

Report

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Report to: **South Lanarkshire Council**
Date of Meeting: **8 February 2007**
Report by: **Chief Executive**

Subject: **Recommendations Referred by Executive Committee (Special) – Housing Revenue Account Budget 2007/2008; Housing Investment Programme 2007/2008; Capital Budget 2007/2008 and 2008/2009 and Primary School Modernisation Programme (Phase 2); Revenue Budget and Level of Local Taxation 2007/2008**

1. Purpose of Report

1.1. The purpose of the report is to:-

allow consideration of the following recommendations referred to the Council by the Executive Committee (Special) held on 8 February 2007:-

◆ **Housing Revenue Account Budget 2007/2008**

that the recommendations of the Housing and Technical Resources Committee (Special) of 8 February 2007 in relation to the Housing Revenue Account Budget 2007/2008 be approved

◆ **Housing Investment Programme 2007/2008**

that the Housing Investment Programme 2007/2008 be approved

◆ **Capital Budget 2007/2008 and 2008/2009 and Primary School Modernisation Programme (Phase 2)**

- ◆ that the amended Capital Programme for the period 2007 to 2009 and the funding schedule, as detailed in the appendices to the report, be approved;
- ◆ that the revisions to Phase 2 of the Primary Schools Modernisation Programme increasing the number of new build schools by 39 to 84, as detailed in the report, be approved; and
- ◆ that an updated Phase 2 programme of works be submitted to the Executive Committee at its meeting on 21 March 2007.

◆ **Revenue Budget and Level of Local Taxation 2007/2008**

- ◆ that the investment proposals totalling £20.710 million, as detailed in Appendix 1 of the report, be approved;
- ◆ that the recommendation of the Finance and Information Technology Resources Committee and the Revenue Budget for 2007/2008 be approved;
- ◆ that the budget allocations for each Resource for 2007/2008, as detailed in Appendix 2 of the report, be approved;
- ◆ that the actions required to finalise the Council's detailed Revenue Budget for 2007/2008 be approved; and

- ◆ that the Band D Council Tax for 2007/2008 be set at a figure of £1,101 (increase of 2.32%).

2. **Recommendation(s)**

2.1. The Council is asked to approve the following recommendation(s):-

(1) that the recommendations of the Executive Committee (Special) of 8 February 2007 in relation to the following issues be approved:-

- ◆ Housing Revenue Account Budget 2007/2008
- ◆ Housing Investment Programme 2007/2008
- ◆ Capital Budget 2007/2008 and 2008/2009 and Primary School Modernisation Programme (Phase 2)
- ◆ Revenue Budget and Level of Local Taxation 2007/2008

3. **Recommendations Referred by Executive Committee (Special) – Housing Revenue Account Budget 2007/2008 – Extract of Minute**

3.1. A report dated 8 February 2007 by the Chief Executive was tabled on recommendations which had been referred to this Committee by the Housing and Technical Resources Committee (Special) of 8 February 2007. The recommendations of the Housing and Technical Resources Committee were as follows:-

Housing Revenue Account Budget 2007/2008

- ◆ that the Revenue Estimate proposals for the Housing Revenue Account for 2007/2008, as detailed in the report, and the weekly rent increase of £1.77 (3.5%) for Council houses be approved
- ◆ that the 3.5% rise also be applied to the rent of lock-ups, garage sites and travelling people's sites

The Committee recommended to the Council: that the recommendations of the Housing and Technical Resources Committee (Special) in relation to the Housing Revenue Account budget 2007/2008 be approved.

[Reference: Minutes of Housing and Technical Resources Committee (Special) of 8 February 2007 (Paragraph 2)]

4. **Recommendations Referred by Executive Committee (Special) – Housing Investment Programme 2007/2008 - Extract of Minute**

4.1. A joint report dated 17 January 2007 by the Executive Directors (Finance and Information Technology Resources) and (Housing and Technical Resources) was submitted on:-

- ◆ the progress of the Housing Investment Programme
- ◆ the finalised programme of works for 2007/2008

The Housing Investment Programme for 2007/2008 totalled £36,439,360 and was made up of:-

- ◆ commitments carried forward from 2006/2007
- ◆ new kitchen and bathroom installations
- ◆ environmental works and external fabric repairs

- ◆ miscellaneous projects
- ◆ regeneration and other Council-wide investment

The Programme would be funded as follows:-

◆ Capital Receipts	£19,862,000
◆ General Fund contributions to environmental costs	£1,875,000
◆ Capital Financed from Current Revenue	£12,684,000
◆ Reserves	£2,018,360
Total	£36,439,360

The Committee recommended that the Housing Investment Programme
to the Council: 2007/2008 be approved.

