-	250
Willox Park Phase2	500	6,300	100	-	-	6,900
Bank Street	4,600	150	-	-	-	4,750
Bonhill Gap Site - Campbell Street / Braehead	3,400	300	-	-	-	3,700
West Thomson Street	4,000	10,100	250	-	-	14,350
Queen Mary Avenue	2,400	100	-	-	-	2,500
Dennystoun Forge	3,000	1,500	-	-	-	-
Dumbuie / Smollett	1,100	1,700	100	-	-	-
28 Bridge Street	950	-	-	-	-	-
Ottawa Crescent	5,150	400	400	-	-	5,950
Queens Quay Site C	-	-	-	2,750	2,750	5,500
General Fees & Contingency	200	200	200	200	200	1,000
Future New Build& Regeneration Projects	800	2,000	7,000	7,400	7,700	24,900
New Build Programme Expenditure	26,775	22,850	8,050	10,350	10,650	78,675
TOTAL MORE HOMES PROGRAMME EXPENDITURE	30,975	27,050	12,250	14,550	14,850	99,675
TOTAL CAPITAL EXPENDITURE	63,285	60,200	44,550	47,650	45,650	261,335
Capital Resources						
Buy Back Grant	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(12,000)
New Build Grant	(14,000)	(3,900)	(2,800)	(5,660)	(3,080)	(29,440)
Other Income (Including Owner Contributions)	(501)	(501)	(501)	(501)	(501)	(2,505)
TOTAL CAPITAL RESOURCES	(16,901)	(6,801)	(5,701)	(8,561)	(5,981)	(43,945)
PRUDENTIAL BORROWING	46,384	53,399	38,849	39,089	39,669	217,390

	2025/26 Estimates £000	2026/27 Estimates £000	Movement £000
Expenditure			
Employee Costs	7,855	9,224	1,369
Property Costs	1,264	1,497	233
Transport Costs	154	207	53
Supplies, Services and Admin	418	471	53
Support Services	2,584	2,845	261
Other Expenditure	420	392	(28)
Repairs & Maintenance	12,173	12,688	515
Open Space Maintenance	908	730	(178)
Bad Debt Provision	1,119	1,269	150
Void Loss (Lost rents / Council tax payments)	831	1,108	277
Loan Charges & Capital from Current Revenue	29,055	30,449	1,394
Total Expenditure	56,781	60,880	4,099
Income			
House Rents	(55,962)	(60,000)	(4,038)
Lockup Rents	(232)	(249)	(17)
Factoring/Insurance Charges	(478)	(485)	(7)
Other rents	(137)	(143)	(6)
Miscellaneous Income	(8)	(3)	5
Total Income	(56,817)	(60,880)	(4,063)
Net Expenditure	(36)	-	36
Transfer to HRA Reserves	36	-	(36)

Housing Revenue Account Budget - 2026/2027

APPENDIX 4

Expenditure	2024/25 Outturn £000	2025/26 Probable BCR10 £000	2025/26 Estimate £000	2026/27 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
Employee Costs	7,521	8,043	7,855	9,224	1,369	Pay Inflation. (3.5% pay award 26/27) Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26.
Property Costs	1,348	1,523	1,264	1,497	233	Removal of the Income earned on the administration of the owners block insurance scheme following the October 25 Council decision to withdraw from the scheme.
Transport Costs	172	201	154	207	53	Additional hire and employee travel costs and inflationary pressures
Supplies, Services and Admin	395	467	418	471	53	Additional tenant participation cost and inflationary and other cost pressures across various supplies budgets.
Support Services	2,627	2,586	2,584	2,845	261	Increased costs relating to 26/27 pay award. Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26.
Other Expenditure	612	371	420	392	(28)	
Repairs & Maintenance	10,444	12,434	12,173	12,688	515	Increase in repair and void estimate to account for increased HMT0 operating cost. (Increased costs relating to 26/27 pay award. Increase in employer pension contribution to 17.5% of pay in 26/27 compared to 6.5% of pay in 25/26) Inflationary pressures across external repair and maintenance contracts. Cost pressures partly offset by a targeted reduction in external contractor payments across repair and void service.
Open Space Maintenance	878	664	908	730	(178)	Open space maintenance estimate reduced following a review of the frequency and specification of works in line with tenant priorities.
Bad Debt Provision	1,176	1,269	1,119	1,269	150	Increased bad debt provision to reflect the planned rent increase and to provide for challenges recovering rechargeable repair debt.
Void Loss (Lost rents / Council tax payments)	1,304	1,125	831	1,108	277	Void numbers have reduced over the past few years. The 26/27 estimate assumes further improvement with the 26/27 estimate set slightly less the 25/26 forecast spend and nearly £200,000 less than the 24/25 outturn.
Loan Charges & Capital from Current Revenue	25,846	27,269	29,055	30,449	1,394	Increased loan charge provision due to increased HRA capital debt.
Total Expenditure	52,323	55,952	56,781	60,880	4,099	

