
REPORT TO:	Cabinet Member (Housing & Safer Communities) Cabinet
DATE:	24 January 2023 1 February 2023
SERVICE AREA:	Housing & Property/Finance
REPORTING OFFICER:	Head of Finance <i>(Alice Featherstone, Accounting Technician)</i>
SUBJECT:	HOUSING INVESTMENT PROGRAMME 2022/23 MONITORING
WARD/S AFFECTED:	ALL DISTRICT
FORWARD PLAN REF:	N/A

1.0 PURPOSE OF REPORT

- 1.1 This report provides the latest forecast for the Housing Investment Programme (HIP) for 2022/23 and highlights the main variances between this latest forecast and the budget.

2.0 RECOMMENDATION

- 2.1 That the report is received and the position noted.

3.0 RECOMMENDED REASONS FOR DECISION

- 3.1 The individual schemes and the overall funding levels need to be reported for capital budget monitoring purposes.

4.0 ALTERNATIVE OPTION CONSIDERED AND RECOMMENDED FOR REJECTION

- 4.1 Not to report. This would mean the Council would not be adequately monitoring capital expenditure.

5.0 THE REPORT

- 5.1 On 2 February 2022, Cabinet approved the Housing Investment Programme for 2022/23 with a forecast expenditure of £16,478k. On 9 November 2022

a Quarter 2 report was taken to Cabinet with a revised programme of £13,736k. The latest forecast programme as at December 2022 has decreased to £12,147k. A breakdown of the budget, Quarter 1 and 2 figures and the latest forecast are shown at Appendix 1. This summary also shows how the programme will be resourced. Key variations are detailed in the paragraphs below.

- 5.2 **Planned Maintenance & Improvements** - The current forecast for the overall programme of works is £1,760k, a decrease of £3,149k compared to the original budget figure. This is due to the delay in the procurement of the kitchen contract and staff vacancies, but following a successful recruitment campaign four of the five long term vacancies in the Planned Maintenance team have been filled with effect from the 10th of January. Focus in Q4 will be on
- urgent works to maintain housing quality standards
 - replacement Fire Safety Systems in Independent Living Schemes (Blossomgate Court)
 - retendering of key contracts i.e. Kitchens, Windows and Adaptations to ensure a full programme of cyclical works is delivered in 2023/24.
- 5.3 **Unadopted road** - The current forecast is £100k. This is a reduction of £400k compared to original budget as work has not yet started on the project.
- 5.4 **Housing Development** – Expenditure is currently forecast to be £1,587k a decrease of £1,372k to budget (including contingency) agreed in February 2022. The decrease is due to access and legal issues with Church Close and Pannal Green, planning approval not yet obtained at 22 Springfield Drive and 31 Gascoigne Crescent, delays in obtaining planning approval on Woodfield Close and Poplar Grove, along with current vacancies. We are currently expecting to complete four new build/refurbishments along with refurbishments at Allhallowgate including the creation of three accessible flats. £325k of works at Allhallowgate will defer into 2023/24 due to the further planning required for various changes to the original approval, meaning the majority of contractor works cannot yet be carried out.
- a. **1 Springfield Drive**, Boroughbridge (completed 2022/23)
 - One 2 bed house
 - (1 dwelling)
 - b. **Holmefield Road**, Ripon (due for completion 2022/23)
 - One 2 bed house
 - Two 3 bed houses
 - (3 dwellings)
 - c. **Dene Park**, Harrogate (due for completion 2023/24)
 - Two 1 bed flats
 - Two 2 bed houses
 - One 3 bed house
 - (5 dwellings)
 - d. **70 Poplar Grove**, Harrogate (due for completion 2023/24)
 - One 2 bed house

(1 dwelling).

5.5 Homes purchased for social housing with HRA capital receipts and 141 receipts - It was agreed by Cabinet on 2 February 2022 that up to 20 homes would be purchased in 2022/23. To date in 2022/23 we have purchased 14 properties at a cost of £3.2m, and as the average price is lower than originally budgeted we have agreed purchases on a further 11 properties. There are sufficient capital receipts, along with the 1-4-1 receipts, to fund such purchases within the original agreed budget.

5.6 Castle Hill purchases for HRA stock - The expected budget spend in 2022/23 is £788k. This is for the purchase of 12 properties (s106 units) on this site, with the final 10 due for completion in 2023/24.

5.7 Private Sector Grants/Loans

5.7.1 Disabled Facilities Grants (DFGs)

The original budget for 2022/23 is set at £1m and the latest forecast spend is £1.1m which will all be funded by DFG grant available for 2022/23 and previous years' underspends.

5.7.2 Emergency Repair Fund

The council operates an Emergency Repair Fund which provides a loan fund to the private sector to support unforeseen repairs or maintenance. Budgeted expenditure for the year was set at £5k.

5.8 Resources

The main variation is that the contribution to capital from HRA revenue has decreased by £5.9m following increased funding available from Major Repair Reserve (MRR) and HRA capital receipts, along with lower forecast spend on planned Maintenance and Housing development costs.

6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.

7.0 CONCLUSIONS

7.1 The projected outturn for the Housing Investment Programme in 2022/23 is currently forecast to be £12,147k. This is a £5,644k decrease compared to the approved programme at February 2022 (including any carry forwards from 2021/22). The main variances are in relation to reduced expected spend on Planned Maintenance and housing development costs, along with some costs at Whinney lane deferring into 2023/24

Background Papers –

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