

Leicester  
City Council

WARDS AFFECTED  
All Wards

HOUSING MANAGEMENT BOARD  
HOUSING SCRUTINY COMMITTEE  
CABINET  
COUNCIL

13<sup>th</sup> JANUARY 2005  
20<sup>th</sup> JANUARY 2005  
24<sup>th</sup> JANUARY 2005  
27<sup>th</sup> JANUARY 2005

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## HOUSING CAPITAL PROGRAMME 2004/05 and 2005/08

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### Report of the Corporate Director of Housing and Chief Finance Officer

#### 1. PURPOSE OF REPORT

- 1.1 This report advises Members on the position at period 7 on this years capital programme, revises the forecast for the 2004/5 out-turn and proposes a three year housing capital programme for 2005-8, for Members approval.

#### 2. SUMMARY AND RECOMMENDATIONS

- 2.1 This report reviews the current years approved, Housing Capital Programme and, following receipt of the Single Capital Pot, recommends a programme for 2005/2008.
- 2.2 The Housing Capital Programme, if approved, will invest over £116m in Leicester homes over the next three years. It will significantly support the Environmental Strategic Objective, Part G, of the Council's Corporate Plan, as well as enhancing education by providing more, better and warmer homes for families and their children. **It will also meet the requirements of the Business Plan in the Stock Options Appraisal including meeting the £17m gap originally predicted in the Plan.**
- 2.3 The **Housing Scrutiny Committee** is recommended to consider the report, including any feedback from the Housing Management Board, and to pass on any comments to Cabinet.
- 2.4 The **Cabinet** is asked to consider the report and any comments from the Housing Scrutiny Committee and recommend Council to:-
- (i) approve the revised programme, outlined at Appendix 1, for 2004/2005 and funding arrangements outlined in paragraph 3.2 of the Supporting Information, and authorize the Head of Legal Services to enter into any contracts necessary to maximize the spend against the revised programme;
  - (ii) approve the resources shown in Appendix 2 of the Supporting Information, including the use of Housing Maintenance DSO Profits, Housing Balances

(£2.5m in 05/06, and £1.5m in 06/07 and £1.5m in 07/08) and £24m from utilizing the Prudential Borrowing Framework to support the Housing Capital Programme (£12m in 2005/2006, £6m in 2006/2007 and £6m in 2007/2008);

- (iii) approve the Housing Capital Programme for 2005/2008 outlined at Appendix 3 including a small level (3.5%) of over programming, and delegate authority to the Corporate Director of Housing in consultation with the Cabinet Member for Housing to authorize any contracts, and the Head of Legal Services to sign any contracts within the overall programme, to achieve a maximum spend against the resources available;
- (iv) approve, within the 2005/6 programme, a grant of £3m to HomeCome to acquire properties in accordance with the Leicester Strategy for Affordable Housing and the Housing Needs Survey, but to limit the amount that can be used in the purchase of any individual property to 75% of the total purchase price and the Council taking a proportionate equity stake in any properties purchased;
- (v) note that the 2005/06 Programme will be reviewed during the financial year, and the 2006/08 Programmes will be subject to further ratification as part of the normal annual budget cycles (in particular, commitment to use prudential borrowing will be reviewed at this time); and
- (vi) delegate, to the Corporate Director of Housing and Cabinet Member for Housing, authority to approve bids from Community Associations under the 'CRI' allocation.

### 3. **FINANCIAL IMPLICATIONS (Danny McGrath)**

3.1 The current year's programme shows a revised spend of £37.138m, which is below the estimated resources available. This is as a direct result of a massive rise in Right to Buy receipts in the current year, which has exceeded all expectations. However, this 'surplus' will be rolled forward and used to meet slippage from the current years programme, where it occurs, and help tackle the Decent Homes Standard in the public sector, next financial year.

3.2 Officers have put together a three year capital strategy for 2005/8, which shows the following:

	<u>2004/5</u> <u>£000</u>	<u>2005/6</u> <u>£000</u>	<u>2006/7</u> <u>£000</u>	<u>2007/08</u> <u>£000</u>
Resources	38274	49434	33709	33709
Programme	37138	51226	34931	34930
<b>Less</b> Overprogramming	<u>0</u>	<u>1792</u>	<u>1222</u>	<u>1221</u>
Net Spend Programme	37138	49434	33709	33709

3.3 In putting together the overall capital programme a small amount of over programming (3.5%), has been included in the figures for Members' approval. In developing this programme officers have included an amount of £12m in 2005/6, and £6m in 2006/7 and £6m in 2007/08, by utilisation of the Prudential Borrowing Framework.

