

WEST DUNBARTONSHIRE COUNCIL

Report by Executive Director of Housing, Environmental and Economic Development

Council: 27 February 2008

**Subject: HRA Capital Programme 2007/2008 Budgetary Control Report
to 15 January 2008 (Period 9)**

1. Purpose

- 1.1** The purpose of this report is to advise Members on the progress of the HRA Capital Programme 2007/2008. Budgetary control statements for the HRA Capital Programme are also presented to the Housing, Environment and Economic Development Committee to allow the Committee to monitor performance.

2. Background

- 2.1** Council agreed the 2007/2008 HRA Capital Programme at its Budget meeting on 8 February 2007. At its meeting on 31 October 2007, Council was presented with the probable outturn figures for the HRA Capital Programme and approved the revised probable spend figure of £15.028m. This report details expenditure against the various probable outturn headings up to 15 January 2008.

3. Main Issues

- 3.1** The budgeted expenditure on the Capital Programme, with matched resources, is now £15.028m (see Appendix A).
- 3.2** A summary of the expenditure to 15 January 2008 on each main budget heading is attached at Appendix B. Expenditure to 15 January 2008 totals £8.442m.
- 3.3** Members will note that the actual spend to 15 January 2008 of £8.442m compared to the phased capital probable outturn at 15 January 2008 amounting to £8.574m, shows an underspend of £132,000.
- 3.4** Details of the actual expenditure and phased probable outturn to 15 January 2008 on each detailed budget heading are attached at Appendix C.
- 3.5** Brief explanations of the main variances are as follows;

i) Environmental Improvements - Underspend £144,000

The underspend relates to the proportion of the work to be undertaken as regards the non fencing work (car parks, footpaths etc upgrades) and this work is programmed by Roads Section for later in the financial year.

ii) Bathroom Upgrades - Underspend £104,000

The project has experienced a significant number of no accesses and refusals by tenants wishing to retain their existing suites. Also the timing of the award of the Measured Term Contract, linked to procurement processes thereafter, impacted on the ability to maximise expenditure. It is anticipated this budget will underspend at year end but the programme will continue next year.

iii) uPVC Front & Back Doors - Overspend £247,000

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

iv) Central Heating - Overspend £103,000

This overspend is as a result of more obsolete boilers and systems being discovered during annual gas maintenance visits and it is anticipated that the budget will slightly overspend at year end.

3.6 Although we are anticipating some overspends on certain individual projected outturn budgets, the year end position overall is still being predicted as a total spend of around £15.028m, as some projects will underspend against the projected outturn which will compensate for those projects which are overspending against the projected outturn.

4. Personnel Issues

4.1 There are no personnel issues.

5. Financial Implications

5.1 The Council has spent £8.442m to the 15 January 2008 against a phased probable outturn of £8.574m resulting in an underspend as at 15 January 2008 of £132,000. The year end position is predicated to be on budget i.e. £15.028m as approved in October 2007.

6. Risk Analysis

6.1 The present variance should be viewed in the knowledge that there are a number of variable factors which could arise between now and 31 March 2008 which could affect the final year end spend.

7. Conclusion

7.1 This report identifies an underspend against the phased budget at period 9 of £132,000.

8. Recommendation

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

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Date: 20 February 2008

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

Background Papers: None

Wards Affected: All