

Scrutiny Committee



Report of Interim Head of Development, Regeneration and Housing

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Slippage of Development and Housing Capital Schemes

Recommendation

That the Committee notes the contents of this report.

Purpose of Report

1. To explain slippage of development and Housing Capital Schemes

Strategic Objectives

2. Capital expenditure has been allocated to assist in the delivery of major development schemes that help achieve the following Corporate Priorities:
 - Housing and infrastructure
 - Sustainable communities and wellbeing
 - Building an even stronger economy

Background

3. Scrutiny Committee have asked for a report explaining slippages of development and housing capital schemes from the appropriate Council officers.
4. The capital budget for this working year allocated £415K to fund capital investment related to housing initiatives and £916.3K to fund capital investment projects related to the Housing Register and Homeless (see Vale Capital Budgets Table below).

Vale 2017/18 Development & Housing Capital Budgets		
Budget Title	Working Budget Full Year £	Actual Spend to date £
Housing Association Programme	387,000	0
Open Market Homebuyer Scheme	28,000	0
Housing Initiatives	415,000	0
Implementation of Online Web Advice	6,300	0
Housing Allocations	13,000	5,880
Housing Abingdon	885,000	0
Elmside Hostel	12,000	0
Housing Register & Homelessness	916,300	5,880
Development & Housing - Capital	1,331,300	5,880
Direct Service Capital Expenditure	1,331,300	5,880

5. £387k of the £415K for housing initiatives was allocated to a Housing Association Programme, and includes a commuted sum of £305K (received from a private retirement scheme in Wantage). The remainder of this funding comes from an historic grant received over 10 years ago, designed to help Council's assist affordable housing schemes being developed by registered providers.
6. The Housing Association Programme is aimed at developing and delivering community housing schemes being promoted by registered providers and organisations such as Oxfordshire Community Land Trust. At the time the funding was allocated, there was considerable discussion concerning a particular project that Oxfordshire Community Land Trust wished to pursue. This scheme is still ongoing and the subject of further discussions and these are taking longer than anticipated to reach a conclusion that confirms the funding is needed and enables officers to subsequently bring forward a Cabinet report for approval. As things stand, we would not anticipate being in a position to take this project forward for at least a further 12 months. Consequently, we will be looking to carry forward this funding into next years' budget.
7. The remainder of the capital allocated to housing initiatives i.e. £28K will no longer be required, since the programme that used this funding (The Open Market Homebuyer Scheme) has ended.

8. £885K of the £916.3K allocated to fund capital investment projects related to the housing register and homeless, was originally intended to be spent on acquiring temporary accommodation in Abingdon. However, based on the recommendations of the recently approved Temporary Accommodation Strategy, it was decided to use this funding to convert Vale's two temporary accommodation hostels, in Wantage and Faringdon, into self-contained units. The work has commenced to design the schemes. It is expected that the bulk of this funding will not be required until late 2018. Consequently, we will be looking to carry forward this budget into next financial year.

Financial Implications

9. The capital allocation is still required to achieve the same aims and, assuming that the Council is still able to allocate the same amount of funds, it is expected that this capital allocation will be rolled forward into next year's budget.

Legal Implications

10. There are no legal implications associated with the content of this report.

Risks

11. There are no additional risks associated with the content of this report.

Other Implications

12. None.

Conclusion

13. Slippage is mainly the result of an extended period taken to finalise plans for a community housing scheme being proposed by Oxfordshire Community Land Trust and the revised priorities outlined within the Council's Temporary Accommodation Strategy. These revised priorities meant that two new conversion schemes were identified and work is currently underway to realise these schemes. Unfortunately, revising priorities has led to a delay in utilising the capital budget, but this will be required to complete the schemes.

Background Papers

- None