3.4 Should Members endorse the use of the Prudential Borrowing Ratio Framework they need to appreciate that the Council will get no help from Government in meeting the revenue costs involved, and the costs associated with this loan (£400k in 2005/6, £1.34m in 2006/7, £1.91m in 2007/8 and £2.28m future years) will be a direct charge on the HRA. However, despite utilizing this resource from revenue to support the Housing Capital Programme, it will still leave the HRA with balances in excess of the minimum agreed by the Council. The implication of the charge is included in the HRA Revenue budget, which is elsewhere on this agenda; that report also identifies the Prudential indicators recommended by the Chief Finance Officer and demonstrates that the costs are affordable and sustainable (subject to the comments below)

3.5 Members are asked to note the following in respect of prudential borrowing:-

(a) The Council agreed a framework for use of prudential borrowing on 26<sup>th</sup> November 2004, when it approved the Capital Strategy for the Council. This provided that the framework should be used for:

“spend to save” schemes i.e. schemes which create sufficient revenue savings to pay back the debt and interest.

“once in a generation” opportunities to make significant investment with substantial benefits, accompanied by leverage of funds from elsewhere.

“as a last resort, to avoid future costs.

(b) The proposed prudential borrowing does not fall strictly within the above criteria, and if approved would be an exception to the usual strategy. The justification for so doing is to achieve earlier realization of the Decent Homes Standard within resources that are ringfenced, less constrained than the general fund, and largely predetermined, (i.e. HRA increases arises from subsidy generated by Government formula, and from rents set locally according to a national formula). Paragraph 4.4 identifies what prudential borrowing would achieve as opposed to a small incremental addition to the programme, which would be possible otherwise, (i.e. if money saved on paying for borrowing was used instead to top up the programme).

3.6 Use of prudential borrowing carries with it risk, i.e. that future funds are not available to pay the debt costs. The main risk in respect of the HRA relates to negative housing subsidy paid to the Government. Subsidy in 2005/6 was calculated as follows:

	<u>£m</u>
Management Allowance	13.1
Maintenance Allowance	20.6
Capital Financing support	<u>11.6</u>
Sub Total	45.3
<u>Less</u>	
Guideline Rent	<u>(53.4)</u>
<b>Negative Subsidy payable to the Government</b>	<b>(8.1)</b>

- 3.7 This subsidy payment can be volatile, and is susceptible to changes in Government policy. For instance, following significant increases in Leicester's Management and Maintenance subsidy allowances, the negative subsidy position (adjusted for changes in capital finance costs) has improved by £4.7m from 2003/4 to 2004/5 and a further £2.1m from 2004/5 to 2005/6. A 1% worsening in negative subsidy amounts to £81k. The risk is however mitigated by the following:-
- (a) significant levels of discretionary revenue spending is projected in future years, and the estimated position for 2008/9 shows the HRA could afford to lose £400k of subsidy without affecting its ability to repay debt or drop below the £1.5m minimum balances figure set by Council (or make alternative cuts);
  - (b) The ability to borrow in 2006/7 and 2007/8 will be reviewed when those years capital programmes are set;
  - (c) As a last resort, reductions could be made in the provision for day-to-day repairs and management costs.
- 3.8 A further risk is that interest rates may rise substantially compared to current rates. However, the Council's consolidated rate, which is applicable to prudential borrowing, is largely determined by loans taken out in the past at fixed interest rates; this limits the size of any change in the applicable interest rate as a result of fluctuations in current interest rates.
- 3.9 Members are also asked to note the extent of other significant future commitments, and risks, on the Council:
- (a) £10m was approved for prudential borrowing for property improvement as part of the 2004/5 budget;
  - (b) Reports taken to Cabinet have identified the need for significant spending (presently estimated at around £20m) on the Council's central office accommodation, particularly in respect of repairs to New Walk Centre. In practice use of the prudential framework is likely to be the only system available to meet this cost;
  - (c) If the Council decides to progress Building Schools for the Future this will involve further future revenue costs and significant risk.
- 3.10 None of the above items, of course, affect the Housing Revenue Account (HRA), which is ringfenced. They do, nonetheless, indicate a future in which the Council may be exposed to higher risks than it is presently (all, of course, for the purpose of service improvement which may be substantial). A decision to undertake further prudential borrowing by the HRA needs to be seen in the wider context.

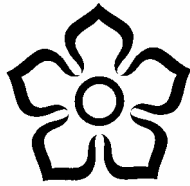
#### **4. LEGAL IMPLICATIONS**

- 4.1 There are no legal implications associated with this report. (Joanna Bunting)

5. **Report Author -**  
Dave Pate – Ext. 6801

**DECISION STATUS**

<b>Key Decision</b>	Yes
<b>Reason</b>	Significant in terms of its Effect on communities Living or working in any One ward of the city
<b>Appeared in Forward Plan</b>	Yes
<b>Executive or Council Decision</b>	Council



Leicester  
City Council

**WARDS AFFECTED**  
All Wards

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**

Housing Management Board  
Housing Scrutiny Committee  
Cabinet  
Council

13th January 2005  
20<sup>th</sup> January 2005  
24<sup>th</sup> January 2005  
27<sup>th</sup> January 2005

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**HOUSING CAPITAL PROGRAMME 2004/05 and 2005/08**

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**SUPPORTING INFORMATION**

1. **THE 2004/2005 PROGRAMME**

1.1 In October Members received a report on the situation at that time. The revised programme totalled £36.801m. Since then, there has been a number of changes in the programme but the overall planned spend has roughly stayed the same. The revised updated programme shows a total predicted spend of £37.138m. This is detailed at Appendix 1 for Members approval.