[Reference: Minutes of 24 May 2006 (Paragraph 6)]

5. Recommendations Referred by Executive Committee (Special) – Capital Budget 2007/2008 and 2008/2009 and Primary School Modernisation Programme (Phase 2) - Extract of Minute

5.1. A report dated 16 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on:-

- ◆ the capital investment programme for General Fund services for the period 2007 to 2009
- ◆ the position in relation to Phase 2 of the Primary Schools Modernisation Programme including proposals to increase the number of new build schools in the programme

The Capital Programme had been developed to reflect the following priority areas:-

- ◆ investment in the primary school estate
- ◆ ongoing investments in roads and footpaths
- ◆ Housing Improvement Grants remaining at current high levels
- ◆ planned maintenance for major Resource investments
- ◆ additional community facilities reflecting the public consultation process

The proposed programme for each Resource was detailed in an appendix to the report and included provision for the development of Carluke Integrated Facility and a link road and associated traffic management proposals at Peacock Cross, Hamilton.

Following a review of Phase 2 of the Primary Schools Modernisation Programme, it was now proposed that 39 primary schools currently approved for refurbishment be completely rebuilt. In order to achieve the revised programme, some of the schools would be rescheduled due to the provision of suitable decant accommodation in the local area. The overall programme would be extended by 1 year and those schools to be rebuilt would not require to be rescheduled by any more than 24 months with scope for some projects to be advanced. The schools involved were detailed in an appendix to the report. A report on the detailed programme of work would be presented to a future meeting of this Committee. The remaining 16 schools were either listed by Historic Scotland or were relatively new and would be refurbished rather than rebuilt or relocated.

The financial implications were detailed and it was confirmed that the complete General Fund Programme for 2007 to 2009 would be £203.815 million. This was matched by the amount available from all presently agreed funding sources. The associated borrowing costs had been factored into revenue budget calculations as part of the Council's medium-term financial strategy.

The Committee recommended to the Council:

- (1) that the amended Capital Programme for the period 2007 to 2009 and the funding schedule, as detailed in the appendices to the report, be approved;
- (2) that the revisions to Phase 2 of the Primary Schools Modernisation Programme increasing the number of new build schools by 39 to 84, as detailed in the report, be approved; and
- (3) that an updated Phase 2 programme of works be submitted to the Executive Committee at its meeting on 21 March 2007.

[Reference: Minutes of 21 June 2006 (Paragraph 3)]

6. Recommendations Referred by Executive Committee (Special) – Revenue Budget and Level of Local Taxation 2007/2008 – Extract of Minute

- 6.1 A report dated 8 February 2007 by the Chief Executive was tabled on a recommendation which had been referred to this Committee by the Finance and Information Technology Resources Committee (Special) of 8 February 2007. The recommendation of the Finance and Information Technology Resources was as follows:-

Revenue Budget 2007/2008

- ◆ that the Revenue Budget proposals for 2007/2008 be approved

A report dated 10 January 2007 by the Executive Director (Finance and Information Technology Resources) was submitted on:-

- ◆ the outcome of the budget process and the content of the Council's Revenue Budget for 2007/2008
- ◆ proposals for investment in developments totalling £20.710 million which took account of the Council's priorities and reflected the outcome of the public consultation exercise
- ◆ the budget allocation to each Council Resource for 2007/2008
- ◆ the proposed level of Council Tax for 2007/2008
- ◆ arrangements to monitor and review budgetary performance at Service, Resource and corporate levels

Surpluses generated by the Council's Trading Services of £6.869 million would be used to minimise the increase in Council Tax.

The Committee recommended to the Council:

- (1) that the investment proposals totalling £20.710 million, as detailed in Appendix 1 of the report, be approved;
- (2) that the recommendation of the Finance and Information Technology Resources Committee and the Revenue Budget for 2007/2008 be approved;
- (3) that the budget allocations for each Resource for 2007/2008, as detailed in Appendix 2 of the report, be approved;
- (4) that the actions required to finalise the Council's detailed Revenue Budget for 2007/2008 be approved; and

- (5) that the Band D Council Tax for 2007/2008 be set at a figure of £1,101 (increase of 2.32%).

[Reference: Minutes of Finance and Information Technology Resource Committee (Special) of 8 February 2007 (Paragraph 3) and Minutes of 24 January 2007 (Special) (Paragraph 2)]

7 Employee Implications

- 7.1 None.

8. Financial Implications

- 8.1 All financial implications have been highlighted as part of the original reports to the special meetings of the Executive, Housing and Technical Resources and Finance and Information Technology Resources Committees.

9. Other Implications

- 9.1 Any implications have been highlighted as part of the original reports to the special meetings of the Executive, Housing and Technical Resources and Finance and Information Technology Resources Committees.

10. Consultation

- 10.1 No consultation is required in terms of the recommendations contained within this report.

Archibald Strang
Chief Executive

8 February 2007

Link(s) to Council Objectives

- ◆ Living in the Community
- ◆ Managing Resources

Previous References

Minutes of Executive Committee (Special) of 6 February 2007 (Paragraphs 3, 4, 5 and 6)

List of Background Papers

Reports submitted to Executive Committee (Special) of 8 February 2007

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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