

BABERGH DISTRICT COUNCIL

FROM: HEAD OF TECHNICAL SERVICES

REPORT NUMBER **E180**

TO: STRATEGY COMMITTEE

DATE OF MEETING 10 November 2005

2005/2006 CAPITAL PROGRAMME

1. **SUMMARY**

1.1 To seek approval to budget changes within the 2005/06 Housing Revenue Account.

2. **RECOMMENDATIONS**

2.1 That Strategy Committee approves the proposed budget changes within the Housing Revenue Account, as laid out in Table 1 below.

The Committee is able to resolve this matter

3. **FINANCIAL IMPLICATIONS**

3.1 There are no financial implications to the overall Housing Revenue Account.

4. **PROPOSED CHANGES TO HOUSING REVENUE ACCOUNT BUDGETS**

4.1 **Structural Works**

The current budget of £60,910 was largely intended to be spent on a scheme for brickwork repairs and the installation of movement joints at Schoolfields, Glemsford (estimated cost £45,000).

However the complexity of the scheme requires a substantial lead-in period. Each property requires a different treatment, with the works being designed to ensure minimum disruption to the tenant. The consultation with each tenant is therefore obviously also crucial. In addition the bricks will have to be purpose made for the scheme, and we would prefer to carry out this work during the summer months of 2006.

It is proposed therefore to reduce this budget by £40,000 to £20,910 accordingly.

4.2 **Central Heating**

The level of ‘one-off’ installations requested this year has already reached the allowance made in the overall budget of £172,200. These installations are carried out in addition to major contracts. This allowance therefore needs to be increased based on a projection to the end of the year.

It is proposed therefore to increase the existing budget by £45,000 to £217,200 accordingly.

4.3 Fences & Gates

A limited number of 'one-off' installations are allowed for in the overall budget of £54,800. These installations are carried out in addition to major contracts. However the number of 'one-off' schemes reported by Repairs Inspectors has already been far higher than anticipated (these are fences that are beyond repair and therefore require renewal). The allowance therefore needs to be increased based on a projection to the end of the year.

It is proposed therefore to increase the existing budget by £35,000 to £89,800 accordingly.

4.4 Estate Improvements & Parking Areas

Due to lack of resources insufficient schemes have yet to be identified to reasonably expend the budget of £257,380 in the current year. The work being undertaken by Overview and Scrutiny Committee on our procedures for recharges has also affected some proposed schemes.

It is proposed therefore that the budget be reduced by £75,000 to £182,380 accordingly.

4.5 Badly Neglected Properties

In earlier years a budget of £20,000 has been sufficient to deal with one or two properties that, on becoming void, require considerable expenditure to bring them up to our 'lettable standard'. This is nearly always where tenants have consistently refused improvements (such as heating, windows, kitchens etc), but occasionally through damage or neglect. These properties require works in excess of what can be funded through 'reactive repairs' or 'voids' budgets

Last year however six properties were identified and the budget increased accordingly. Similarly four properties have already been identified this year.

It is proposed therefore to increase this budget by £20,000 to £40,000 accordingly.

4.6 Sewage Treatment Works

The current budget of £30,000 was established to allow for refurbishment of our works at Howe Lane, Cockfield due to the quality of treated water being below the required standard. However adjustments to this equipment, followed by a long period of monitoring, has indicated that the works is now functioning to the appropriate standard.

It is proposed therefore to reduce this budget by £25,000 to £5,000.

4.7 Software / Surveys

The current budget of £11,000 is insufficient to fund the three IT schemes that are specifically relevant to the Housing Revenue Account. These schemes are:

Asbestos Module for the IBS Integrated Housing System - £7,000

Complaints Module for the IBS Integrated Housing System - £15,000

Survey software and hardware for data gathering on work to void properties and assessments against the Decent Homes Standard - £9,000

It is proposed therefore that the budget be increased by £20,000 to £31,000 accordingly.

4.8 Regeneration Schemes

In previous years various schemes have been identified, given individual budget headings and substantial budgets allocated e.g. Uplands Road, Sudbury and Poplar Road, Gt. Cornard. Having completed feasibility studies on these schemes decisions have then been taken to demolish and transfer ownership, thus leaving these large budgets under spent.

A ‘regeneration scheme’ budget was established at this period last year to allow feasibility studies and other investigations to be undertaken on such schemes as they arise. If demolition and transfer were then the outcome, then no further funding would be required.

In 2005/06 feasibility studies have again been undertaken on a number of sites, particularly in relation to ‘affordable homes’. It is proposed therefore that a ‘Regeneration Schemes’ budget be again established for £20,000, which would allow for investigative expenditure undertaken on schemes such as Clibbon House.

5. SUMMARY

Taking into account the above proposals the proposed revisions to the HRA Capital Programme are:

TABLE 1

Work Programme	Original Budget (£)	Revised Budget (£)	Reduce By (£)	Increase By (£)	Proposed New Budget (£)
<u>Existing Budget Headings</u>					
Rewiring	60000	60000			60000
Roofing	312240	287240			287240
Windows replacement	200000	200000			200000
Door replacements	122100	113800			113800
Structural works	133400	60910	40000		20910
Central heating – non-leasing	172200	172200		45000	217200
Kitchens & bathrooms	330000	330000			330000
Street parking improvements	62000	62000			62000
Drainage & estate imps – Anglias	213800	245500			245500
Sandringham Court	180000	950200			950200
Stour House	125000	125000			125000
Decent Homes - Improvements	345000	345000			345000
Garage doors	30000	30000			30000
Fences & gates	183300	54800		35000	89800
Paths & walls	202000	73690			73690
Estate improvements/ parking areas	257380	257380	75000		182380
Dampness & condensation	20000	20000			20000
Electrical works	20000	20000			20000
Internal plumbing	10000	10000			10000
Asbestos removal	9100	9100			9100
Badly neglected properties	20000	20000		20000	40000
Disabled adaptations	200000	200000			200000
Non-sheltered units – smoke alarms	60000	60000			60000
Sewage treatment works	30000	30000	25000		5000
Sheltered units – general imps.	100000	100000			100000
Conversions & adaptations	60000	60000			60000
Software/ Surveys	11000	11000		20000	31000
Regeneration Schemes	0	0		20000	20000
Totals	3,468,520	3,907,820	140,000	140,000	3,907,820

It should be noted that the overall revised budget total within the Housing Revenue Account remains unaltered.

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