Housing Revenue Account Budget - 2026/2027

APPENDIX 4

Income	2024/25 Outturn £000	2025/26 Probable BCR10 £000	2025/26 Estimate £000	2026/27 Estimate £000	Movement in Estimate £000	Comments on Movement in Estimate >£50,000
House Rents	(51,169)	(56,198)	(55,962)	(60,000)	(4,038)	6.7% rent increase plus additional income from new build properties and recent property buybacks.
Lockup Rents	(222)	(233)	(232)	(249)	(17)	
Factoring Charges	(445)	(460)	(478)	(485)	(7)	
Other rents	(126)	(138)	(137)	(143)	(6)	
Miscellaneous Income	(3)	(3)	(8)	(3)	5	
Total Income	(51,965)	(57,032)	(56,817)	(60,880)	(4,063)	
Net Expenditure	358	(1,080)	(36)	-	36	

HRA Reserves				
HRA Reserves Brought Forward	(969)	(611)	(611)	(1,691)
Transfer to / from HRA Reserves	358	(1,080)	(36)	-
HRA Reserves Carried Forward	(611)	(1,691)	(647)	(1,691)



Housing Services Consultation Recording Sheet

Housing Service ...Finance / Housing Development & Homelessness team

Person/s responsible: Jim McCarron and Jane Mack

Consultation Start date: 30/10/25 End Date: 23/01/26

Consultation criteria	Steps taken
1. The name of consultation	Rent setting consultation 2026-27
2. Its aims and objectives	<p>To gather tenants' views on four proposed rent options for 2026/27.</p> <p>Option 1: 6.7% rent increase (average weekly increase of £6.84) This option will mean:</p> <ul style="list-style-type: none"> • Maintaining all current services that tenants receive • Delivering our New Build housing programme • Delivering our Capital Investment programme to improve existing Council homes • A Tenant Priority Budget of £200k for tenant led improvements <p>Option 2: 6.95% rent increase (average weekly increase of £7.09) This option will mean the same as Option 1 plus:</p> <ul style="list-style-type: none"> • Additional expenditure of £140k to re-instate open space maintenance to 2024/25 funding levels <p>Option 3: 7.2% rent increase (average weekly increase of £7.35) This option will mean the same as Option 1 plus:</p> <ul style="list-style-type: none"> • An additional £3.6m of Capital Investment during 2026/27 expanding the Buy Back Scheme to deliver 24 additional Council homes for rent <p>Option 4: 7.45% rent increase (average weekly increase of £7.60) This option will mean the same as Option 1 plus:</p> <ul style="list-style-type: none"> • Additional expenditure of £140k to re-instate open space maintenance to 2024/25 funding levels • An additional £3.6m of Capital Investment during 2026/27 expanding the Buy Back Scheme to deliver 24 additional Council homes for rent.

