

Appendix 4 - HRA Capital Programme and Funding 2019/20 - 2021/22

	For Info	For Approval	For info				
EXPENDITURE	Original Budget 2018/19	Proposed Budget 2019/20	Profiled Budget 2019/20	Total Budget 2019/20	Provisional Budget 2020/21	Provisional Budget 2021/22	Description
	£'000	£'000	£'000	£'000	£'000	£'000	
Improving Housing Quality							
Door Entry Systems & CCTV	687	628	190	818	699	703	A long-term programme to replace door entry systems across the city, where needed, as many are nearing the end of their serviceable life, with spare parts being difficult to source. This programme is constantly reviewed, alongside the communal main entrance door programme to ensure value for money.
Water Tanks, Ventilation, Lighting & Lightning Protection & Fire Alarms	806	675		675	537	539	Projects help meet statutory requirements and ensure safety and welfare for residents through a replacement and improvement programme as required.
Lifts	1,256	571	350	921	779	418	The lift replacement and upgrade programme is a long-term commitment to council residents. The majority of lifts have now been replaced since its inception, and the programme is under ongoing review to ensure it continues to provide good value for money.
Fire Safety & Asbestos Management	2,122	3,388	682	4,070	3,490	2,008	Effectively managing the risks of both fire and asbestos materials is an ongoing need. . Includes both statutory requirements and provision for enhanced fire safety measures. In particular, including provision for a programme of retro-fitting of sprinklers, which continues, subject to consultation with residents.
Minor Capital Works	401	549	115	664	355	364	Investment in smaller capital repairs across the HRA stock as well as investing in car parks and garages. The budget for 19-20 includes additional investment in St James House Car Park.
Roofing	1,602	1,752	175	1,927	1,059	1,255	Helps to extend the life of assets, improves insulation and reduces responsive repairs.
Condensation & Damp Works	431	244	148	392	274	314	Health and welfare of council residents is assisted by tackling issues arising from condensation and damp in properties

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Major Structural works	7,131	2,645	2,341	4,986	6,530	7,068	Meeting our landlord obligations through maintaining the structural and general external integrity of properties.
Major Empty Property works	123	91		91	87	126	Extensive refurbishment of empty homes prior to re-letting.
Cyclical Repairs & Decorations	3,844	2,745	675	3,420	2,599	2,868	External and common way repairs and decorations across the city help reduce ongoing costs and keep properties well maintained. Property & Investment are working closely with residents to ensure internal decorations in blocks are consistently delivered across the city.
Future capital projects	112	112		112	112	112	Specialist and other surveys to support future programmes.
Brighton & Hove Standard Works							
Dwelling Doors	407	293		293	249	282	Replacing doors to properties with secure and efficient design helps residents feel safer. This programme includes the provision of fire-rated doors to dwellings where required.
Kitchens & Bathrooms	1,911	1,671		1,671	1,683	1,908	This budget helps to ensure homes comply with the Brighton & Hove Standard.
Rewiring - Domestic/ Communal	1,787	1,384		1,384	1,346	1,431	Safe and reliable and compliant electrical installations and efficient lighting are supported from this budget.
Windows	1,602	1,806		1,806	1,122	1,443	Window replacement programmes meet the council's landlord obligations, improve energy efficiency, warmth and reduce ongoing repair costs.
Sustainability & Carbon Reduction							
Domestic/Communal Heating Improvements	2,158	2,100		2,100	2,099	2,104	Efficient and modern replacement heating systems improve thermal comfort, reduce carbon emissions and resident fuel costs.

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Insulation improvements	62	61		61	62	63	Improving insulation levels in the roof and other parts of buildings improves thermal comfort, reduces mould growth and resident heating costs.
Home Energy Efficiency & Renewables	601	51	550	601	51	51	Many homes now benefit from solar panels. This programme will help take up other opportunities to further improve the energy rating of our homes.
Tackling Inequality							
Estate Development Budget	348	355		355	247	181	Residents are able to prioritise smaller projects through this continuing and well supported budget. Also utilising EDB earmarked reserves.
Environmental Improvements		400		400	400	400	New budget to fund environmental and communal area improvement work.
Fencing	62	61		61	62	63	Maintaining and improving our neighbourhoods and estates.
Disabled Aids & Adaptations	1,150	1,150		1,150	1,150	1,150	Enabling vulnerable residents continue to live independently in their homes through investment in housing adaptations. .
Conversions & Extensions	632	550		550	599	598	Tackling overcrowding across the city is of key importance to ensure good quality housing.
Housing ICT Budget	1,200	250	950	1,200	80	80	As part of the modernisation of the HRA's ICT (and in support of the implementation of the new housing management system) investment is required for replacement servers and new ICT hardware.
Estate Service Vehicle Replacement	280						
Total Investment in existing Housing Stock	30,716	23,532	6,176	29,708	25,670	25,528	