2. **Actual Expenditure to the End of October 2004.**

2.1 The actual expenditure to the end of October is £14.685m and again this is detailed in Appendix 1.

2.2 This equates to c40% of the revised programme. However, three areas will spend substantially more in the last five months of the financial year (Kitchen and Bathroom programme, Beaumont Leys Core area redesign and the Multi Disciplinary Centre) bringing the overall spend up to the level reported.

3. **Resources**

3.1 Resources are estimated to be available to fund the whole of the current programme and any slippage will be used to supplement the 2005/6 programme. If the picture changes further during the year, this will be considered jointly, by the Corporate Director and Cabinet Member for Housing.

3.2 It is now estimated that resources to fund the 2004/2005 will be as follows:

	<u>Previous Estimated Resources</u> £000	<u>Revised Estimated Resources</u> £000
<b>HIP ALLOCATION</b>		
Housing (ACG)	5710*	5710*
Major Repairs Allowance	12724**	12677**
Private Sector Renewal	792	792
Specified Capital Grant (SCG)	550	431
Single Capital Pot Allocation	750	750
	-----	-----
	20526	20360
<b>Plus Capital Receipts</b>		
Capital Receipts B/F	849	1856
Sale of Council Assets - Property and Land	4000	6935
<b>Plus Capital Expenditure charged to Revenue Account (CERA)</b>		
Use of Housing DSO Profits	200	300
Use of DSO Reserves	320	0
HRA Balances	1000	1000
<b>Plus Unsupported Credit Approval</b>		
Prudential borrowing from Government	6000	6000
<b>Plus SCA</b>		
RSU Allocation for MDC	2000	1444
NRF Funding	800	313
Additional Credit Approval for HB DIP System	0	66
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	<b>35695</b>	<b>38274</b>

\*This represents 80% of the Housing ACG within the Single Capital Pot

\*\* Government now allocate resources, previously in capital, directly to the HRA via the MRA

3.3 The latest updated programme, outlined at Appendix 1, shows an estimated spend of £37.138 million, which is below the resources available by £1136k. These resources will be carried forward to meet slippage and used to supplement work towards the Decent Homes Standard.

#### 4. **THE 2005/2006 PROGRAMME**

4.1 This is the third year of the Single Capital Pot and despite pressure on the Council's Capital Programme Cabinet is recommended to agree the following resources for housing.

	<u>2004/2005 Anticipated Resources</u> £000	<u>2005/2006 Estimated Resources</u> £000
<b>HIP ALLOCATION/SINGLE CAPITAL POT</b>		
Housing (ACG)/Single Capital Pot	5710*	7333
Major Repairs Allowance (MRA)	12677**	12345**
Private Sector Renewal	792	840
Specified Capital Grant (SCG)	431	381
Single Capital Pot Allocation	750	0
	-----	-----
	20360	20899
<b>Plus Capital Receipts</b>		
Capital Receipts B/F	1856	1136
Sale of Council Assets - Property and Land	6935	7100

<u>Plus Capital Expenditure charged to Revenue Account (CERA)</u>		
Use of Housing DSO Profits	300	200
Use of Housing Balances	1000	2500
Use of DSO Reserves	0	320
Commuted Sum	0	3000
<b><u>Plus Unsupported Credit Approval</u></b>		
Prudential Borrowing Framework	6000	12000
<b><u>Plus SCA</u></b>		
Additional Credit Approval for HB DIP System	66	0
RSU Allocation for MDC	1444	556
NRF Funding	313	313
Sale of Night Shelter, reserves etc	0	1160
Loft Insulation Programme -Match funding from Public Utilities	0	250
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	<b>38274</b>	<b>49434</b>

\* This represents 80% of the Housing ACG within the Single Capital Pot in 2004/5

\*\* Government now allocate resources, previously in capital, directly to the HRA via the MRA.

