

Appendix 2 to Agenda Item 7 - Housing Strategy Capital Investment Programme 2013/14 to 2018/19

Project	Existing Budget	Proposed Budget	Source of funding	Savings	Comments
Mandatory Disabled Facilities Grants	2,209,603	2,209,603	2,209,603 Existing capital budget		Due to efficiency savings the existing capital budget has been reprofiled effectively reducing the revenue tax requirement by £400,000 per year for the 3 years post 2015/16 compared with previous predictions and subject to funding from central government.
Environmental Health Officer (Temp)	74,830	74,830	74,830 Existing capital budget		£25,030 to be used to support revenue cost of extending post for 3 years as DFG efficiency savings will not be achieved without this post.
Home Extensions and Conversions*	257,300	157,300	157,300 Existing capital budget	100,000	This budget is used to take pressure off the DFG budget and solve overcrowding issues where this is the cheapest option. Officers are unable to guarantee when the funds will be spent due to long lead in period for projects, therefore any underspend needs to be rolled forward but will only be used as required. The savings of £100,000 to be transferred to Discretionary Private Sector Loans budget.
Under-Occupation Fund	25,796	25,796	25,796 Existing capital budget		Currently used to facilitate savings in DFG budget. To be retained.#
Mortgage Rescue	42,641	42,641	42,641 Existing capital budget		To be retained as emergency fund to deal with mortgage rescue / repossessions where this is the most effective solution. If not required this may remain unspent. #
Discretionary Private Sector Renewal Grants and Loans	792,214	1,092,214	792,214 existing capital budget 300,000 savings in existing capital budget*	-300,000	The private sector loans will become self financing in the longer term but accreditation will still need to be funded as part of prevention policy and to maintain the standard of private rented provision within the district.
Housing stock remodelling	12,500	12,500	12,500 existing capital budget		This was delayed to take account of the 2011 census. The funds will be spent in 13/14
Westward House refurbishment	133,000	133,000	133,000 existing capital budget		These funds are to be retained to cover the contract retention monies.
Rural Housing Partnership	779,500	779,500	779,000 Existing capital budget		These funds are committed under the legal agreement and will be drawn down in 13/14 & 14/15.
Housing Partnership	1,500,000	3,000,000	1.5m Rural Housing Fund 1m commuted sums 0.5m housing capital reserves	-1,500,000	£1.5 million split from Rural Housing Fund, to fund new housing delivery partnership. £1.5m additional funds required to achieve housing strategy target of additional 150 affordable homes over strategy period, including purchase of land, leveraging investment into district and funding of Rural Housing Enabler. Target is over the strategy period and there is no guarantee of spend within each year as will be reliant on other parties.
Future Housing Investment Initiatives*	200,000	0		200,000	To be transferred to Discretionary Private Sector Loan budget.
Equity Loan Scheme (Parity Trust)	221,678	221,678	221,678 existing capital budget		This project has been delayed due to negotiations on legal agreement. Expected to be resolved shortly. Existing funds are expected to be spent in 2013/14 and report to be submitted to Cabinet for additional 500k mentioned in Housing Review Feb 12. Thereafter the scheme will be self-financing.
Subtotals	6,249,062	7,749,062		-1,500,000	
Investment proposals for the use of housing capital reserves approved by Cabinet Feb 12	Outline budget				
Westward House refurbishment	250,000			250,000	The existing capital programme was sufficient to cover the costs and this funding is no-longer required.
Equity Loan Scheme (Parity Trust)	500,000	500,000	500,000 housing capital reserves		Existing funds are expected to be spent in 2013/14 and report to be submitted to Cabinet for additional 500k mentioned in Housing Review Feb 12. Thereafter the scheme will be self-financing.
Save to buy	1,750,000			1,750,000	"Save to buy" and the Local Authority Mortgage scheme were considered by Housing Standing Panel and OSC and recommendations put to Cabinet. Cabinet were concerned about the small number of people who would be supported by the scheme in relation to the £1m required and resolved that a Local Authority Mortgage Scheme (LAMS) be not set up.
Pump prime Initiative	1,000,000			1,000,000	Officers have investigated the existing sites within the 5 year land supply and considered the possibility of pump priming to enable enable sites to commence development, where lack of access to loan finance is preventing a start on site. However, loan finance was not found to be the major issue and in most cases the developer is awaiting an up turn in the market before they are prepared to commence or step up development.
Live Work	1,500,000			1,500,000	Live work initiatives have been investigated, but the resources required to deliver a small number of units outweigh the benefits and to date the authorities undertaking such initiatives have been thwarted by a multitude of unresolved issues.
Subtotals	5,000,000	500,000		4,500,000	
TOTALS	11,249,062	8,249,062		3,000,000	
less S106 commuted sums		1,000,000		1,000,000	commuted sums
Capital requirement from CDC		7,249,062		4,000,000	Total savings to capital budget.

These budgets will only be spent as required. If funds in any year remain unspent the underspend will be reprofiled to future years but will be kept under review. This will give greater flexibility and will help achieve efficiencies.

Some additional funds maybe required during the strategy period to cover Housing Needs /SHMA update and Stock condition update.

Capital funding post the five year strategy period will need to be considered in due course