

## ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1.	<b>Meeting:</b>	<b>Cabinet Member for Safe and Attractive Neighbourhoods</b>
2.	<b>Date:</b>	<b>1 December 2014</b>
3.	<b>Title:</b>	<b>Housing Investment Programme 2014/15 Budget Virements</b>
4.	<b>Directorate:</b>	<b>Neighbourhoods and Adult Services</b>

### 5.0 Summary

The purpose of this report is to seek approval for budget virements within the 2014-15 Housing Improvement Programme.

### 6.0 Recommendations

That Cabinet Member approves the revised budgets detailed at Appendix A for the 2014-15 Housing Investment Programme.

### 7.0 Proposals and Details

7.1 The budget process that led to the original Capital Programme for 2013/14 to 2016/17 ensured that the Council's capital investment plans were aligned with its strategic priorities and vision for Rotherham.

In order to maintain that strategic link, and make best use of the capital resources available to the Council, it is important that the programme is kept under regular review and where necessary revisions are made.

The table below provides an overview of the current approved HIP programme for the period 2014-15.

Description	Original Budget 2014-15 £	Original Budget + Approved Slippage	Revised Budget 2014-15 £ (approved 14 July 2014)	Revised Budget 2014-15 (approved 1 September 2014)	Revised Budget 2014-15 (approved 3 November 2014)
Refurbishments	11,995,000	12,626,687	13,197,786	13,197,786	13,197,786
Other Capital Projects	13,563,000	13,318,239	13,143,239	13,143,239	13,243,239
Fair Access to All (Adaptations)	3,389,000	3,389,000	3,389,000	4,093,660	4,093,660
Regeneration/ Neighbourhood Renewal – Public Sector	2,250,000	2,250,000	2,050,000	2,050,000	1,950,000
Regeneration/ Neighbourhood Renewal – Private Sector	971,000	1,314,074	1,484,074	1,484,074	1,245,239
HCA New build	2,836,000	2,836,000	2,836,000	2,836,000	1,537,000
<b>Total</b>	<b>35,004,000</b>	<b>35,734,000</b>	<b>36,100,099</b>	<b>36,804,759</b>	<b>35,266,924</b>

## 7.2 Details

### 7.2.1 Housing Improvement Programme 2014-15 Capital Work Virements

Appendix A provides a detailed budget breakdown by scheme for 2014-15, project officer forecasts and proposed virements to budgets based on officer forecasts at Quarter 2 and known risks to the programme at this time. Detailed in the remainder of the report are key changes to budgets at this time and should be read in conjunction with Appendix A. A further detailed update on a project by project basis will be provided to Cabinet Member at Quarter 3.

**7.2.2 Other Capital Works – Budget £13,243,239**  
**Revised Budget £13,245,140**

The sections below, breakdown individual changes within the Other Capital Works budget.

**7.2.3 Environmental Works – Budget £1,612,000**  
**Revised Budget £1,718,901**

This budget will fund a variety of projects throughout the borough currently subject to consultation with tenants and members. Works funded through this scheme will include bin store improvements, shrub bed enhancements, off street parking and footpath re-surfacing etc. The increase in funding is to cover additional schemes now to be delivered within the current financial year, namely security improvements at Wharnccliffe Flats.

<b>7.2.4 Empty Homes –</b>	<b>Budget</b>	<b>£2,900,000</b>
	<b>Revised Budget</b>	<b>£2,700,000</b>

This budget is to fund major voids where the cost exceeds £4,000. This often occurs when a previous tenant has refused decency works so properties require new kitchens and bathrooms etc. prior to re-letting. The reduction in budget is due to lower volumes of major voids.

<b>7.2.5 Electrical Board &amp; Bond –</b>	<b>Budget</b>	<b>£150,000</b>
	<b>Revised Budget</b>	<b>£120,000</b>

This is a demand led service and is to fund electrical improvement works to properties (e.g. consumer units, rewires etc.) following fixed wire electrical testing. The reduction in budget is reflective of lower volumes of properties requiring full rewires following fixed wire electrical tests.

<b>7.2.6 Asbestos Removal &amp; Testing –</b>	<b>Budget</b>	<b>£380,000</b>
	<b>Revised Budget</b>	<b>£290,000</b>

This budget is to fund asbestos surveys and removals to properties that are receiving planned capital improvement works. The reduction in spend is due to lower demand for surveys and removal works.

<b>7.2.7 Boundary Wall Treatments –</b>	<b>Budget</b>	<b>£100,000</b>
	<b>Revised Budget</b>	<b>£140,000</b>

This budget is to fund improvements to boundary/ retaining walls and footpaths throughout the borough. The increased budget requirement is following receipt of tender returns.

<b>7.2.8 Community Centre Improvements –</b>	<b>Budget</b>	<b>£100,000</b>
	<b>Revised Budget</b>	<b>£300,000</b>

This will fund essential upgrades to lighting and fire equipment within the centres. The increase in budget of £200,000 will be used to fund conversion of 4 Neighbourhood centres into 6 flats following their closure in January 2015.

<b>7.2.9 External Insulation (EPC Improvements) –</b>	<b>Budget</b>	<b>£50,000</b>
	<b>Revised Budget</b>	<b>£25,000</b>

This will fund ad hoc top ups of insulation to external wall cavities and lofts. The reduction in budget is due to reduced demand.

**7.2.10 Community Centre Improvements – Budget £100,000**

This will fund essential upgrades to lighting and fire equipment within the centres.

### 7.3 Regeneration/ Neighbourhood Renewal Private Sector

7.3.1 Canklow Phase 1 & 2 –	<b>Budget</b>	<b>£690,000</b>
	<b>Revised Budget</b>	<b>£350,351</b>

This is a multi-year programme of activity to regenerate an area within Canklow through Housing Market Renewal. The project is focused on demolition, buy back and refurbishment of public and private sector properties in the area. The reduction in budget is due to delays in acquisition and demolition of remaining properties on the site.

### 8.0 Finance

8.1 The table below details how the Housing Improvement Programme will be funded if revised budgets are approved.

<b>Funding</b>	<b>Amount £</b>
Grants	1,546,654
Revenue Capital Contribution Outlay	8,513,030
Prudential Borrowing HRA	1,457,538.57
Capital Receipts RTB	1,002,663
Capital Receipts RTB 1 for 1	79,461.43
Capital Receipts	651,131
MRA	21,567,589
<b>Total</b>	<b>34,898,825</b>

### 9.0 Risks and Uncertainties

The Capital Programme is funded through a number of sources: borrowing, capital grants & contributions, revenue contributions and capital receipts. Any uncertainty over the funding of the Programme rests on confirmation that grants/contributions and capital receipts continue to be available in coming years. Where funding sources are volatile in nature the risks will be managed by continually keeping the programme under review.

### 10.0 Policy and Performance Agenda Implications

The HIP supports the Corporate plan priorities and is central to the longer term Housing Strategy:

- Making sure no community is left behind
- Helping to create Safe and Health Communities
- Improving the environment

The preparation of the Medium Term Financial Strategy incorporating a profiled capital programme and the associated revenue consequences, together with regular monitoring, highlights the Council's commitment to sound financial management.

### 11.0 Background Papers and Consultation

Dave Richmond, Director of Housing and Neighbourhoods, Stuart Booth, Director of Financial Services and Budget Holders have been consulted during the preparation of this report.

## Reports to Cabinet Member for Safe and Attractive Neighbourhoods

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