- 4.2 The Capital Strategy agreed by Council on 26<sup>th</sup> November provided that 100% of the resources notionally allocated to Housing within the Single Capital Pot (SCP) should be made available to the housing service subject to a robust asset management plan, and subject to any predetermined contribution from the housing element of the SCP to the corporate programme. No such contribution has been determined, but if Council were to require one when the corporate programme is agreed in February, then further savings, in addition to the over-programming already allowed for in the programme, would have to be made.
- 4.3 In putting together the draft programme officers have taken advantage of the freedoms offered by Government via the Prudential Borrowing Framework. This allows councils to borrow against future revenue streams. Although there is always an element of uncertainty in revenue resources, officers' believe that an ongoing revenue commitment can be undertaken following a large increase in Management and Maintenance Allowances in the current financial year and the further increase planned for next financial year. This will allow Members to borrow a further £12m to support the Housing Capital Programme in 2005/6, £6m in 2006/7 and £6m in 2007/8, and be used to meet the Government's Decent Homes Standard targets for both 2010 and over a thirty-year period. This would add £400k to revenue costs in 2005/6, £1.34m in 2006/7 and £1.91m in 2007/8 and £2.28m in future years. These costs have been allowed for the in draft HRA estimates report elsewhere on this agenda.
- 4.4 The reason why use of the Prudential Borrowing Framework has been phased over a number of years is first, to ensure that we do not overheat the local building industry in any one year, and second, to give Members the opportunity to change policy in the future if the revenue situation changed unexpectedly for the worse. Nevertheless, there is a possibility that the Government could withdraw the Prudential Borrowing Framework facility at some point in the future so it is important that the Council takes advantage of the opportunity when it is available. In addition, the benefit of accessing Prudential Borrowing is that it first of all allows the Council to fully fund both the Decent Homes Standard and to finance the 30 year Business Plan. Second, it removes the only question mark remaining following the consultants report on the Stock Options Appraisal, and third it enables the Council to push ahead with its planned maintenance programme, which should lead to less day-to-day repairs expenditure, and higher rental



income, in the future. Finally, it provides tenants with good quality housing, with modern facilities, at an earlier stage in the process, for example, if Members decided to use CERA as an alternative, it would take 11 years to raise the same amount of resources as available through using Prudential Borrowing, and would mean tenants living in unmodernised properties for a substantially longer period of time.

- 4.5 Should Members adopt the recommendation to use the Prudential Borrowing Framework over the next three years, and £5.5m of Housing Balances, it would mean the £17m shortfall identified in the business case of the Stock Options Appraisal would be eliminated and the Government's Decent Homes target for 2010 and 30 year target would be achieved.
- 4.6 The estimated level of resources shown in Appendix 2 would result in the draft programme outlined at Appendix 3. In putting the programme together officers have allowed for a small amount of over programming (3.5%) to ensure all resources available are used.
- 4.7 The use of housing allocations allows the Council to tackle disadvantage and target resources to overcome inequality. This has been taken into account in developing the 2005/6 programme. Officers have also made a provision of £3.4m (£3m for HomeCome and £400k for CPO's and supporting RSL's), within the programme, for the development of new affordable housing in the City via HomeCome combined with the Empty Homes Strategy. Previously, HomeCome's resources have been linked to Council house sales but it is felt it would be more appropriate to give it a fixed grant from within the programme, funded from commuted sums. Should Members decide to support this level of grant they need to appreciate the reasons for establishing HomeCome and the alternatives considered when Cabinet originally took the decision in March 2004. Although the Council will retain an equity share in any property purchased by HomeCome using a Council grant, Members need to appreciate that it will be at a cost, as more units could be achieved by using this resource via RSL's in the City, but without such direct control or influence.
- 4.8 If Members are minded to give HomeCome this level of grant then they are recommended, as a requirement of the grant, to limit the amount that can be used in the purchase of any individual property to 75% of the properties overall purchase price. It is further recommended that this grant should only be used to purchase properties where we have identified a gap either by area or type, predominantly 1, 2 and 4+ bedroomed properties, although this does not preclude the purchase of three bedroomed properties where it is felt there is a need or they lend themselves to extensions. This is in line with the Leicester Strategy for Affordable Housing and the Housing Needs Survey, which showed an overall annual shortfall in social housing of approximately 550 units per year.
- 4.9 Although this report is about the allocation of resources, Members will appreciate that a number of the schemes proposed could have crime and disorder, equality and environmental implications. In putting the programme together, officers have been conscious of the opportunity that major investment offers in tackling these major issues and, therefore, schemes such as the uPVC Window and Door Replacement Programme, replacement of Central Heating Boilers, provision of Door Entry Systems, Life time bathrooms, DFG's and Disabled Adaptations, Environmental Works and many more, have been included.

