

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – 25 MARCH 2014

Title of report	ADDITIONAL COSTS OF THE DECENT HOMES IMPROVEMENT PROGRAMME 2014/15
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Purpose of report	To consider Cabinets recommendation to Council for approval of an amended HRA Budget, Housing Capital Programme, and Treasury Management Strategy Statement for 2014/15, in response to the increase in costs identified as part of the preparations for the delivery of the 2014/15 Decent Homes Improvement Programme.
Reason for Decision	To ensure that Council has adequate financial resources to deliver the required programme of improvement works to Council tenants homes.
Council Priorities	Value for Money Homes and Communities
Implications: Financial/Staff	Financial implications detailed in the report.
Link to relevant CAT	Not applicable
Risk Management	Making adequate budget provision to complete this work will allow the Council to achieve the objectives for the improvement programme as set out in the Housing Business Plan.

Equalities Impact Assessment	No impact identified
Human Rights	None identified
Transformational Government	Not applicable
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Deputy Monitoring Officer	On the advice of external solicitors, the report is satisfactory
Consultees	Housing Revenue Account Business Plan Project Board
Background papers	None
Recommendations	<p>THAT COUNCIL -</p> <ol style="list-style-type: none"> 1. NOTES THE PROJECTED INCREASE IN COSTS ASSOCIATED WITH COMPLETING THE 2014/15 DECENT HOMES PROGRAMME OF IMPROVEMENTS AS DETAILED IN THE REPORT TO CABINET ATTACHED AS APPENDIX 1. 2. CONSIDERS THE REPORT TO CABINET AND THE ASSOCIATED RECOMMENDATION FROM CABINET IN RELATION TO FUNDING THE REQUIRED WORKS AND APPROVES THE REVISED 2014/15 HOUSING CAPITAL PROGRAMME AND HRA BUDGET AS DETAILED IN APPENDIX 2 AND 3 OF THIS REPORT TO FUND THIS INCREASE IN COSTS, AND THE AMENDED PRUDENTIAL INDICATORS DETAILED IN APPENDIX 4. 3. AGREES TO RECEIVE A FURTHER REPORT AT ITS MEETING ON 1 JULY 2014 REGARDING THE FUNDING OPTIONS TO COMPLETE DECENT HOMES IMPROVEMENTS TO THE ADDITIONAL NON DECENT PROPERTIES RECENTLY IDENTIFIED.

1.0 REPORT

- 1.1 Cabinet considered an addendum to the Housing Revenue Account budget report and related papers on the 11 February 2014, regarding additional costs of the Decent Homes improvement programme that had been identified whilst preparing for the delivery of the 2014/15 programme. The addendum also made reference to additional non Decent Homes that had been identified following the outcome of our recent stock condition surveys, and identified the need to consider the options available regarding the completion of this work. This was subsequently reported to Council as part of the budget report approval process on 25 February 2014.
- 1.2 Cabinet then considered a further report on 4 March 2014 entitled “Additional Costs of the Decent Homes Improvement Programme 2014/15”, and that report with associated appendices is attached as Appendix 1. The report identified a need for an additional £1.65 million to complete the 2014/15 Decent Homes improvement programme, and recommends that it be secured from the use of Housing Revenue Account reserves and use of windfall income from additional Right To Buy property sales. Further details of the background to this issue are contained in the Cabinet report.
- 1.3 The decision of Cabinet was to recommend the amended budget to Full Council as detailed in the draft minutes of the meeting, attached as Appendix 2.
- 1.4 On 5 March 2014 the Monitoring Officer received a valid “call-in” request which was considered by Policy Development Group on the 12 March 2014 as an urgent item. Having fully considered the matter, Policy Development Group recommended that no further action be taken. The extract from the draft minutes of Policy Development Group detailing their comments is set out in Appendix 3.
- 1.5 Council is invited to consider the recommendation from Cabinet on 4 March 2014 as detailed in Appendix 2, and the outcome of Policy Development Group’s consideration of this item.