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3. Who did you invite/include?	<p>The consultation was open to all tenants and those residing in homeless temporary accommodation.</p> <p>The consultation was launched at a public meeting on 30/10/25 in Church Street which was open to all tenants and was widely publicised. An evening, online meeting was also held on 4/11/25, at 7pm. A copy of the presentation given and information on the options being consulted on was also posted on the Council's website so that it was freely available.</p>
4. What methods did you use to promote/invite stakeholders to get involved? (e.g., letters, posters, website)	<p>The public meetings to launch the consultation were advertised on the Council's events webpage, intranet, Tenant Participation Facebook account as well as a direct invite sent to all TRAs, the WDTR0, Sheltered Housing Forum members and tenants on the Interested Tenant Register.</p> <p>Information on the rent options was also sent out with the Winter edition of the Housing News on 15/12/25 with information detailing the rationale behind the options and details of each option. Also included was a free-post voting card that could be used as well as details of how to vote online, by phone, by text or email.</p> <p>The survey was also promoted regularly through the Council's webpages as well as on our Tenant Participation Facebook account.</p> <p>Email and text reminders were also sent directly to tenants for whom we have contact details.</p> <p>Posters promoting the consultation with information on the ways to vote were put up in Multi-storey flat noticeboards.</p> <p>WDC intranet was used to raise staff awareness of the consultation and encourage WDC staff who are also tenants to vote.</p> <p>Housing officers and Homeless support officers were also sent a briefing note on the consultation details and asked to encourage their tenants to vote.</p>
5. Who actually took part? (Number of individuals and or number of tenant organisations represented)	<p>A total of 1246 tenants responded and voted for their preferred option in the survey giving a response rate of 12.1%.</p> <p>The number of responses to the rent consultation has decreased for the second year running. Last year 1669 votes were registered which equated to a response rate of 16.6% and for the 2024/25 consultation, 1724 responses were received which equated to a 17.3% response rate.</p> <p>Even with a declined response rate, a 12.1% response rate is still a significant response.</p>

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<p>6. What method(s) did you use to obtain their views? (e.g., focus/working group, newsletter, survey)</p> <p>Why did you choose this method(s)?</p>	<p>A quick and easy survey was used to gather tenant’s views. All tenants were encouraged to vote for their preferred rent option with a range of voting methods offered to make it as easy as possible which included free-post voting cards, online survey, text, and email options.</p> <p>These methods were chosen to gather the views of as many tenants as possible in a clear and most accessible way possible.</p> <p>The information provided was also presented in a clear and understandable way and made available online for any tenant to refer to and paper copies made available on request.</p> <p>We also used staff to promote the survey and to encourage dialogue with tenants and to explain the options being considered. The Tenant Participation Officer’s contact details were also provided for tenants to ask any questions and a number of tenants got in touch.</p>
<p>7. What good practice or minimum standards can you evidence as part of your consultation?</p>	<p>A 12-week consultation period was used to collect views which is longer than the statutory 8 weeks but as we had to consult over the Christmas period it was reasonable to provide more time for tenants to participate.</p> <p>Freepost voting cards, phoning, text, and email options were made available to all tenants as well as the online survey so that tenants could use a method they were most comfortable with and at no cost to themselves.</p> <p>All financial information was presented as clearly and understandably as possible as well as being available online for public scrutiny.</p> <p>The consultation information was shared with the Resettlement team so they could encourage and explain it to the Afghan, Syrian and Ukrainian tenants they support. A version that was translated into Dari was available to any tenant on request.</p>
<p>8. What was the outcome of the consultation?</p>	<p>A total of 10,268 households were contacted and the 1246 responses received represents a response rate of 12.1%.</p> <p>Of the responses received,</p> <p>Option 1 (6.7% increase) got 825 votes = 66.2%</p> <p>Option 2 (6.95% increase) got 174 votes = 14%</p> <p>Option 3 (7.2% increase) got 116 votes = 9.3%</p> <p>Option 4 (7.45% increase) got 131 votes = 10.5%</p>