- 4.10 In considering the draft programme outlined at Appendix 3 for next financial year, Members' attention is particularly drawn to the following provision:  
£15.190 million for replacing Windows and Doors, with uPVC Double Glazed Units,  
£2.6 million for replacing cladding, gutters, fascias etc.,  
£10 million for Kitchen and Bathroom modernisations,  
£750,000 for rewiring properties,  
£3.5 million for replacing old inefficient boilers,  
£180,000 for Environmental Budgets for Community Associations,  
£500,000 for 'CRI' type initiatives from the new Community Associations,  
£2.9 million for Disabled Adaptations and Disabled Facilities Grants (this is almost eight times the amount made available by the Government for tackling disadvantage in peoples' homes),  
£500,000 for improvements in sheltered housing schemes,  
£2.113 million for the MDC,  
£500,000 for District Heating upgrades,  
£3.4 million for Purchasing Empty Homes and developing New Affordable Housing; and  
£3.857 million for Renovation and Home Repair Grants in the Private Sector.  
£500,000 for Loft Insulation.
- 4.11 Included in the above programme is an amount of £500,000, £250k of Council resources match funded by a public utilities company, to launch a programme of loft insulation in those properties displaying the most heat loss across any tenure in the City. It is estimated that approximately 4100 properties will gain from this initiative and this will help in the Council's drive to achieve both our and the Government's environmental targets.
- 4.12 Members will no doubt recall that, following extensive consultation with tenants' representatives across the City, the old Housing Committee agreed a basis for allocating resources previously approved under the Capital Receipt Initiative at its June 1998 meeting.
- 4.13 It is recommended that a sum of £500,000 be set aside next year for those schemes that the Community Associations identify as having the highest priority within their area next year, on top of the £180,000 for the Environmental Budgets, which are under the direct control of the Community Associations.
- 4.14 In addition, Cabinet may want to confirm the ground rules to assist Community Associations in deciding which bids would be supported. The criteria used in previous years is that schemes will be measured against and must achieve at least **two** of the following, to qualify for support, ie
1. Safeguard the Council's assets.
  2. Reduce ongoing revenue costs.
  3. Stimulate employment/the economy within the City (i.e. jobs and training).
  4. Improve the lettability of the Council's housing stock.

5. Tackle disadvantage.
6. Improve security of properties and estates (i.e. help combat crime).

4.15 In addition, they **must**:

- only require a capital injection (ie have no ongoing revenue costs);
- directly benefit local inhabitants;
- improve the quality of life for local people;
- reinforce the value of housing improvements being undertaken;
- achieve good value for money; and
- complement the Government's wider policy objectives of Welfare to Work and Social Exclusion.

4.16 Given that there are always more bids than resources available under this heading, it is recommended that the above be used again and authority be delegated to the Corporate Director of Housing in consultation with the Cabinet Member for Housing to approve the bids.

## 5. **LEGAL IMPLICATIONS**

5.1 There are no legal implications associated with this report.

## 6. **OTHER IMPLICATIONS**

	Yes/No	
Equal Opportunities	yes	Paras 4.7 and 4.10
Policy	Yes	Para 4.5
Sustainable & Environmental	Yes	Paras 4.7 and 4.10
Crime & Disorder	Yes	Paras 4.7 and 4.10
Human Rights Act	No	

## 7. **AIMS AND OBJECTIVES OF THE HOUSING DEPARTMENT**

7.1 This report meets the Committee's overall Quality of Life Aim for the Department 'A decent home within the reach of every citizen of Leicester', and within that Key Objective 1 - To improve the condition of Leicester's housing stock and resolve unfitness in all sectors.

## 8. **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

### 8.1 **Background Papers**

- a) Capital Programme Booklet 2004/05
- b) Joint report of the Corporate Director of Housing and the Chief Finance Officer on Capital Programme 2003/04 and 2004/05 to Housing Scrutiny Committee on 15<sup>th</sup> January 2004 and Cabinet on 19<sup>th</sup> January 2004.
- c) Joint report of the Corporate Director of Housing and the Chief Finance Officer on the Capital Programme Outturn 2003/04 to Cabinet on 12<sup>th</sup> July 2004 and Housing Scrutiny Committee on 19<sup>th</sup> August 2004.
- d) Joint report of the Corporate Director of Housing and the Chief Finance Officer on Capital Monitoring 2004/05 to the Housing Scrutiny Committee on 14<sup>th</sup> October 2004 and Cabinet on 18<sup>th</sup> October 2004.

**9. CONSULTATION**

- 9.1 All departments have been consulted through Directors' Board. The Housing Scrutiny Committee and Housing Management Board have also been consulted as part of the formal consultative procedures.