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Delivery of New Council Homes							
New schemes	5,000					14,410	This is the forecast expenditure required to meet the use of RTB receipts requirement. Specific schemes have yet to be identified for future years to utilise the receipts.
Converting spaces in existing buildings	880	1,432	146	1,578	272	326	Increasing housing supply through an ongoing Hidden Homes programme to deliver new homes by converting existing redundant spaces.
Purchase of Emergency Temporary Accommodation		3,500		3,500			Scheme added at PR&G Committee on 14 February 2019. Detailed report to be presented to Housing & New Homes Committee in June 2019.
Purchase properties	2,763	5,500	1,500	7,000	2,000	2,000	Increasing housing supply through expanded Home Purchase Policy approved by Committee in 2018.
Design competition	2,500		200	200	2,300		The approved budget for 2019/20 relates to enabling works at the Rotherfield Crescent scheme.
Oxford Street conversion	1,064		1,125	1,125			Increasing housing supply through provision of council owned temporary accommodation. The 2019/20 budget consists of £0.564m reprofiled from 2018/19 (approved by PR&G as part of the TBM7 report) and an additional budget of £0.561m that is being added (a budget variation) as part of the TBM9 report to PR&G giving the £1.125m total.
Portslade Police Station	127						
Redevelopment of vacant HRA garage sites	2,464		83	83			Increasing housing supply through our New Homes for Neighbourhoods programme. 2018/19 budget relates to development at Kensington Street.
Lynchet Close	954						Scheme completed in 2018/19
Wellsbourne Development	69						Scheme completed in 2018/19
Selsfield Drive	7,663		5,109	5,109	1,537		Scheme due for completion in 2020/21.

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Buckley Close			2,583	2,583	240		Increasing housing supply through our New Homes for Neighbourhoods programme. Total budget of £2.96m approved at December PR&G for the development of 12.
Victoria Road			1,972	1,972	7,048	2,119	Increasing housing supply through our New Homes for Neighbourhoods programme. Total budget of £12.914m approved at December PR&G for the development of 45 homes and the re-provision of a Sports Pavilion at Victoria Road, Portslade.
Property purchase from Orbit HA			500	500			Increasing housing supply through provision of council owned temporary accommodation. Refurbishment costs relating to the purchase of 15 homes for use as Temporary Accommodation.
Feasibility	377		227	227	150	150	
Total Delivery of New Council Homes	23,861	10,432	13,445	23,877	17,888	21,664	
Total Programme	54,578	33,964	19,621	53,585	39,217	44,533	
Programme Funding							
Revenue Contribution to Capital		22,432	2,672	25,104	26,933	27,729	Funding from revenue surpluses.
Borrowing		7,303	10,836	18,139	7,438	10,387	Borrowing required mainly for new build schemes.
HRA reserves		750	1,400	2,150	580	580	Useable revenue and capital reserves
EDB Earmarked reserves		170		170	67		Earmarked reserve
ESFRS contribution			347	347			Funding due from East Sussex Fire and Rescue Service towards Sprinkler programme
Capital Receipts		3,129	3,891	7,020	4,019	5,657	Retained RTB receipts for New Build
Energy Grants/FITs		180		180	180	180	Funding to support sustainability and carbon projects.
Land Release Funding			475	475			Funding for works at Selsfield Drive and Victoria Rd.
Total Funding	54,578	33,964	19,621	53,585	39,217	44,533	

Right to Buy (RTB) Receipts Monitoring

In June 2012, the council signed an agreement to retain RTB Receipts, which can be used to fund up to 30% of a new build development. The agreement requires these amounts to be spent within 3 years of receipt, otherwise the council will be required to repay them to the Government with interest at a rate of 4% above the base rate on a day to day basis compounded with three monthly rests.

The following table sets out current and planned usage, showing that all receipts are assumed to be spent: -

Financial year for receipts to be spent by	In-year RTB receipts	Affordable Housing Expenditure required	Affordable Housing forecast expenditure	(Under) / over achieved
	£'000	£'000	£'000	£'000
Pre 2015/16	-	-	1,788	1,788
2015/16	609	2,030	6,684	4,654
2016/17	3,966	15,250	19,332	4,082
2017/18	2,561	23,787	31,713	7,926
2018/19	5,431	41,890	41,890	-
2019/20	4,611	57,260	65,291	8,031
2020/21	5,631	76,030	78,688	2,658
2021/22	6,454	97,543	97,543	-