Consultation criteria	Steps taken										
	<div data-bbox="591 275 1425 709" data-label="Figure"> <table border="1"> <caption>Rent setting consultation outcome</caption> <thead> <tr> <th>Option</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>67.0%</td> </tr> <tr> <td>Option 2</td> <td>14.0%</td> </tr> <tr> <td>Option 3</td> <td>10.0%</td> </tr> <tr> <td>Option 4</td> <td>9.0%</td> </tr> </tbody> </table> </div> <p data-bbox="505 779 1495 884">The clear preference of the tenants who participated was Option 1, the 6.7% increase and this will be recommended to the Council for approval as the rent increase for 2026/27.</p>	Option	Percentage	Option 1	67.0%	Option 2	14.0%	Option 3	10.0%	Option 4	9.0%
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<p data-bbox="110 919 472 1024">9. How did you feedback to participants the outcome?</p>	<p data-bbox="505 919 1511 1056">Once the 4 March 2026 Council meeting has concluded, the survey results and final rent setting decision will be reported in the Spring edition of the Housing News, on the Council webpages and through the TP Facebook account.</p> <p data-bbox="505 1083 1503 1188">All rent increases must be notified to tenants in writing with 28 days' notice so all tenants will be advised of the rent increase and how much the increase means for their own weekly and annual rent charge.</p>										
<p data-bbox="110 1224 418 1329">10. How did tenant involvement influence your consultation?</p>	<p data-bbox="505 1245 1503 1465">With the continuing pressure on the Housing Revenue Account, the main focus was on keeping the rent increase options as low as possible. An option to increase spending on grass cutting was included on request from Councillors and an option to increase the number of Buybacks was also included to help address the declared housing emergency.</p> <p data-bbox="505 1503 1495 1640">Whilst there was no direct tenant involvement in developing the actual options, the rent setting consultation practices that we have developed over the last few years were still put into place in terms of promoting and making the consultation as accessible as possible.</p> <p data-bbox="505 1686 1487 1896">We have continued to increase tenant understanding and provide the opportunity to scrutinise the HRA through our Joint Rent Group which includes tenant volunteers, housing and finance staff and the Housing Convener. The Joint Rent Group has also helped make the financial information provided in the rent setting consultation as clear and understandable as possible so tenants can make informed choices.</p>										

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	<p>Involvement was promoted by additional text and email reminders being sent directly to tenants we hold contact details for. This has helped increase response rates in recent years and means that more tenants are having their say on this important issue.</p>
<p>11. Are you able to demonstrate this?</p>	<p>Yes - rent setting communications and information on webpages.</p>
<p>12. How have you demonstrated to tenants that involvement made a difference?</p>	<p>Tenants were advised during the consultation that their views would be taken into account when Councillors made their decision and that this was a key decision that they could influence. The tenant's preferred option from the consultation is for the 6.7% rent increase and that is the recommendation being made to Councillors.</p> <p>Tenant involvement in the rent setting process will be promoted in the spring edition of the Housing News and used to help encourage more tenant involvement and reiterate the influence they can have on this important issue.</p>
<p>13. Did you check with participants that they were happy with the opportunities given to make their views known and that they felt that we listened and acted upon them?</p>	<p>There was a decrease in responses this year, 12.1% response rate compared to a response rate of 16.6% last year which was disappointing and the second year there has been a decrease.</p> <p>The TP officer's contact details were given in promotional material, and a number of tenants contacted them but less than in previous years. Some voiced concerns about any increase in rents and about what they get for their rent charge. Twenty-six tenants actively refused to vote for any option after opening the survey and many added comments about concerns around affordability of any increase which was a similar number to the previous year.</p>

Consultation criteria	Steps taken
<p>14. What worked well, what didn't work well – or any other comments you have.</p>	<p>By starting the consultation earlier this year, it meant that we could give tenants 12 weeks to vote. This does include time over Christmas and New Year which is not an ideal time to consult on any issue but is necessary to fit in with Council budget setting.</p> <p>Our response rate was helped by the additional text and email reminders that we can send to tenants we have contact details for. There were spikes in voting after the text and email notifications and reminders were sent so was an effective way of prompting tenants to vote.</p> <p>Facebook reminders about the survey were also used and got good reaches.</p> <p>109 freepost voting cards were returned which is less than the increased number received last year (189) but means it is still a preferred method of voting for a reasonable amount of people (8.6%). Access to the voting cards also relied on people opening the Housing News– previously were sent out as a specific mailing but including with the Housing News is more cost effective. The Housing News was out for delivery from 15/12/25, which is close to Christmas, and a busy time for many.</p>