- 10. Report Author -**  
Dave Pate – Ext. 6801

APPENDIX 1

**HOUSING CAPITAL PROGRAMME 2004/2005**

	<u>Actual</u>	<u>Forecast</u>
	<u>Spend</u>	<u>Out-turn</u>
	<u>Period 7</u>	
	<u>£m</u>	<u>£m</u>
<b><u>HRA SCHEMES</u></b>		
<b><u>1. HRA 10 YEAR TARGET</u></b>		
Plastering/Renewing Kitchens & Bathrooms	1.004	3.250
Cladding – MHC Bungalows	0.576	0.700
30 year+ Rewiring	0.315	0.780
Re-roofing/Re-guttering	0.130	0.500
Repair External Elements – Aikman Ave Structural Works	0.166	0.166
Energy Efficiency Work incl. Central Heating Boilers	1.998	3.550
Sheltered Housing Improvements	0.125	0.250
Structural Works	0.246	0.600
Renew Cladding/doors to BISF Houses	0.370	0.690
Replacement of Door Entry Phones	0.047	0.100
Replacement of Wood Doors with uPVC Doors	0.007	1.300
Energy Works	0.006	0.050
Window & Door Replacement Programme	4.025	8.695
St Matthews Windows, Gutters and Fascias	0.209	0.750
Replacement Windows in Tower Blocks	0.001	0.615
DHS Pipework etc	0.084	0.350
New Central Heating Installations	0.079	0.126
St. Matthews District Heating Scheme	0.149	0.150
<b>HRA 10 Year Target Total</b>	<b>9.537</b>	<b>22.622</b>
<b><u>2. Other HRA Schemes</u></b>		
Health and Safety Issues incl targetted alarms & Tank repl.	0.082	0.487
New Door Entry Systems	0.047	0.100
Fees	0.001	0.020
Environmental Budgets allocated to Community Associations	0.036	0.180
CRI – Community Association Schemes	0.305	0.500
Bungalow Improvements	0.000	0.100
Disabled Adaptations to Council dwellings	0.316	0.900
Service Improvements	0.023	0.430
Integrated Housing Management System & EDMS	0.615	1.400
Beaumont Leys Core Area Redesign	<u>0.214</u>	<u>1.244</u>
<b>Other HRA Schemes Total</b>	<b>1.639</b>	<b>5.361</b>
<b>HRA Total</b>	<b>11.176</b>	<b>27.983</b>

## **GENERAL FUND EXPENDITURE**

### **3. SCG/GF Commitments**

Mandatory Disabled Facilities Grants	1.068	1.835
Renovation Grants in Renewal Areas	<u>1.014</u>	<u>1.400</u>
<b>SCG/GF Commitments Total</b>	<b>2.082</b>	<b>3.235</b>

### **4. SCG/GF New Starts Programme**

Energy Efficiency Grants (DFG's & Renewal Areas)	0.108	0.225
Environmental Works in Renewal Areas	0.070	0.375
Home Repair Grants (incl. City Wide Home Mtnc Strategy & Care & Repair)	0.158	0.550
St Saviours Renewal Area	<u>0.001</u>	<u>0.792</u>
<b>SCG/GF New Starts Programme</b>	<b>0.337</b>	<b>1.942</b>

<b>SCG/GF Total</b>	<b>2.419</b>	<b>5.177</b>
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### **5. Other GF Commitments**

Fees	0.032	0.035
Capitalisation of salaries	<u>0.268</u>	<u>0.450</u>
<b>Other GF Commitments Total</b>	<b>0.300</b>	<b>0.485</b>

### **6. Other General Fund New Starts Programme**

Empty Homes and New Affordable Housing via RSL's	0.000	0.100
HomeCome	0.261	1.000
New Deal Training Scheme	0.000	0.030
Supporting Home Owners	0.007	0.100
Supporting People Computer System	0.067	0.067
Multi Disciplinary Centre	0.290	1.757
Improvements to Council Hostels	0.046	0.125
Care in the Community – Alarm Systems	0.023	0.125
Group Repair Scheme	0.023	0.023
LASHG	0.031	0.100
HB DIP Scheme (Help Fund)	<u>0.042</u>	<u>0.066</u>
<b>Other General Fund New Starts Total</b>	<b>0.790</b>	<b>3.493</b>

<b>Other General Fund Total</b>	<b>1.090</b>	<b>3.978</b>
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<b>OVERALL GENERAL FUND TOTAL</b>	<b>3.509</b>	<b>9.155</b>
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<b>PROGRAMME TOTAL</b>	<b>14.685</b>	<b>37.138</b>
Less Overprogramming (3.5%)	<u>0.000</u>	<u>0.000</u>

<b>TOTAL HOUSING CAPITAL PROGRAMME</b>	<b>14.685</b>	<b>37.138</b>
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**RESOURCES AVAILABLE TO SUPPORT THE HOUSING CAPITAL PROGRAMME 2004-2008**

	<u>2004/2005</u> <u>Estimated</u> <u>Resources</u> £000	<u>2005/2006</u> <u>Estimated</u> <u>Resources</u> £000	<u>2006/2007</u> <u>Estimated</u> <u>Resources</u> £000	<u>2007/2008</u> <u>Estimated</u> <u>Resources</u> £000	<u>TOTAL</u> £000
<b><u>HIP ALLOCATION/SINGLE CAPITAL POT</u></b>					
Housing ACG/Single Capital Pot	5710*	7333	7333	7333	27709
Major Repairs Allowance (MRA)**	12677	12345	12345	12345	49712
Private Sector Renewal	792	840	0	0	1632
Specified Capital Grant	431	381	381	381	1574
Single Capital Pot Allocation	<u>750</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>750</u>
	20360	20899	20059	20059	81377
<b><u>PLUS CAPITAL RECEIPTS</u></b>					
Capital Receipts b/f	1856	1136	0	0	2992
Sale of Council housing assets – Property & Land	6935	7100	4700	4700	23435
<b><u>PLUS CAPITAL EXPENDITURE FINANCED FROM REV.</u></b>					
Use of Housing DSO Profits	300	200	200	200	900
Use Of Housing Balances	1000	2500	1500	1500	6500
Use of Housing DSO Reserves	0	320	0	0	320
<b><u>PLUS UNSUPPORTED CREDIT APPROVAL</u></b>					
Prudential Borrowing	6000	12000	6000	6000	30000
<b><u>PLUS SPECIFIED CREDIT APPROVALS</u></b>					
HB DIP System	66	0	0	0	66
RSU Allocation for MDC	1444	556	0	0	2000
Reserves for MDC/Sale of Night Shelter/NRF	313	1473	0	0	1786
<b><u>PLUS OTHER RESOURCES</u></b>					
Commuted Sums receipts in year and from previous years	0	3000	1000	1000	5000
Match Funding from Public Utilities	0	250	250	250	750
<b><u>LESS</u></b> Capital Receipts carried forward	<u>(1136)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1136)</u>
	<b>37138</b>	<b>49434</b>	<b>33709</b>	<b>33709</b>	<b>153990</b>

- \*This represents 80% of the Housing ACG within the Single Capital Pot in 2004/05

\*\* Government now allocate resources, previously in capital, directly to the HRA via the MRA

**HOUSING CAPITAL PROGRAMME 2004/2008****HRA SCHEMES**

	<b><u>2004/5</u></b>	<b><u>2005/6</u></b>	<b><u>2006/7</u></b>	<b><u>2007/8</u></b>	<b><u>Total</u></b>
	<b><u>£m</u></b>	<b><u>£m</u></b>	<b><u>£m</u></b>	<b><u>£m</u></b>	<b><u>£m</u></b>
<b><u>1. HRA 10 YEAR TARGET</u></b>					
Plastering/Renewing Kitchens & Bathrooms	3.250	10.000	9.300	10.000	32.550
Cladding – MHC Bungalows	0.700	0.650	0.000	0.000	1.350
30 year+ Rewiring	0.780	0.750	0.750	0.750	3.030
Re-roofing/Re-guttering	0.500	0.650	0.650	0.650	2.450
Repair External Elements - Pointing etc	0.000	0.171	0.200	0.200	0.571
Repair External Elements – Aikman Ave Structural Works	0.166	0.000	0.000	0.000	0.166
Energy Efficiency Work incl. Central Heating Boilers	3.550	3.500	3.500	3.500	14.050
Environmental Works	0.000	0.096	0.105	0.100	0.301
Shed Doors	0.000	1.000	0.500	0.500	2.000
Flat Roofs over Shops	0.000	0.100	0.500	0.800	1.400
Sheltered Housing Improvements	0.250	0.500	0.250	0.250	1.250
Structural Works	0.600	0.600	0.500	0.500	2.200
Renew Cladding to BISF Houses	0.690	0.300	0.000	0.000	0.990
Replacement of Door Entry Phones	0.100	0.125	0.100	0.100	0.425
Replacement of Wood Doors with uPVC Doors	1.300	5.000	0.400	0.100	6.800
Energy Works	0.050	0.100	0.100	0.300	0.550
Window & Door Replacement Programme	8.695	9.190	5.500	4.750	28.135
St Matthews Windows, Gutters and Fascias	0.750	1.000	1.000	0.800	3.550
Replacement Windows in Tower Blocks	0.615	0.000	0.000	0.000	0.615
DHS Pipework etc	0.350	0.350	0.150	0.150	1.000
New Central Heating Installations	0.126	0.080	0.100	0.150	0.456
St. Matthews District Heating Scheme	<u>0.150</u>	<u>0.150</u>	<u>0.150</u>	<u>0.150</u>	<u>0.600</u>
<b>HRA 10 Year Target Total</b>	<b>22.622</b>	<b>34.312</b>	<b>23.755</b>	<b>23.750</b>	<b>104.439</b>



## **2. Other HRA Schemes**

Health and Safety Issues incl targetted alarms & Tank repl.	0.487	0.650	0.400	0.400	1.937
New Door Entry Systems	0.100	0.400	0.400	0.400	1.300
Fees	0.020	0.020	0.020	0.020	0.080
Environmental Budgets allocated to Community Associations	0.180	0.180	0.180	0.180	0.720
CRI – Community Association Schemes	0.500	0.500	0.500	0.500	2.000
Bungalow Improvements	0.100	0.100	0.000	0.000	0.200
Disabled Adaptations to Council dwellings	0.900	0.900	0.800	0.800	3.400
Service Improvements	0.430	0.500	0.400	0.400	1.730
Integrated Housing Management System & EDMS	1.400	0.400	0.000	0.000	1.800
Beaumont Leys Core Area Redesign	1.244	0.056	0.000	0.000	1.300
Replacement of Radio Alarm System	<u>0.000</u>	<u>0.320</u>	<u>0.000</u>	<u>0.000</u>	<u>0.320</u>
<b>Other HRA Schemes Total</b>	<b>5.361</b>	<b>4.026</b>	<b>2.700</b>	<b>2.700</b>	<b>14.787</b>
<b>HRA Total</b>	<b>27.983</b>	<b>38.338</b>	<b>26.455</b>	<b>26.450</b>	<b>119.226</b>

## **GENERAL FUND EXPENDITURE**

### **3. SCG/GF Commitments**

Mandatory Disabled Facilities Grants	1.835	2.000	2.000	2.000	7.835
Renovation Grants in Renewal Areas	<u>1.400</u>	<u>1.800</u>	<u>2.000</u>	<u>2.000</u>	<u>7.200</u>
<b>SCG/GF Commitments Total</b>	<b>3.235</b>	<b>3.800</b>	<b>4.000</b>	<b>4.000</b>	<b>15.035</b>

### **4. SCG/GF New Starts Programme**

Energy Efficiency Grants (DFG's & Renewal Areas)	0.225	0.250	0.225	0.225	0.925
Environmental Works in Renewal Areas	0.375	0.375	0.250	0.250	1.250
Home Repair Grants (incl. City Wide Home Mtnce Strategy & Care & Repair)	0.550	0.600	0.600	0.600	2.350
St Saviours Renewal Area	<u>0.792</u>	<u>0.840</u>	<u>0.000</u>	<u>0.000</u>	<u>1.632</u>
<b>SCG/GF New Starts Programme</b>	<b>1.942</b>	<b>2.065</b>	<b>1.075</b>	<b>1.075</b>	<b>6.157</b>
<b>SCG/GF Total</b>	<b>5.177</b>	<b>5.865</b>	<b>5.075</b>	<b>5.075</b>	<b>21.192</b>

## **5. Other GF Commitments**

Fees	0.035	0.030	0.025	0.025	0.115
Capitalisation of salaries	<u>0.450</u>	<u>0.500</u>	<u>0.500</u>	<u>0.500</u>	<u>1.950</u>
<b>Other GF Commitments Total</b>	<b>0.485</b>	<b>0.530</b>	<b>0.525</b>	<b>0.525</b>	<b>2.065</b>

## **6. Other General Fund New Starts Programme**

Empty Homes and New Affordable Housing via RSL's HomeCome	0.100	0.400	0.400	0.400	1.300
HomeCome	1.000	3.000	1.500	1.500	7.000
New Deal Training Scheme	0.030	0.030	0.030	0.030	0.120
Supporting Home Owners	0.100	0.100	0.100	0.100	0.400
Supporting People Computer System	0.067	0.000	0.000	0.000	0.067
Multi Disciplinary Centre	1.757	2.113	0.000	0.000	3.870
Improvements to Council Hostels	0.125	0.200	0.200	0.200	0.725
Care in the Community – Alarm Systems	0.125	0.150	0.146	0.150	0.571
Group Repair Scheme	0.023	0.000	0.000	0.000	0.023
LASHG	0.100	0.000	0.000	0.000	0.100
HB DIP Scheme (Help Fund)	0.066	0.000	0.000	0.000	0.066
Loft Insulation Programme	<u>0.000</u>	<u>0.500</u>	<u>0.500</u>	<u>0.500</u>	<u>1.500</u>
<b>Other General Fund New Starts Total</b>	<b>3.493</b>	<b>6.493</b>	<b>2.876</b>	<b>2.880</b>	<b>15.742</b>

**Other General Fund Total** **3.978** **7.023** **3.401** **3.405** **17.807**

**OVERALL GENERAL FUND TOTAL** **9.155** **12.888** **8.476** **8.480** **38.999**

**PROGRAMME TOTAL** **37.138** **51.226** **34.931** **34.930** **158.225**

**Less Overprogramming (3.5%)** 0.000 -1.792 -1.222 -1.221 -4.235

**TOTAL HOUSING CAPITAL PROGRAMME** **37.138** **49.434** **33.709** **33.709** **153.990**

Resources **37.138** **49.434** **33.709** **33.709** **153.990**